

A new era
One Mind
Strategic Insight
Reaching New Heights

**Annual
Report
2024**

A new era
One Mind
Strategic Insight
Reaching New Heights

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SHB view 2025 as a pivotal year in our transformation journey, marked by efforts to enhance internal capabilities while sustaining strong growth momentum.

Mr. Do Quang Hien
Chairman



CHAIRMAN'S MESSAGE

Dear our valued customers, partners, stakeholders, and investors,

On behalf of the Board of Directors, the Board of Supervisors, the Board of Management, and all SHB employees, I would like to extend my sincere appreciation and best wishes to our valued customers, partners, shareholders, and investors who have consistently placed their trust in and supported SHB. Your trust remains the driving force that inspires SHB to continuously grow, strengthen our market position, successfully execute strategic goals, and contribute effectively to the national economy and society.

Dear Esteemed Stakeholders,

SHB has undergone more than three decades of development, marked by significant achievements. Throughout this proud journey, SHB has consistently been a pioneer, actively responding to and implementing key national policies. We have played a vital role in restructuring the banking system through mergers and acquisitions and have served as an important source of funding for major national infrastructure projects, green and renewable energy, clean agriculture, export sectors, supporting industries, and high-tech applications. Simultaneously, we have introduced multiple preferential credit packages aligned with the Government's and the State Bank of Vietnam's directives to support individuals and businesses.

In recognition of our contributions to the country's socio-economic development, SHB was honored with two Second-Class Labor Medals, a Third-Class Labor Medal, and numerous other prestigious awards. Today, SHB ranks among the Top 5 most reputable private commercial banks in Vietnam—distinguished by its extensive network and strong financial capacity—as well as the Top 10 joint-stock commercial banks nationwide; the Top 50 outstanding enterprises in Vietnam; the Top 100 ASEAN banks; and the Top 500 banking brands globally.

Over our 32-year journey, SHB has consistently pursued well-defined, differentiated strategic objectives tailored to each stage of development. In 2024, despite ongoing challenges, SHB successfully exceeded all targets approved by the Annual General Meeting of Shareholders (AGM). Total assets surpassed VND 747 trillion, up 18.6% year-on-year. Pre-tax profit reached VND 11,569 billion, marking a 25% increase compared to 2023. Total outstanding credit approached VND 534 trillion, representing 18.2% growth. Our cost-to-income ratio (CIR) stood at 24.4% – among the lowest in the industry – thanks to comprehensive digitalization and technology integration across operations and services. Return on Equity (ROE) reached 21.4%, reaffirming SHB's leading profitability in the sector.

The international credit rating agency, Moody's, affirmed SHB's B1 rating, reflecting the Bank's enhanced operational efficiency, safety, and sustainability amid volatile markets.

SHB consistently adheres to stringent risk management practices. Our Capital Adequacy Ratios (CAR) exceed regulatory requirements, with a CAR above 12% under Basel II and liquidity risk ratios meeting Basel III standards. We also maintained our non-performing loan within targets as approved by the AGM.

In 2024, SHB distributed 2023 dividends at a rate of 5% in cash and 11% in shares, raising our charter capital to VND 40,658 billion and reinforcing our position among the Top 5 largest private banks in Vietnam. We remain committed to delivering long-term value to shareholders, maintaining an average dividend yield ratio of 10 – 18% over the past five years. SHB was also among the first three credit institutions to list shares on the Vietnamese stock market and is currently included in the VN30 index.

CHAIRMAN'S MESSAGE

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32 years of growth stand as a testament to SHB's unwavering commitment to sustainability, prudence, and adaptability – accompanying the nation, boldly pioneering and leading the market forward.

...

In 2024, Bank of Ayudhya Public Company Limited (Krungsri) proposed acquiring the remaining 50% of SHB Finance's charter capital, ahead of the timeline outlined in phase 2 of the capital transfer agreement. SHB previously completed the transfer of a 50% stake to Krungsri in 2023. This full divestment further enhances our capital base and strengthens shareholders' interests.

We are also progressing with the divestment of our capital from Saigon - Hanoi Laos Single-Member Limited Liability Bank (SHB Laos) and Saigon - Hanoi Cambodia Single-Member Limited Liability Bank (SHB Cambodia). SHB (and our investors) signed an agreement to fully transfer its equity stake in SHB Laos and is finalizing regulatory procedures.

Internationally, SHB is a trusted partner of leading global institutions such as the World Bank (WB), International Finance Corporation (IFC), Asian Development Bank (ADB), KfW, and AWS. Domestically, we have signed strategic partnership agreements with major corporations, government bodies, and industry associations with extensive ecosystems and supply chains.

In parallel with efforts to strengthen our financial position, SHB remains committed to effectively implementing policies issued by the Government and the State Bank of Vietnam to support both businesses and individuals. Over the past year, as one of the first banks to respond, we promptly launched preferential credit programs worth tens of trillions of VND for new customers, while introducing interest rate reductions and fee waivers for existing clients. In addition, we provided non-financial support to help businesses recover and sustain their operations.

Upholding our commitment to corporate social responsibility, SHB actively participates in community development, particularly in education, healthcare, culture, sports, and social welfare. In sports, SHB has proudly supported the Vietnamese national football team – most notably during the 2024 ASEAN Cup – reflecting our passion and belief in advancing Vietnamese football on the Asian stage.

Dear valued stakeholders,

Looking ahead, 2025 presents both opportunities and challenges for the global and Vietnamese economies. Guided by the strategic direction of the Party, the Government, and the State Bank of Vietnam — and backed by our thorough and continuous assessments of the domestic and global landscapes, SHB remains steadfast in its commitment to supporting economic and social development through efficient, safe, and sustainable operations. We view 2025 as a pivotal year in our transformation journey, marked by efforts to enhance internal capabilities while sustaining strong growth momentum.

SHB is steadily progressing toward its 2028 vision: to become the most efficient bank, the most favored digital bank, the premier retail bank, and the primary provider of financial products and services to strategic private corporate and state-owned corporate clients. This vision is anchored by a green supply chain, value chain, and ecosystem. By 2035, we aspire to be a modern retail bank, a green bank, and a digital bank ranked among the regional leaders.

We are channeling resources into executing our comprehensive Transformation Strategy, built upon four pillars: institutional, policy, and process reform; people-centricity; customer and market-centricity; and IT modernization and digital transformation. This strategy is firmly rooted in SHB's six core values: Heart – Faith – Trustworthiness – Knowledge – Wisdom – Greater Heights.

To realize these goals, SHB focuses on closely adhering to our key strategic directions and implementing them comprehensively across all areas.

SHB continues to be unwavering in its customer and market-centric approach, aiming to enhance its business model by delivering optimal value to customers. By leveraging advanced technologies and continuously evolving to meet customer needs, we are developing comprehensive financial and non-financial solutions.

As a major source of funding for the priority sector, SHB aligns credit growth with the Government's socio-economic strategy, focusing on transport infrastructure, renewable energy, rural development, high-tech industries, and environmentally sustainable sectors. Our credit growth continues to rise across corporate ecosystems, value chains, and supply chains - particularly in areas such as green finance, the circular economy, smart consumer finance, and deeply integrated open banking into customers' digital ecosystem - while maintaining and expanding offerings for our existing profitable customers.

SHB is accelerating digital transformation across all business and management functions. Through investments in digital infrastructure, talent, and operations, we are leveraging cutting-edge technologies via strategic partnerships with global leaders such as SAP, SAP Fioneer, AWS, and Google - driving innovation, delivering outstanding products, and moving steadily toward our transformation goals.

A cornerstone of our transformation is the 'Bank of the Future' (BOF) initiative, which aims to redefine SHB's competitiveness and service capabilities. –Over the next two years, key outcomes will include advanced digital services, fully digitized customer journeys, enhanced customer experiences, greater automation, data-driven growth, and a modernized core banking platform.

We regard human capital as a strategic pillar of our competitiveness and sustainable growth. In 2025, SHB will intensify efforts to attract, train, develop a succession plan for, and nurture high-caliber professionals who are not only highly qualified and ethical but also visionary, adaptable, bold, and committed. We are also building a digitally capable workforce to meet the demands of the 4.0 era and the ongoing trend of banking digitalization. We encourage every employee to become a proactive driver of transformation, continuous learning, unity, and innovation - fueled by a shared aspiration to serve and create value for themselves, the organization, and the country.

CHAIRMAN'S MESSAGE

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SHB will continue to connect resources, ignite the national spirit, and move forward as one – united in purpose and guided by a visionary mindset – to reach new heights and bring prosperity to our customers, partners, investors, shareholders, and the wider community, contributing to Vietnam's advancement into a new era of national rise.

...

SHB is enhancing governance and operational efficiency by optimizing our organizational structure into a lean and effective organization, decentralizing decision-making, delegating, and empowering human resources. We are accelerating digitization efforts, process automation, and technology adoption to facilitate enhanced governance and risk management, reduce costs, enhance security, and elevate customer satisfaction, laying a strong foundation for sustainable growth in the digital era.

We continue to strengthen risk management and compliance practices in line with international standards. Preventing corruption, waste, and misconduct remains a long-term strategic priority, reflecting our firm commitment to a transparent, equitable, and efficient workplace.

Looking ahead, SHB is focusing on forecasting and applying scientific advancements to develop innovative solutions and fully leverage digital transformation to drive breakthroughs. Aligned with the Government's strategy on innovation and digitalization, we continue to invest in the latest technologies to optimize processes, enhance customer experience, and deliver secure, convenient, and modern banking services. Strategic partnerships with leading international technology corporations and financial institutions will further reinforce SHB's competitive edge and unlock new avenues for future growth.

Alongside business growth, SHB remains firmly committed to contributing to national prosperity through community initiatives and supporting poor and vulnerable groups. Our goal is to foster and share meaningful values that contribute to national development.

In 2025, SHB targets total assets exceeding VND 832 trillion, charter capital of VND 45,942 billion, and pre-tax profit of VND 14,500 billion - representing a 25% increase compared to 2024. The Bank also aims for credit growth of 16% while maintaining the non-performing loan (NPL) ratio below 2%.

With a legacy of 32 years and a solid financial foundation, the Board of Directors, the Board of Management, and all SHB employees are dedicated to building a united and determined workforce - driven by innovation, confidence, self-reliance, national pride, and a continuous pursuit of improvement in mindset and capability. Together, we aim to achieve the strategic goals and targets set by the AGM. SHB will continue to connect resources, ignite the national spirit, and move forward as one - united in purpose and guided by a visionary mindset - to reach new heights and bring prosperity to our customers, partners, investors, shareholders, and the wider community, contributing to Vietnam's advancement into a new era of national rise.

Thank you very much,

Chairman of the Board of Director

A handwritten signature in blue ink, consisting of stylized, overlapping loops and vertical strokes, representing the name Đỗ Quang Hiển.


Đỗ Quang Hiển



One heart
One mind

For over

Three pioneering
decades



32 years of growth stand as a testament to SHB's unwavering commitment to sustainability, prudence, and adaptability - accompanying the nation, boldly pioneering and leading the market forward.





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1. VISION, MISSION AND CORE VALUES

Vision

By 2028, SHB aims to become

- The Most Efficient Bank
- The Most Preferred Digital Bank
- The Leading Retail Bank
- The primary provider of financial services to strategic corporate customers with a green supply chain, value chain and ecosystem

Vision toward 2035

- SHB will become a modern retail bank
- A green bank
- A top-tier digital bank in the region



Mission

Emerging as the foremost destination for dependable financial solutions, we prioritize empathy and customer insight at every step of our customers' journey. Our approach integrates a sophisticated and comprehensive range of products and services, blending modern innovation with timeless principles. We are dedicated to adding value to even the smallest requirements of each customer, ensuring their needs are met with excellence and care.

Establishing an optimal workplace culture where every employee is regarded as an integral part of the organization, valued, continuously trained, and fully engaged in driving both the Bank's growth and their own personal success.

Ensuring shareholder rights are safeguarded and delivering lasting value through an alternative strategy emphasizing sustainable and efficient growth.

1. VISION, MISSION AND CORE VALUES

Over the past 32 years, SHB has remained true to its core values - principles that guide every action and decision. These six values form the foundation of our brand philosophy and corporate culture, earning the trust of shareholders, partners, customers, employees, and the wider community:

6 CORE VALUES



HEART

At SHB, **HEART** is at the core of everything we do. It represents the spirit that drives us - the foundation of excellence that shapes all other human qualities. Guided by this, we serve our shareholders, partners, customers, employees, and society with sincerity and purpose.



FAITH

FAITH means unwavering belief in our goals. We trust in our own abilities and strengths, in each other, and in the vision of our Board and leadership. This belief fuels our journey toward a new era of national growth.



TRUSTWORTHINESS

TRUSTWORTHINESS is the basis of every relationship. At SHB, earning and maintaining trust is essential to our reputation. It's how we build strong, lasting partnerships in the financial market.



KNOWLEDGE

We view **KNOWLEDGE** as a combination of understanding, skills, and continuous learning. In today's digital age, our people are committed to growing their expertise and reaching international standards of excellence.



WISDOM

WISDOM guides us in navigating complexity and making sound decisions. At SHB, we turn knowledge into action - transforming challenges into opportunities and delivering meaningful results.



GREATER HEIGHTS

After more than three decades of growth, SHB has reached **GREATER HEIGHTS**, standing among Vietnam's top five private joint-stock commercial banks. Looking ahead, we are determined to pursue even bolder goals. By 2035, our vision is to become a modern retail bank, a green bank, and a top-tier digital bank in the region.

2. THE BOARD OF DIRECTORS

The board of Directors

Mr. Do Quang Hien

Board Chairman

Mr. Do Quang Hien, born in 1962, graduated as a Radio Physics Engineer from Hanoi University. He has a rich professional background and extensive experience.

He served at SHB and was elected Vice Chairman of the Board of Directors from 2005 to 2008. Since 2008, he has held the position of Chairman of the Board of Directors at SHB.

With four decades of experience in business management, finance, and banking, he has held prominent roles including Chairman and CEO at T&T Group Joint Stock Company, Saigon - Hanoi Securities Joint Stock Company, and Saigon - Hanoi Insurance Joint Stock Company. Prior to that, he contributed his expertise to organizations such as Hanoi Radio & Television Broadcasting, Hanoi Electronics Company (Hanel), and the National Institute of Technology Research.

In addition to his corporate roles, Mr. Do Quang Hien holds numerous key positions:

- Chairman of Hanoi Association of Small and Medium Enterprises (Hanoisme);
- Vice Chairman of Vietnam Association of Small and Medium Enterprises (Vinasme);
- Member of the Central Committee of the Vietnam Fatherland Front;
- President of Hanoi National University Businessmen Alumni Club.

Throughout his illustrious career, he has been honored and recognized for his outstanding contributions to various fields:

- First-Class Labor Medal in 2019, Second-Class in 2013, Third-Class in 2008, awarded by the President of the Socialist Republic of Vietnam;
- “Asia Pacific Entrepreneurship Awards 2017”, honored by Enterprise Asia magazine;
- “Honorary Doctor” in Russia;
- “Outstanding Capital Citizen 2018” awarded by Hanoi People’s Committee;
- “Emulation Individual” awarded by Hanoi People’s Committee in 2001;
- Title “Portrait of Bach Thai Bui” awarded by the Ministry of Industry in 2008;
- “Outstanding Vietnamese Businessman” awarded by Hanoi People’s Committee for many years;
- Recognized by the Council of Science and Innovation - Hanoi People’s Committee for contributions to social innovation, along with many other Certificates of Merit.

The board of Directors



Mr. Do Quang Vinh

Board Vice Chairman cum Deputy CEO

Mr. Do Quang Vinh, born in 1989, obtained a Master's degree in Finance and Business Administration from the University of East Anglia, London.

Mr. Do Quang Vinh has been employed at SHB since 2011. From April 2023, he has served as the Vice Chairman of the Board of Directors.

With 14 years of experience in banking and finance, he currently holds multiple key positions at SHB, including Vice Chairman of the Board of Directors, Deputy CEO and Chief Digital Banking officer.

He also serves as Chairman of the Board of Directors at Saigon - Hanoi Securities Joint Stock Company (SHS) and Chairman of the Board of Directors at Saigon - Hanoi Insurance Corporation (BSH).

He was honored with the "Asia Pacific Entrepreneurship Awards in Financial Services" in 2022 by Enterprise Asia magazine.



Mr. Thai Quoc Minh

Board Member

Mr. Thai Quoc Minh, born in 1960, holds a Master's degree in Business Administration from Edith Cowan University, Australia.

He has served as a Member of the Board of Directors since 2017;

With 41 years of experience in the banking and finance sector, Mr. Thai Quoc Minh has held various notable positions:

Member of the Board of Directors of Unitel Telecommunications Infrastructure Development and Technology Joint Stock Company;

Vice Chairman of the Board of Directors of Vinaconex Trade Development Joint Stock Company;

Member of the Board of Directors of Vinaconex - Viettel Joint Stock Finance Company;

Vice Chairman of the Board of Directors of Vietnam Expressway Services Joint Stock Company.



Ms. Ngo Thu Ha

Board Member and CEO

Ms. Ngo Thu Ha, born in 1973, holds a PhD in economics and has 31 years of experience in the banking and finance sector. She is a member of CPA Australia and was honored as the “Asian Entrepreneur of the Year” at the 2024 Asia Pacific Enterprise Awards (APEA).

Since 2008, Ms. Ngo Thu Ha has been a part of SHB. She assumed the role of CEO from September 2022 and continues to serve in that capacity. Additionally, she was elected as a member of the Board of Directors of SHB in April 2023.

From 2011 to August 2022, Ms. Ngo Thu Ha served as Deputy CEO of SHB. Concurrently, she held various other significant roles within the Bank:

- Chief Financial Officer;
- Member of the Board of Directors of SHS;
- Member of the Board of Members of SHBFinance;
- Director of SHB Finance and Planning Department;
- Director of SHB AMC;



Mr. Pham Viet Dan

Board Member

Mr. Pham Viet Dan, born in 1974, holds a Master's degree in Business Administration in Banking and Finance from ULB University (Université Libre de Bruxelles), Belgium. He was elected as a member of the Board of Directors in April 2023.

With 23 years of experience in the banking and finance industry, Mr. Pham has spent 8 years at SHB, where he has held several key positions, including Chief Risk Officer from September 2016 to September 2022 and member of the Board of Members of SHBFinance.

Additionally, he held significant positions at other major banks such as Vietnam Import-Export Commercial Joint Stock Bank (Eximbank) and HSBC Vietnam Bank Limited.

The board of Directors



Mr. Do Van Sinh

Independent Board Member

Mr. Do Van Sinh, born in 1961, holds a PhD in economics from the Ho Chi Minh National Academy of Politics. He has served as an Independent Member of the Board of Directors since April 2022;

Mr. Do Van Sinh has 39 years of management experience in finance and has held several senior positions, including:

- Head of the Financial Planning Department and Deputy CEO of Vietnam Social Insurance;
- Member of the 14th National Assembly for the 2016-2021 term;
- Standing Committee Member of the Economic Committee of the 14th National Assembly from July 2016 to July 2021.

The board of Supervisors



Mr. Pham Hoa Binh

Head of Board of Supervisors

Mr. Pham Hoa Binh, born in 1961, obtained a Bachelor of Economics degree, majoring in Finance - Credit from the Banking Academy.

He has been with SHB since 2006 and has held the position of Head of the Board of Supervisors since 2012.

With 35 years of experience in banking and finance, he has held several key positions, including:

- Head of SHB Internal Audit Committee;
- Member of SHB Board of Supervisors;
- Chief Internal Auditor at SHB;
- Chief Inspector of the State Bank Can Tho branch;
- Deputy Director of Saigon Industry and Trade Joint Stock Commercial Bank - Can Tho branch;



Ms. Le Thanh Cam

Full-time member

Ms. Le Thanh Cam, born in 1967, holds a Master's degree in Business Administration from Pacific Western University in the US and a Bachelor's degree in Banking and Finance from the National Economics University.

She has been a part of SHB since 2013 and has served as a full-time member of the Board of Supervisors since 2020.

With 35 years of experience in the banking and finance sector, she has held various significant positions, including:

Deputy Chief Internal Auditor;
Director of ABBANK Treasury and Foreign Exchange Trading Division;
Deputy Director of Risk Management Division at Maritime Bank;
Director of Internal Audit at Maritime Bank.



Mr. Vu Xuan Thuy Son

Full-time member

Mr. Vu Xuan Thuy Son, born in 1981, earned a Bachelor's degree in Banking and Finance from The National Economics University. He has been employed at SHB since 2011 and has served as a full-time member of the Board of Supervisors since April 2022.

During his tenure at SHB, Mr. Vu Xuan Thuy Son held various positions within the Internal Audit Department:

Deputy Head (August 2012 to June 2016);

Deputy Chief Internal Auditor (July 2016 to April 2022);

With 22 years of experience in the banking and finance sector, he brings valuable expertise to his current role.

The Board of management and Chief Accounting officer



Ms. Ngo Thu Ha

Board Member and CEO

Ms. Ngo Thu Ha, born in 1973, holds a PhD in economics and has 31 years of experience in the banking and finance sector.

Ms. Ngo Thu Ha has been a part of SHB since 2008. She assumed the role of CEO from September 2022 and continues to serve in that capacity. Additionally, she was elected as a member of the Board of Directors of SHB in April 2023.

From 2011 to August 2022, Ms. Ngo Thu Ha served as the Deputy CEO of SHB. Concurrently, she held various other significant roles within the organization:

- Chief Financial Officer;
- Member of the Board of Directors of SHS;
- Member of the Board of Members of SHB Finance;
- Director of SHB Finance and Planning Department;
- Director of SHB AMC.

Mr. Do Quang Vinh

Board Vice Chairman cum Deputy CEO

Mr. Do Quang Vinh, born in 1989, obtained a Master's degree in Finance and Management from the University of East Anglia, London.

Since 2011, Mr. Do Quang Vinh has been working at SHB. He was appointed Deputy CEO in October 2021 and elected Vice Chairman of the Board of Directors in April 2023.

With 14 years of experience in banking and finance, he previously held key positions at various financial institutions, including Chairman of the Board of Members – Saigon - Hanoi Commercial Joint Stock Bank Finance Company Limited; the Director of Financial Investment at T&T Group. He is currently the Chairman of the Board of Directors at both Sai Gon – Ha Noi Insurance Corporation (BSH) and BVIM Fund Management JSC.



Mr. Do Duc Hai

Deputy CEO

Mr. Do Duc Hai, born in 1982, earned a Bachelor's degree in Banking and Finance from the National Economics University.

He has been with SHB since 2012 and was appointed Deputy CEO since January 2021. With 21 years of experience in the banking and finance sector, Mr. Do Duc Hai served as the Head of Corporate Banking Department and Branch Manager at Habubank, prior to its merger with SHB.

He also served as Board Vice-Chairman and Deputy CEO, Director of the Van Phuc Branch, Chief Investment Banking Officer, Chief Corporate Banking Officer; Chairman of the Board of Directors and Chairman of the Executive Committee of two subsidiary banks: Saigon - Hanoi Laos Single-Member Limited Liability Bank and Saigon - Hanoi Cambodia Single-Member Limited Liability Bank.



Mr. Le Dang Khoa

Deputy CEO

Mr. Le Dang Khoa, born in 1974, holds a Master's degree in Business Administration from the National Economics University.

He has been with SHB since his appointment as Deputy CEO in March 2009, a position he continues to hold. Additionally, he serves as Chief Treasury Officer.

Previously, Mr. Le Dang Khoa served as Director of Treasury & Foreign Exchange Division at VIB, gaining 25 years of experience in banking and finance.

The Board of management and Chief Accounting officer



Ms. Ninh Thi Lan Phuong

Deputy CEO

Ms. Ninh Thi Lan Phuong, born in 1974, earned a Master's degree in Banking and Finance from the Banking Academy.

She has been a part of SHB since 2007 and was appointed Deputy CEO in June 2012. Additionally, since February 2016, she has served as the Chair of the Board of Members of SHB AMC.

With 30 years of experience in finance and banking, she has held several significant positions, including:

- Chief Operation Officer;
- Chief Accountant;
- Head of Treasury Customer Service Department;
- Deputy Head of SHB Accounting Department;

Mr. Nguyen Huy Tai

Deputy CEO

Mr. Nguyen Huy Tai, born in 1974, holds a Bachelor's degree in Credit Finance from the Banking Academy and a Bachelor's degree in Law from Hanoi Law University. He has been with SHB since 2007 and currently serves as Deputy CEO and Director of SHB Hanoi Branch since February 2013.

Throughout his career, Mr. Nguyen Huy Tai has held various significant positions:

Chief Problematic Debt Management and Resolution Officer;

Branch Manager at Bac A Bank;

With 30 years of experience in banking and finance, he brings extensive expertise to his current roles at SHB.



Ms. Ngo Thi Van

Chief Accounting Officer

Ms. Ngo Thi Van, born in 1980, graduated with a major in Auditing and holds a Master's degree in Business Administration from the National Economics University.

She has been with SHB since 2008 and was appointed as Chief Accounting Officer and Director of Accounting Department in 2014.

With 22 years of experience in accounting, finance, and banking, she has held several significant positions, including:

- Deputy Director of Finance and Accounting Department at SHB;
- Head of Finance and Accounting Department at SHB.

Executive team



Mr. Nguyen Dinh Duong

Chief Internal Auditor

Mr. Nguyen Dinh Duong, born in 1977, holds a Master's degree in Business Administration, a Bachelor's degree in Law, and a Bachelor's degree in banking and finance.

He joined SHB in 2007 and currently serves as Chief Internal Auditor, a position he has held since 2016. Additionally, he has been a Member of the Board of Directors and Chairman of the Audit Committee of SHB Laos since 2015, and Vice Chairman of the Board of Directors of SHB Laos since 2022.

With 26 years of experience in banking and finance, Mr. Duong has held several key positions, including Head of Internal Audit Department, Head of SHB Problem Debt Management and Handling Department, and Head of the Board of Supervisors of SHS.



Mr. George Asgari

*Chief Transformation Officer and
Chief Digital Officer*

Mr. George Asgari, born in 1973, holds a Postgraduate degree in Business and Innovation from York St. John University, UK and a Bachelor of Aeronautical Engineering from the United States Air Force Academy, USA.

With over 25 years of international experience as a C-suite executive and transformation specialist, he is leading the execution of SHB's transformation and digitalization plan.

Mr. Asgari held numerous senior leadership positions at world-leading financial and technology corporations including: Regional Vice President and Head of Strategic Architecture Practice; Japan + APAC (Salesforce, Australia); Group CTO - Digital Wealth Management and Insurance (HSBC, Hong Kong); Global Director - Financial Services Industry Solutions (SAP, Germany); APAC CTO - Retail, Wealth & Institutional Banking (ANZ Banking Group) and other leading technology corporations such as IBM, Microsoft, and Google Asia.



Mr. Dinh Ngoc Dung

Chief Corporate Banking Officer

Mr. Dinh Ngoc Dung, born in 1976, holds a Master's degree from the National Economics University.

He joined SHB in 2012 and currently serves as the Chief Corporate Banking Officer as of July 18, 2024.

With 21 years of experience, Mr. Dung has demonstrated his expertise in the banking and finance sector. He previously served as Director of the Credit Underwriting Center at SHB.



Mr. Vu Tuan Anh

Chief Credit Officer

Mr. Vu Tuan Anh, born in 1982, holds a Bachelor's degree in Foreign Economics from the Foreign Trade University.

He joined SHB in 2014 and currently serves as Chief Credit Officer since January 17, 2023.

With 21 years of experience, Mr. Vu has held various positions, showcasing his expertise and dedication to the banking and finance industry. He has previously served as the Acting Chief Corporate Banking Officer and held the role of Director at SHB Ham Long Branch and SHB Hanoi.



Mr. Dong Xuan Hoa

Acting Director of MKT and Branding Division

Mr. Dong Xuan Hoa, born in 1977, brings 21 years of experience in communications and brand development to his role.

He joined SHB in 2022 and serves as Deputy Chief Communication Officer as of January 2024.

Prior to SHB, Mr. Hoa worked for Vietnam Investment Review and held notable positions, including Head of Communications at leading banks and organizations such as VP Bank.



Nguyen Thi Thuy Phuong

Chief Operations Officer

Ms. Nguyen Thi Thuy Phuong, born in 1978, holds a Master's degree in Finance and Banking from Paris Dauphine University and ESCP Europe.

She joined SHB in 2007 and has served as Chief Operations Officer since August 1, 2024.

With over 23 years of experience, Ms. Phuong has held key leadership roles, including Director of SeABank Payment Center, Director of SHB International Banking Center, and Deputy Chief Operations Officer.



3. General information

3.1 Overview of SHB

■ Trading name:	
- Full name in Vietnamese:	Ngân hàng TMCP Sài Gòn – Hà Nội
- Full name in English:	Saigon Hanoi Commercial Joint Stock Bank
- Abbreviation in English:	SAHABANK
■ Business registration certificate number:	1800278630 issued by Hanoi Department of Planning and Investment.
- First registration:	on December 10, 1993
- 35rd amendment:	on July 02, 2024
■ Charter capital:	VND 36,629,085,000,000
■ Owners' equity:	VND 58,067,344,000,000
■ Address:	No 77 Tran Hung Dao, Hoan Kiem Dist, Hanoi City.
■ Phone:	(024) 3942 3388
■ Fax:	(024) 3941 0944
■ Website:	www.shb.com.vn
■ Ticker code:	SHB

3.2. SHB Development Timeline

Saigon - Hanoi Commercial Joint Stock Bank (SHB), formerly Nhon Ai Rural Commercial Joint Stock Bank, was established in 1993 in Can Tho City. In 2006, SHB officially changed its name to Saigon - Hanoi Commercial Joint Stock Bank, relocated its headquarters to Hanoi, and listed its shares on the Hanoi Stock Exchange in 2009. As of December 31, 2024, SHB had established a network of 587 domestic and international transaction offices across 50 provinces and cities. The Bank's total assets reached VND 747 trillion, ranking it among the five largest private commercial joint stock banks in Vietnam.

13.11.1993

Date of establishment:

SHB was established on November 13, 1993, under Decision No. 214/QĐ-NH5 and Operating License No. 0041-NH/GP issued by the State Bank of Vietnam, under the original name of Nhon Ai Rural Commercial Joint Stock Bank. The Bank's business registration certificate, No. 1800278630, issued by the Department of Planning and Investment of Hanoi City, was amended for the 34th time on September 20, 2024.

20.04.2009

Date of listing:

SHB was listed on the Hanoi Stock Exchange under Decision No. 399/QĐ-SGDHN, with trading commencing on April 20, 2009.

1993



November 13, 1993: SHB was established in Can Tho as Nhon Ai Rural Commercial Joint Stock Bank with a charter capital of VND 400 million, focusing on serving the agricultural and rural sectors.

2005



2005: A historic meeting with the Chairman of Nhon Ai Rural Commercial Joint Stock Bank led to businessman Do Quang Hien becoming a major shareholder, gaining the trust to lead the Bank.

2006



2006: The Bank transitioned into an urban commercial joint stock bank and was renamed Saigon - Hanoi Commercial Joint Stock Bank (SHB), with a charter capital of VND 500 billion.

2007



2007: Two state-owned corporations, Vietnam National Coal and Mineral Industries Group and Vietnam Rubber Group, became strategic shareholders, with their representatives joining the Board of Directors for the 2007-2014 term, further enhancing SHB's reputation.

2008



2008: SHB moved its headquarters to Hanoi, marking a key turning point, and increased its charter capital to VND 2,000 billion.

2009



2009: SHB was among the first three banks to be listed on the Hanoi Stock Exchange.

2011



Charter capital increased to nearly VND 5,000 billion.

Continuing to be one of the leading joint stock commercial banks with strong growth and high profitability in the system.

SHB was awarded the Third-Class Labor Medal by the President of the Socialist Republic of Vietnam on its 18th anniversary.

2012



Implementing a strategy to extend presence in the region:

In February 2012, SHB opened a branch in Cambodia with a total investment of USD 37 million.

In September 2012, SHB opened a branch in Laos with a charter capital of over USD 5 million.

Following the policy of restructuring the banking industry:

SHB pioneered the merger with Hanoi Housing Bank (Habubank), a long-established financial institution in Vietnam. SHB assumed all payments and managed the associated debts for many years, contributing to the stabilization of the domestic banking and financial system and enhancing Vietnam's reputation internationally.

2013



On the occasion of its 20th anniversary, SHB was awarded the Second-Class Labor Medal from the President of the Socialist Republic of Vietnam.

Proudly affirming its role as a partner in national development, SHB has financed trillions of VND for many key national projects.

2014



SHB became the exclusive strategic financial partner of Manchester City in Indochina, enhancing the global presence and reputation of the Vietnamese brand.

2016



SHB officially launched wholly owned subsidiary banks in Laos and Cambodia, further expanding its regional presence.

In line with the Government and the State Bank of Vietnam's strategy and policies on restructuring weak credit and financial institutions, SHB completed the merger with Vinaconex - Viettel Consumer Finance Company and established SHB Consumer Finance Company, thereby completing its comprehensive financial ecosystem and expanding its consumer retail network.

SHB and FC Barcelona signed a strategic co-branding partnership agreement, elevating the SHB brand alongside globally renowned football clubs.

2018



SHB celebrated its 25th anniversary and was awarded the Second-Class Labor Medal for the second time from the President of Vietnam.

Successfully brought the Premier League Trophy to Vietnam, offering local fans a rare opportunity to view the prestigious championship trophy and contributing to promoting the image of Vietnam and its people to the world.

Strengthened its prestige by signing strategic cooperation agreements with two major international financial institutions – the International Investment Bank (IIB) and the International Bank for Economic Cooperation (IBEC) – unlocking new development opportunities and promoting bilateral trade between Eastern European countries and Vietnam.

2019



SHB became the first financial partner of Amazon – the global e-commerce giant – turning its sincere aspiration of supporting Vietnamese businesses in reaching the international market into reality.

2020



Demonstrating its commitment to supporting Small and Medium Enterprises (SMEs), SHB signed a comprehensive cooperation agreement with Vinasme to assist its member businesses. SHB also signed an onlending framework agreement with the Small and Medium Enterprise Development Fund (SMEDF) to support innovative start-ups and SMEs operating within industry clusters and value chains. These initiatives have been actively maintained and further promoted in subsequent years.

2021



Increase charter capital to VND 26,674 billion, affirming solid financial capacity.

In response to the needs of foreign investors, SHB transferred its stock listing from the Hanoi Stock Exchange (HNX) to the Ho Chi Minh City Stock Exchange (HOSE), strengthening its market position and meeting transparent governance standards in line with both domestic and international practices.

As part of its strategy to enhance financial capital quality, SHB signed an agreement to divest 100% of its stake in SHBFinance to Krungsri Bank (Thailand) – a member of the MUFG Group – thereby achieving capital gains while significantly reducing financial risks.

To strengthen international cooperation with leading partners, SHB engaged Boston Consulting Group (BCG) – one of the world's top three strategic consulting firms – as its strategic advisor for business development.

2022



In alignment with the Government's policies and global development trends, SHB, T&T Group, Vietnam Airlines, and Vietnam Railways Corporation (VNR) entered into a comprehensive strategic cooperation agreement on August 12, 2022.

Advancing its strategy of strengthening partnerships with leading national corporations, SHB signed cooperation agreements with Vietnam Airlines, Vietnam Railways Corporation, Vietnam National Textile and Garment Group (Vinatex), Vietnam Posts and Telecommunications Group (VNPT), and others.

SHB increased its charter capital to VND 30,674 billion, maintaining its position among the top 5 largest private joint stock commercial banks in terms of charter capital.

2023



SHB solemnly celebrated its 30th anniversary and was awarded the Third-Class Labor Medal by the State President.

SHB shares were included in the VN30 Index – comprising Vietnam's most prominent stocks. The Bank continued to increase its charter capital to VND 36,194 billion, rising to become one of the Top 4 largest private commercial banks in terms of charter capital.

SHB once again demonstrated its leading position by meeting IFC's stringent standards, officially signing a USD 120 million Loan Agreement with the International Finance Corporation (IFC) and joining IFC's Global Trade Finance Program (GTFP) with an initial trade finance guarantee limit of USD 75 million.

Further strengthening its international reputation, SHB signed a Memorandum of Understanding (MOU) with Busan Bank (a member of BNK Financial Group, Korea) to establish a partnership across multiple areas, particularly corporate banking, digital banking, and investment banking, fostering socio-economic development in both Vietnam and South Korea.

Expanded its network with the addition of 5 branches and 25 transaction offices, bringing the total number of domestic and international locations to 571.

2024

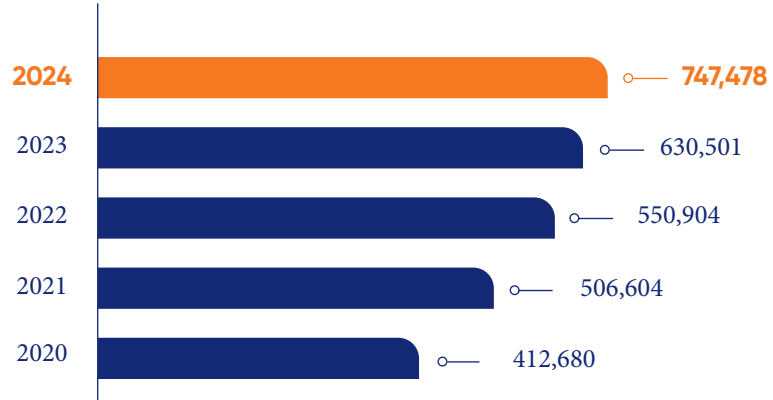


Building on the momentum of 2023, SHB is channeling its resources toward executing a bold and comprehensive transformation strategy. The Bank has set a strategic vision of becoming "the most efficient bank, the most favored digital bank, the premier retail bank, and the primary provider of financial products and services to strategic private and State corporate customers with a green supply chain, value chain and ecosystem".

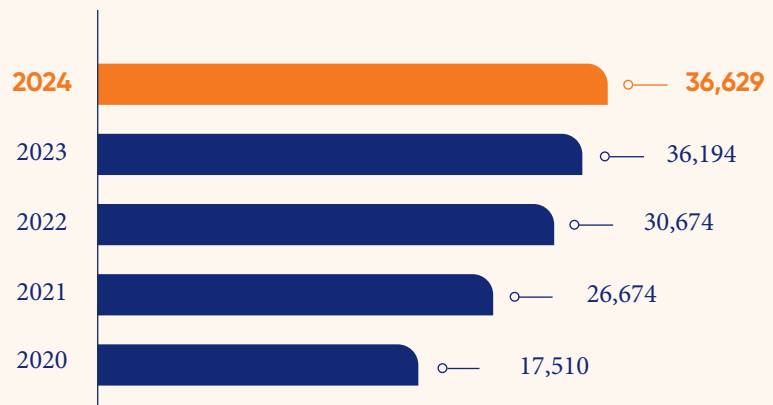
SHB increased its charter capital to VND 36,629 billion, laying a strong foundation for sustainable growth and consolidating its position among the Top 5 largest private commercial banks.

Key Performance Figures from 2019 to 2024

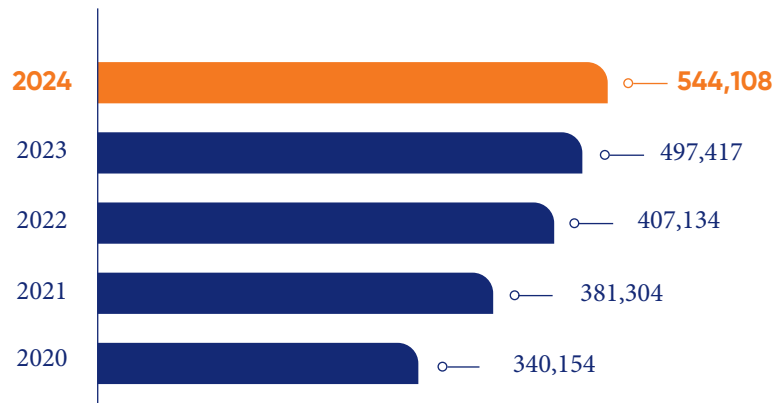
TOTAL ASSETS
747,478
(VND billion)



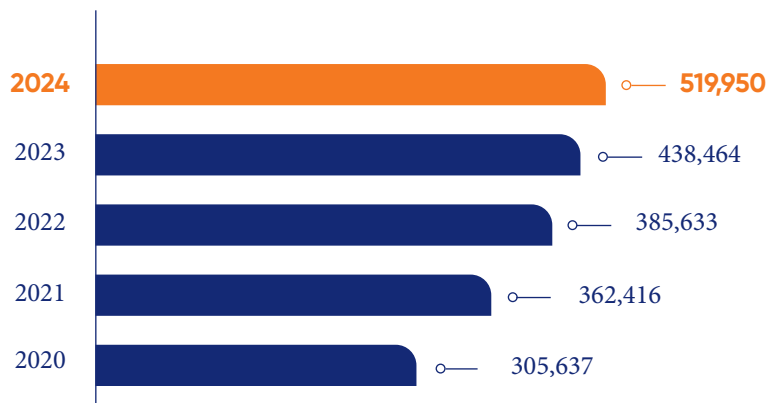
CHARTER CAPITAL
36,629
(VND billion)



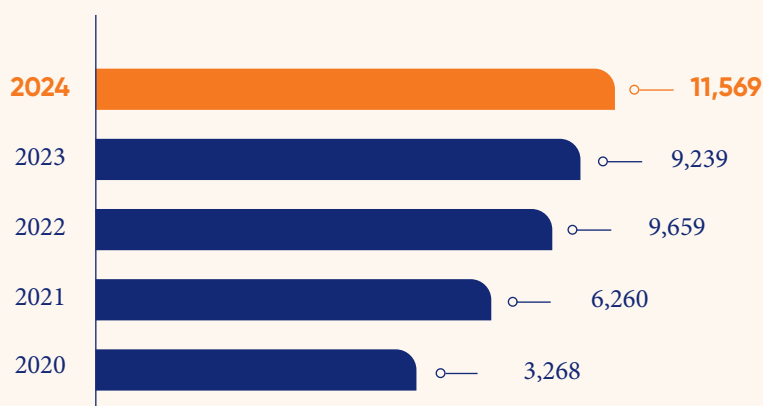
TOTAL DEPOSITS
544,108
(VND billion)



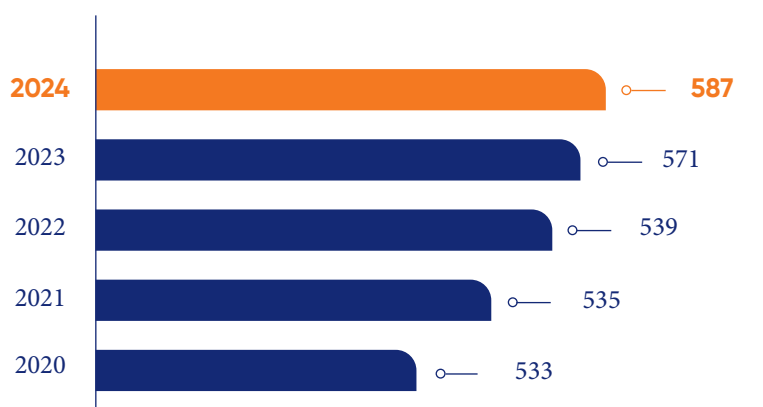
TOTAL LOANS
519,950
(VND billion)



PRE-TAX PROFIT
11,569
(VND billion)



**Number of
transaction offices**
587
(Transaction offices)



4. Business lines and network

4.1. Business lines

SHB continually innovates and tailors its financial products and services to meet the evolving needs of customers and shifting market trends.

SHB operates as a commercial bank in accordance with applicable law, regulations issued by the State Bank of Vietnam, and Operating license No. 115/GP-NHNN issued by the State Bank of Vietnam on November 30, 2018, which has been amended multiple times, the most recent under Decision No. 1669/QĐ-NHNN dated September 7, 2023. The Bank operates under Business registration certificate No. 1800278630 dated December 10, 1993, and registered for its 35th amendment by the Department of Planning and Investment of Hanoi City on July 2, 2024, as follows:

Capital mobilization:

Accepts demand deposits, term deposits, savings deposits, and other forms of deposits; issues certificates of deposit, promissory notes, treasury bills, and bonds; borrows from the State Bank of Vietnam through refinancing; and receives deposits and loans from domestic and foreign credit institutions, bank branches, and financial institutions;

Credit extension:

Provides credit in various forms including loans; discounting and rediscounting of negotiable instruments and other valuable papers; bank guarantees; credit card issuance; and domestic factoring.

Payment and treasury services:

Opens payment accounts for customers; offers domestic payment services; organizes internal payments and participates in the national interbank payment system; provides cash management, asset management, and safekeeping services; and offers locker and safe deposit rentals.

Consulting:

Provides banking and financial consultancy; corporate finance advisory; and consulting on mergers, acquisitions, divestments, and investments.



Buys and sells treasury bills, negotiable instruments, government bonds, State Bank bills, and other valuable papers on the money market; engages in transactions involving government and corporate bonds.

Foreign exchange:

Provides trading and services in both domestic and international markets; offers currency brokerage services.

Trust services:

Provides trusteeship, agency, and custodial services related to banking, insurance, and asset management.

Derivative products:

Offers commodity derivatives, government bond futures, and interest rate derivatives.

Provides securities depository services.

Other services:

Includes gold bar trading, debt purchasing, e-wallet services.



4.2. Business network

SHB's expanding reach and network

- As of December 31, 2024, SHB continued its strategic expansion efforts, growing its network to 587 transaction points across 50 provinces and major cities in Vietnam. These locations are strategically selected to serve regions with strong economic growth potential.
- Internationally, SHB has established a presence in three Southeast Asian countries: The Lao People's Democratic Republic (Vientiane, Champasack, Savanakheth), The Kingdom of Cambodia (Phnom Penh, Kampong Thom, Nehru,...), and Myanmar.

(For further information, please refer to the "Transaction office network" section on page 174)

4.3. Governance model, business model and organizational structure

4.3.1. Governance model:

SHB consistently prioritizes refining and innovating of its organizational structure to ensure governance is modern, streamlined, compliant, and efficient. This aligns with its strategic goal of becoming the most efficient bank, the most favored digital bank, the premier retail bank, and the primary provider of financial products and services to strategic private and state-owned corporate customers within a green supply chain, value chain and ecosystem.

4.3.2. Organizational structure

To optimize and focus resources on business development, SHB has streamlined its organizational structure, refining the roles and responsibilities of divisions, departments, and centers in a professional, effective, and comprehensive manner across the entire system.

SHB's governance structure comprises the General Meeting of Shareholders, Board of Directors, Board of Supervisors, and Chief Executive Officer, in accordance with the provisions of the Law on Credit Institutions 2024, specifically Article 40 concerning the governance structure of credit institutions.

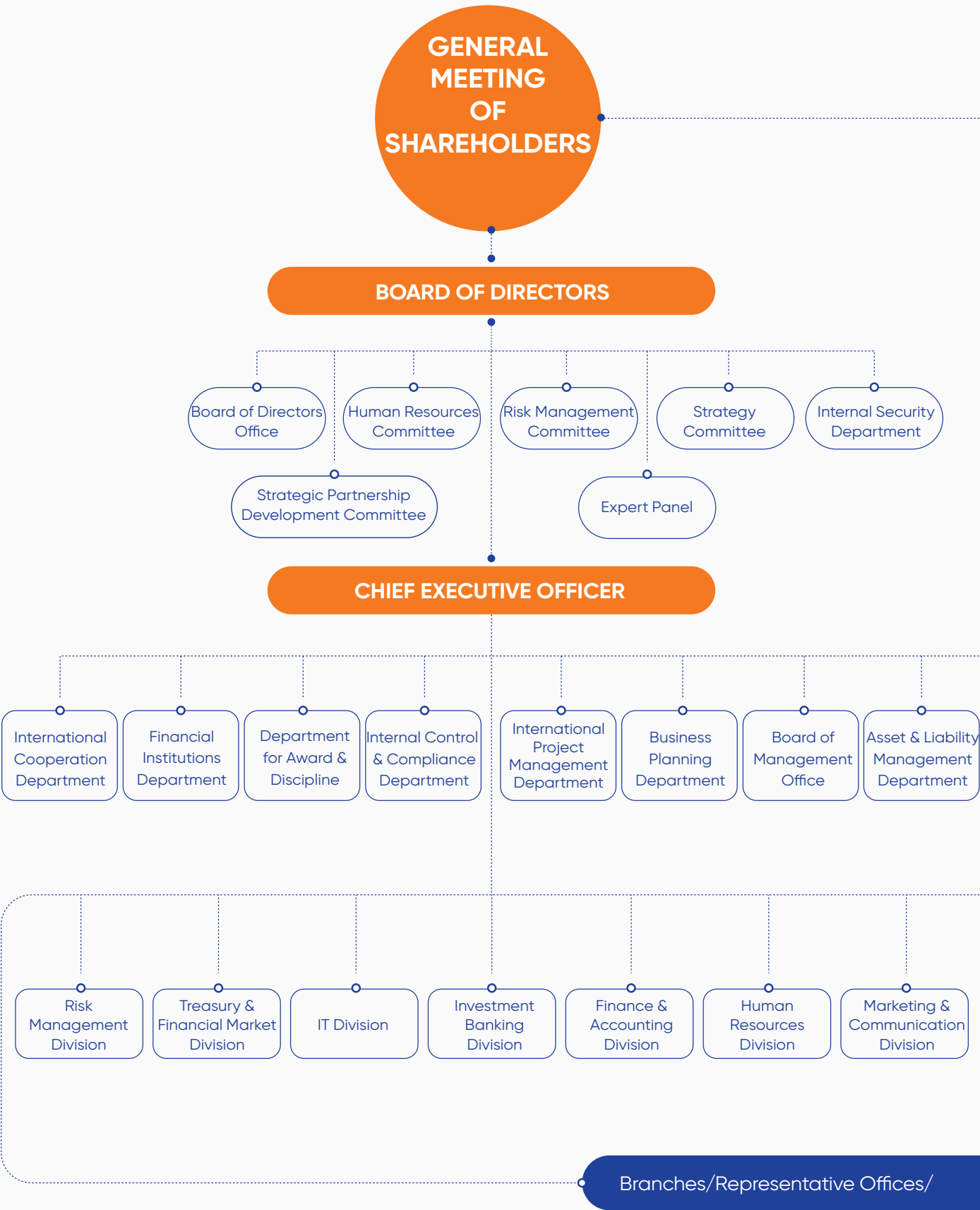
The General Meeting of Shareholders is the highest authority within the Bank.

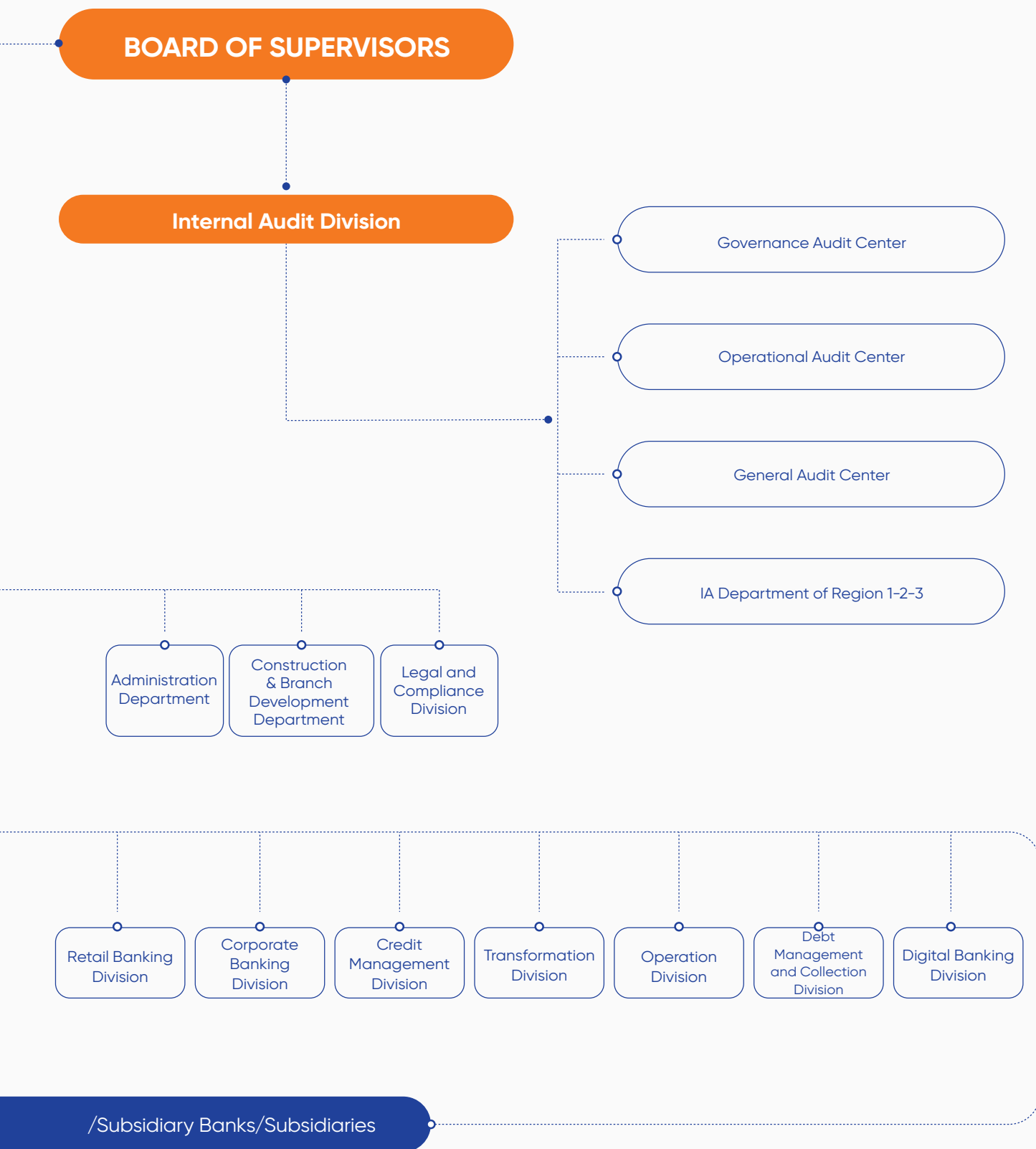
The Board of Directors serves as the highest governing body, with members elected by the General Meeting of Shareholders.

Committees, boards, and professional offices are established by the Board of Directors to perform tasks and exercise powers delegated by the Board, including the Human Resources Committee, Risk Management Committee, Strategy Committee, Board of Directors Office, and Internal Security Committee.

SHB encompasses both the Bank and its subsidiaries. The Bank includes units at the Head Office, branches, and transaction offices. The Head Office consists of divisions, departments, centers, and offices reporting to the Chief Executive Officer.

SHB Organizational Chart





4.3.3. Subsidiaries and affiliated companies

Company name	Address	Main business areas	Contributed charter capital	SHB's capital contribution	Holding Ratio
I. SUBSIDIARIES					
Domestic subsidiaries					
SHB Asset Management Single-Member LLC (SHAMC)	14th floor, 169 Nguyen Ngoc Vu building, Cau Giay, Hanoi	Debt management and asset exploitation	VND 20 billion	VND 20 billion	100%
Foreign Subsidiaries					
Saigon - Hanoi Laos Single-Member Limited Liability Bank	Lanexang Road, Hatsadytai Village, Chanthabuly District, Vientiane Capital, Lao People's Democratic Republic.	Finance, banking	VND 1,158 billion	VND 1,158 billion	100%
Saigon – Hanoi Cambodia Single-Member Limited Liability Bank	Building No. 107, Norodom Avenue, Boeng Rang Ward, Doun Penh District, Phnom Penh, Cambodia	Finance, banking	VND 1,749 billion	VND 1,749 billion	100%
II. AFFILIATE COMPANIES					
SHB Finance Single-Member LLC (SHB Finance)	GELEX Building, 52 Le Dai Hanh Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi City	Finance, banking	VND 1,000 billion	VND 500 billion	50%



1,235.01

0.00

25,187.70

7,645.05

12,411.80

27,752.93

210.95

149.16

23.26

1.41%

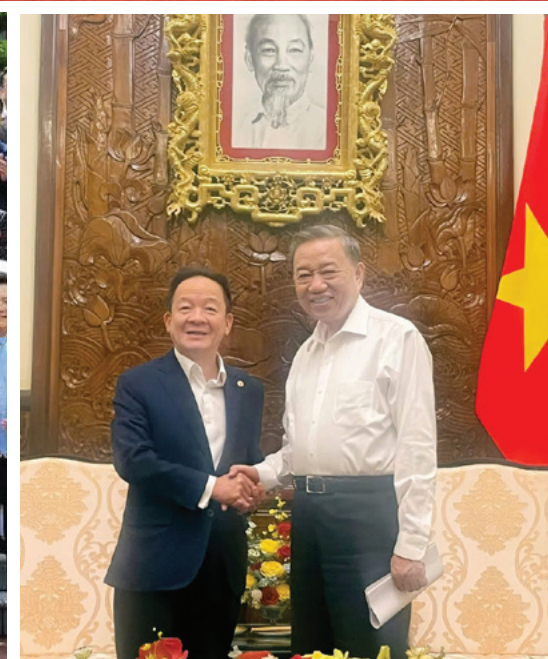
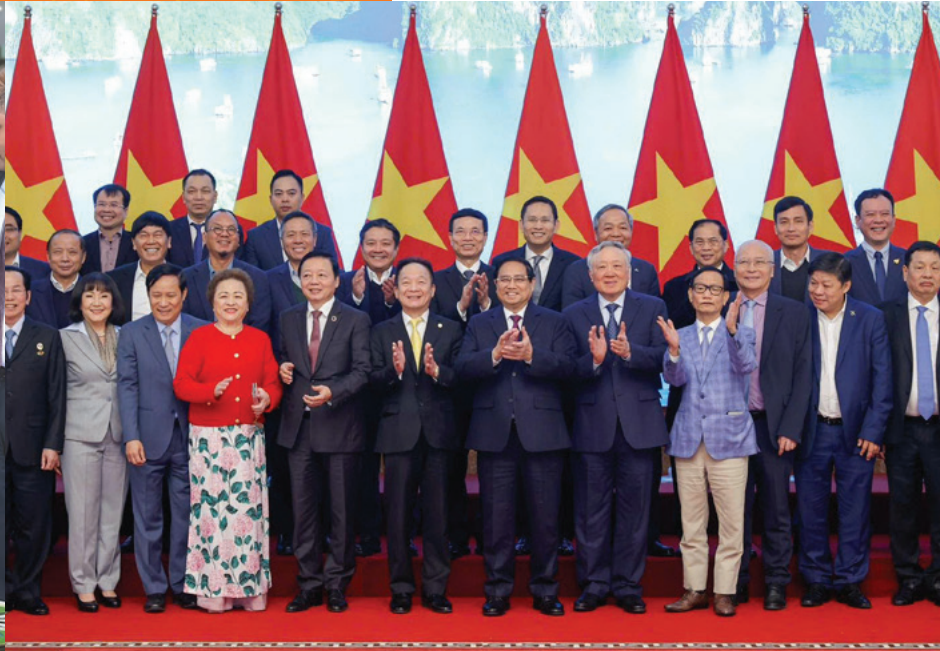
1,059

5. Highlights in 2024

The year 2024 marks a pivotal milestone for SHB as it embarks on a robust and comprehensive Transformation Strategy for the 2024–2028 period – a solid step forward in its journey to accompany the nation in a new era of development.

Over the past 32 years, SHB has been deeply embedded in the nation's historical journey, aligning closely with the direction of the Party and Government while creating and spreading positive values throughout the community. SHB actively supports key national policies and contributes to cultural, economic, and social activities. As a pioneering bank, SHB is at the forefront of driving green and digital transformation initiatives in line with the Government's strategic orientation.





5. Highlights in 2024

1

SHB exceeded many its business targets for 2024, reflecting sustainable and effective growth

Concluding the pivotal year of its 2024–2028 Transformation Strategy, SHB achieved robust performance across key financial indicators. Pre-tax profit reached VND 11,569 billion, marking a 25% increase over 2023. Total assets surpassed VND 747 trillion, up 18.6% year-on-year. SHB's total consolidated loans reached VND 533,984 billion, with the Bank's separate loans amounting to VND 522,754 billion – an 18.28% increase. The Cost-to-Income Ratio (CIR) stood at 24.4%, placing SHB among the most efficient banks in the industry.

The Bank continued to maintain strong safety, liquidity, and risk management metrics, all of which met or exceeded the regulatory requirements set by the State Bank of Vietnam. The Capital Adequacy Ratio (CAR) remained above 12% in accordance with Basel II standards, while liquidity risk indicators aligned with Basel III standards.

These results reflect SHB's successful execution of its strategic goals and its ability to outperform key targets set by the General Meeting of Shareholders for 2024 – including those related to total assets, credit growth, credit quality, and pre-tax profit.



2

Affirming its position and reputation in the domestic financial market, attaining regional and international standards

In 2024, SHB proudly secured its place in the inaugural Fortune Southeast Asia 500 ranking – published by Fortune magazine – which lists the region's 500 largest financial institutions and enterprises by revenue. SHB was ranked 137th in Southeast Asia and 17th among Vietnamese firms. Additionally, SHB's brand was valued at USD 257 million and received an A+ brand strength rating from Brand Finance.

SHB continues to affirm its position as a leading Vietnamese financial institution and a trusted partner to international organizations such as the International Finance Corporation (IFC), the World Bank, and global strategic investors. Notably, Krungsri Bank – a member of Japan's MUFG Group – formally expressed interest in completing the second-phase acquisition of the remaining 50% charter capital of SHBFinance ahead of schedule.



3 Driving transformation through digital innovation

In 2024, SHB made significant strides in its digital transformation journey by launching and operating a range of innovative technology products and services. Highlights include the rollout of SHB Corporate Mobile for corporate clients, SHB SAHA 1.5, and various internal digital solutions aimed at enhancing operational efficiency and delivering modern, convenient services to customers.

The Bank gained notable recognition at the Digital CX Awards 2024, receiving a double award for its products SLINK and ACAS. Shortly thereafter, SLINK was proudly presented by SHB Vice Chairman, Mr. Do Quang Vinh, to Prime Minister Pham Minh Chinh during the National Banking Industry Digital Transformation event – affirming SHB's leadership in the industry's innovation efforts.



At the same time, SHB continued to diversify its customer offerings, including the launch of SHB Mastercard Truly Free – a “zero fee” credit card tailored to Gen Z and millennials. This initiative, part of the Card Family ecosystem, satisfies the evolving preferences of young Vietnamese consumers and is supported by a variety of attractive incentive programs.



4 Expanding strategic partnerships and supporting SMEs and micro-SMEs

As part of its strong and comprehensive transformation strategy, SHB continues to deepen cooperation with large corporations, both private and state-owned, particularly those involved in supply chains, value chains, ecosystems, and green initiatives. SHB has signed comprehensive strategic cooperation agreements with prominent partners.

Notably, SHB continues to promote financial products and channel capital to small and medium-sized enterprises (SMEs) and micro-SMEs, accompanying their growth and contributing to the broader national economy. These efforts have been recognized with a series of prestigious awards, including Best Bank for SME in Vietnam and Best Sustainable Finance Award, among others.

5

Actively contributing to social welfare and spreading positive values to the community

In parallel with its business development, SHB has consistently played an active role in social welfare programs initiated by the Party and the Government. In response to the devastating impact of Typhoon Yagi, SHB coordinated with local Fatherland Front Committees to conduct on-site assessments and provide both financial and emotional support to affected communities, assisting residents across various provinces and cities in recovering and stabilizing their lives. Thanks to SHB's timely assistance, many businesses and individual customers were able to overcome the disaster's challenges and resume production and business operations.



Beyond emergency relief, SHB implemented several large-scale social initiatives, including a VND 100 billion donation to Soc Trang province to support the construction and renovation of homes for poor and low-income households; the donation of two classrooms to a primary boarding school for ethnic minority students in Dien Bien province; and collaboration with the Ministry of Public Security to build 150 houses and a school for communities in disaster-stricken areas. In recognition of these impactful activities in 2024, SHB was honored with the title “Bank for People of the Year,” reflecting the Bank’s unwavering commitment to creating and spreading positive social impacts.



6

SHB's enduring passion and unwavering support for Vietnamese football shines at ASEAN Cup 2024

During the ASEAN Cup 2024 campaign, SHB proudly became the first bank to pledge a VND 2 billion reward to the Vietnamese national football team if they secured their third Southeast Asian championship title.

Demonstrating its heartfelt commitment, SHB was also the only bank to sponsor eight charter flights, enabling players' families and devoted fans to travel to Thailand to cheer on the team in the second leg of the final. This act of solidarity and encouragement served as a powerful motivator, helping the team persevere and achieve a historic victory.

SHB's deep-rooted passion for football has long been a hallmark of the Bank's identity, stemming from its Chairman, Mr. Do Quang Hien. Beyond national team support, SHB actively nurtures the local football community and internal teams. In 2024, SHB football squads earned major accolades, including the 4th Hanoi 7-a-side Football Championship and the Queen League S1 2024 Championship, among others.



7

Accompanying and ensuring the interests of shareholders and investors

In 2024, SHB distributed dividends for 2023 at a rate of 16%, consisting of 5% in cash and 11% in stock dividends. In July 2024, the Bank completed the first cash dividend distribution for 2023 at a rate of 5% to shareholders. Subsequently, SHB will continue to issue stock dividends at a rate of 11%, which is expected to increase its charter capital to VND 40,658 billion, securing its position among the top 5 largest private banks in Vietnam.

Throughout its development, SHB has consistently prioritized the interests of its shareholders and investors, maintaining an annual dividend yield ranging from 10% to 18% over the past five years. The Bank was also one of the first three credit institutions to list shares on the Vietnamese stock market and is currently part of the VN30 index, which includes stocks with the largest market capitalizations.



8

SHBiLOVE Journey – A distinctive corporate culture

SHB is an organization with a unique and enduring cultural identity, cultivated over more than 30 years of development. It stands out with a philosophy rooted in the “Heart” and a deep commitment to accompanying national progress. A culture grounded in doing everything “from the Heart” is what SHB employees build, uphold, and consider the foundation of their collective success.

SHB is steadfast in its journey to nurture and elevate its corporate culture, with a strong commitment to implementing and promoting six core values: Heart – Faith – Trustworthiness – Knowledge – Wisdom – Greater Heights. From these values as the bedrock of SHB’s distinctive corporate culture, SHB employees have co-created a Code of Conduct.

This code of conduct is called SHBiLOVE – SHB I Live Our Values Every Day. It embodies the integration of core cultural values into daily work and life. SHBiLOVE carries a special mission: to turn SHB’s corporate culture into a source of strength and a sustainable competitive advantage, driving the Bank’s comprehensive and transformative growth.



ĐẠI HỘI ĐỒNG CỔ ĐÔNG THƯỜNG NIÊN NĂM 2024

Hà Nội, ngày 25/04/2024



9 “Best companies to work for in Asia” - Fostering a modern and professional working environment

Building on a legacy of more than three decades, SHB has consistently invested in enhancing the quality of its human resources, while cultivating a modern, professional workplace where individuals are empowered to grow, thrive, and excel. The Bank offers attractive and competitive remuneration, along with ample opportunities for personal and professional development.

For the fourth time, SHB has been honored with the “Best Companies to Work for in Asia” award by HR Asia, one of the region’s leading human resource publications. In addition, SHB has been recognized by CareerViet as one of the Top 3 Most Favorite Employers in the Finance – Banking – Securities sector, as well as among the Most Favorite Employers in the Large Enterprise category in Vietnam.

Through comprehensive partnership agreements with universities nationwide, SHB provides students with valuable opportunities to gain practical experience and access employment in a professional environment, helping to nurture the next generation of talent across the country.



10

On the journey of “Greening” banking – Implementing ESG strategy toward sustainable development

With a vision to become a pioneer in sustainable banking in Vietnam, SHB is actively integrating ESG (Environmental, Social, and Governance) standards across all areas of its operations. This commitment contributes to fostering a green economy, a fair and inclusive society, and transparent governance, while supporting the Government’s efforts to address climate change.

SHB’s initiatives in “greening” its banking operations and advancing ESG practices have been widely recognized and appreciated by both domestic and international organizations. In 2024, SHB was honored for the second consecutive year by FinanceAsia magazine with the award for “Best ESG Impact in Vietnam.”

Throughout its development journey, SHB remains aligned with national strategies, consistently following the Party and the State’s guidelines. The Bank is determined to make breakthroughs and contribute to the country’s advancement into a new era of national rise.



6. Achievements and social recognition

2024 marks a memorable turning point in SHB's strong development journey, continuing impressive achievements and opening a new promising chapter.

With the spirit of continuous innovation, SHB is proud to receive many prestigious awards, recognized by the Party and the State; and at the same time, rose to the top of many international rankings. These achievements are the result of SHB's sustainable development strategy and tireless efforts over the past time.



State Honors and Commendations

- Second-Class Labor Medal in 2018 and 2013, awarded by the President of the Socialist Republic of Vietnam.
- Third-Class Labor Medal in 2023 and 2011, awarded by the President of the Socialist Republic of Vietnam.
- Emulation flag and Certificate of Merit awarded by Hanoi People's Committee to SHB for many years
- Honored with the Thang Long Cup by the Hanoi People's Committee
- Honored with numerous Certificates of Merit and Emulation Flags from the Government, the State Bank of Vietnam, and the People's Committees of various provinces and cities where SHB branches are located in.
- SHB has been recognized as a leading and highly reputable institution, honored with numerous prestigious awards granted by esteemed domestic and international organizations



**Asserting
leading position**

TOP 5

**PRIVATE COMMERCIAL
JOINT STOCK BANKS
BY CHARTER CAPITAL**

TOP 10

**MOST PRESTIGIOUS
PRIVATE COMMERCIAL
BANKS**

VN30

**SHB STOCK INCLUDED
IN THE VN30 INDEX – A
GROUP OF LARGEST
MARKET CAPITALIZATION
STOCKS.**

TOP 50

**MOST PROFITABLE
ENTERPRISES
IN VIETNAM**

TOP 50

**MOST VALUABLE
BRANDS
IN VIETNAM**

TOP 100

**ASEAN
BANKS**

TOP 500

**TOP 500 LARGEST
ENTERPRISES IN SOUTHEAST
ASIA (FORTUNE500 SOUTHEAST
ASIA RANKING)**

TOP 500

**ASIA PACIFIC
BANKS**

TOP 500

**GLOBAL BANKING
BRANDS**

International Awards 2024



Best Sustainable Finance Awards
2024 - Global Finance



Digital CX
AWARDS 2024

Outstanding Digital CX – Cash
Management Platform; and Best
Technology Implementation for
Digital CX – Digital CX Awards
2024.



Biggest ESG Impact Bank in
Vietnam; Best Commercial Bank
– SMEs in Vietnam;



Most DEI Progressive Bank in
Vietnam in Vietnam – Finance
Asia Awards



Best SME Bank for Sustainable
Finance - Alpha Southeast Asia



Vietnam Domestic SME
Partnership Initiative of the Year
Vietnam Domestic Social Impact
Finance Initiative of the Year -
ABF Wholesale Banking Awards
2024



Vietnam's Best Bank for SMEs –
Euromoney



The renowned
lifestyle product – Mastercard



Best Companies to work for
in Asia 2024

And many other prestigious awards...

Outstanding Domestic Awards 2024



Top 10 Best Annual Reports in Finance industry



Top 50 Excellent and Efficient Enterprises



Top 100 Vietnam Golden Star Enterprises



Outstanding Innovative Products and Services - VOBA



Bank for People – Better Choice Awards 2024



Most Favorite Employers in 2024

7. Strategic direction



“SHB’s leadership and entire staff are firmly committed to achieving the Bank’s strategic goals with a spirit of innovation and an aspiration to reach new heights. SHB aims to become a bank characterized by sustainable and secure growth, delivering exceptional value to customers, businesses, and the community. We embrace innovation across all areas of operation, act decisively, adapt flexibly to changing conditions, and leverage internal strengths to drive breakthroughs in business solutions and operational efficiency.”

Ms. Ngo Thu Ha - Chief Executive Officer

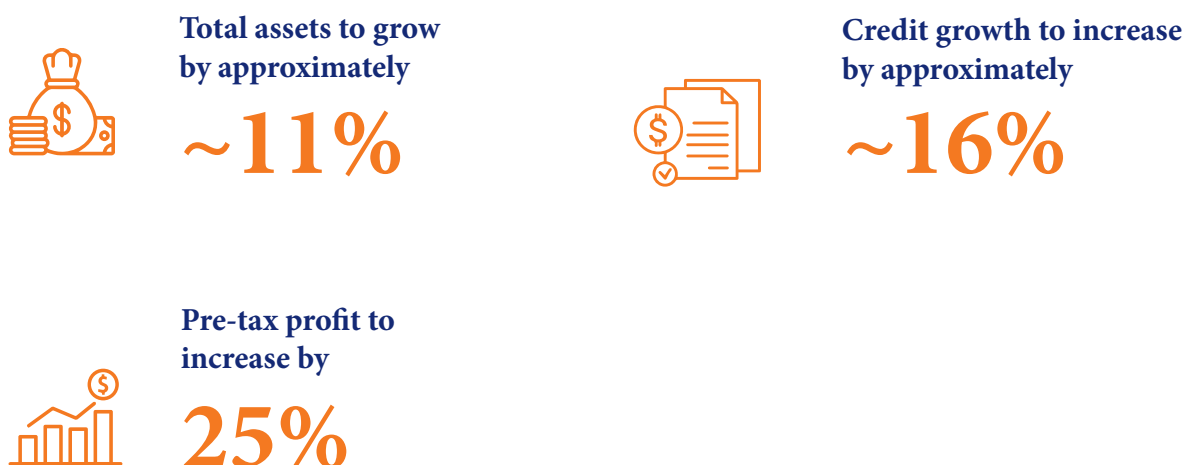
SHB is pursuing the vision of becoming a leading, modern retail bank in Vietnam, with a strong focus on digital transformation, green development, and the expansion of its customer ecosystem and value chain. SHB consistently places customers at the center of its strategy, with people and technology as the driving forces, and robust risk management along with product and service innovation as the foundation for sustainable growth.

7.1. Main objectives

■ Medium and long-term goals



Key financial targets for 2025



7.2 Medium and long-term business strategy

SHB's transformation strategy for the 2024 - 2028

period is structured into three phases, ensuring a comprehensive shift, from establishing foundational capabilities to achieving full-scale modernization and operational excellence.

Phase 1	Phase 2	Phase 3
2024 2025	2026 2027	2028
Establishing foundational capabilities;	Accelerating growth;	Breakthrough in efficiency.

The first two years (2024–2025) are critical for laying the groundwork. SHB will prioritize technology investments to build and upgrade modern infrastructure and integrated operational capabilities. These investments will support the development and expansion of partnerships with strategic and large corporate clients.

The transformation goals and initiatives that will guide the Bank's operations during this period include:

- *Establishing a superior digital platform* to deliver comprehensive financial services and solutions, ensuring a secure, efficient, and user-friendly experience for both corporate and personal customers;
- *Modernizing banking operations* through advanced technologies to enhance operational efficiency and service delivery;
- *Strengthening governance foundations* to improve business performance and develop new capabilities that support sustainable growth;



- *Expanding retail banking through ecosystem models*, offering tailored banking packages to employees of corporate clients;
- Integrating banking services within customer-centric ecosystems, with a focus on *supply chain financing and automated cash flow management* for payables and receivables;
- *Developing embedded finance solutions* to meet customer needs, enabling seamless financial management and boosting overall business performance

I. General information

Entering the second year of the foundational phase, SHB is placing a strong focus on technology investment to build and upgrade modern infrastructure and integrated operational capabilities. These efforts are designed to support the development, operation, and expansion of strategic partnerships, particularly with SHB's key strategic and large customer segments. The Bank has outlined the following core tasks:

- (1). Effectively implement all transformation initiatives to address existing challenges and enhance business and operational efficiency, targeting an income of USD 40.6 million.
- (2). Launch the “Bank of the Future” (BOF) model for retail customers, establishing a modern platform and the technological capabilities to drive rapid growth and support the Bank’s 2024-2028 strategic vision.
- (3). Develop people and teams through targeted competency training, talent acquisition and development, enhanced team spirit and communication, and performance motivation through goal setting and appropriate performance evaluation.
- (4). Foster a culture of transformation across the Transformation Division and the entire Bank by empowering and rewarding innovation, improving collaboration and communication, promoting experimentation, building a diverse and inclusive workplace, and cultivating a mindset of continuous improvement.
- (5). Strengthen governance by establishing the Office of the Chief Technology Officer (OCTO) and the Project Management Office (PMO) to develop and standardize project management workflows and procedures for bank-wide transformation initiatives.
- (6). Establish and manage a comprehensive data architecture, focusing on data governance and data utilization.
- (7). Achieve the 2025 income target by improving the digital customer experience, increasing adoption of digital services, and expanding digital product offerings.
- (8). Ensure a seamless customer experience across digital channels, including SAHA 1.5 (mobile app and website), corporate online banking, and other business-driven initiatives.
- (9). Maintain and synchronize an omni-channel experience across the SAHA app and physical branches.

The BOF initiative is SHB’s strategic response to both challenges and opportunities in the evolving banking landscape. Through partnerships with leading international organizations such as BCG, AWS, and SAPF, and the involvement of global experts, BOF empowers SHB employees to adopt modern methodologies up to date with global technology trends. BOF aims to position SHB as a leader in digital banking and ensure long-term sustainable success by fundamentally transforming the Bank into a forward-thinking financial institution — one that leverages digital technologies to deliver exceptional customer experiences, enhance operational efficiency, and drive strategic growth.

The objectives of the BOF initiative include:

- **Technology Modernization:** Upgrade existing IT systems to flexible, scalable architectures that support continuous innovation.
- **Operational Efficiency:** Automate processes to reduce costs, improve service delivery, and support business scalability.
- **Customer-Centricity:** Deliver personalized, seamless experiences across all channels, aligned with the expectations of today’s digital customers.

7.3 Sustainable Development Goals

SHB defines its sustainable development strategy as encompassing not only profitable and secure financial growth but also fulfilling its responsibilities to the environment and society.

SHB aims to comprehensively and systematically integrate international standards, best practices, and domestic regulations on Environment, Social, and Governance (ESG) into all aspects of its operations and products offerings. This approach is intended to enhance long-term competitiveness, expand its sustainable finance portfolio, and implement a consistent and effective Environmental and Social Management System (ESMS). At the same time, SHB seeks to contribute actively to national sustainable development goals and create greater value to all stakeholders, including shareholders, partners, customers, employees, and communities.

By 2028, ESG goals include:

- Environment (E): Increase the proportion of green credit; Reduce internal emissions;
- Social (S): Provide ESG training for employees and incorporate ESG into decision-making processes; expand the scope and impact of Corporate Social Responsibility (CSR) and Corporate Social Investment (CSI) programs, focusing on financial education, sports, culture, and support for disadvantaged communities;
- Governance (G): Strengthen ESG risk management through the establishment of a comprehensive Environmental and Social Management System (ESMS) by 2028, in alignment with international standards and the SBV's guidelines; integrate ESG into corporate governance; publish annual ESG reports in accordance with international standards and guidance from the State Securities Commission of Vietnam (SSC).

8. Opportunities, challenges and potential risks:

8.1. Macroeconomic outlook:

In 2024, the global landscape continued to be shaped by complex and unpredictable dynamics. Escalating military conflicts, intensifying strategic rivalries among major powers, rising trade protectionism, increasing public debt and budget deficits, and localized disruptions in global supply chains have adversely affected global peace, stability, and economic growth. Additionally, natural disasters and extreme weather events have caused serious damage to lives and socio-economic development in many countries.

Despite these challenges, signs of recovery have emerged. Global trade has begun to rebound, inflationary pressures are easing, financial conditions are loosening, and labor markets are showing positive momentum. By December 2024, most international organizations had revised their global growth forecasts upward by 0.1 to 0.3 percentage points, projecting growth of 2.7% to 3.2% comparable to 2023 levels.

Amid global headwinds, Vietnam remains a bright spot with the economy continuing to recover strongly and surpassing growth targets. Macroeconomic stability has been maintained, inflation remains under control, major economic balances have been preserved, and both the state budget deficit and public debt remain within a safe threshold.

Vietnam's economic performance in 2024 (Source: General Statistics Office):

- **GDP:** Vietnam's GDP in 2024 is estimated at VND 11,511.9 trillion (approximately USD 476.3 billion), marking a year-on-year growth of 7.09%, exceeding the 6–6.5% target set under Resolution No. 103/2023/QH15.
- **Inflation:** Despite global market volatility, inflation remained under control. Core inflation rose by 2.71% (down from 3.63% in the previous year), and remained below the average increase in the CPI. This is a positive outcome given the salary adjustments effective from July 1, 2024, and price revisions in certain services.
- **The unemployment rate** among working-age individuals in 2024 was 2.24%, down 0.04 percentage points from the previous year, with rate 2.53% in urban areas and 2.05% in rural areas.



- Total import-export turnover reached USD 786.29 billion, a 15.4% increase year-on-year. Exports rose by 14.3% and imports rose by 16.7%. The trade surplus in 2024 stood at USD 24.77 billion down from USD 28.4 billion in 2023). The domestic sector recorded a deficit of USD 25.52 billion, while the foreign-invested sector (including crude oil) recorded a trade surplus of USD 50.29 billion.

- As of December 31, 2024, total registered foreign investment – including new registrations, adjusted capital, and capital contributions or share purchases – reached USD 38.23 billion. Actual disbursement was estimated at USD 25.35 billion, a up 9.4% increase from 2023, marking the highest level since 2020.

- Total retail sales of goods and consumer services grew by 9.0% year-on-year, meeting the Government's target in Resolution No. 01/NQ-CP. International tourist arrivals reached nearly 17.6 million, and increase of 39.5% year-on-year.

Vietnam's economic outlook:

The Government has set an ambitious GDP growth target of 8% for 2025, amid projections of a gradual global economic recovery, albeit with uneven progress

across countries. Leading international organizations such as the World Bank, ADB, OECD, and IMF forecast Vietnam's GDP growth in 2025 to range between 6.1% and 6.6%. However, the global outlook remains uncertain, with persistent risks such as geopolitical conflicts and tensions, fragile supply chains, supply shortages, elevated inflation despite signs of easing, and potential volatility in interest and exchange rates. Furthermore, economic policies under U.S. President Donald Trump's administration are expected to exert broader and more profound impacts on global markets, including Vietnam.

To achieve its growth target, the Vietnamese Government has outlined key priorities focused on maintaining macroeconomic stability and controlling inflation. A key objective is to keep inflation below 4%, with specific targets of approximately 3.87% in 2025 and 3.83% in 2026. Vietnam is also expected to remain a standout destination for foreign investment, sustaining the momentum of 2024 and maintaining its position among the top 15 developing countries in terms of FDI attraction.



↑ To achieve the targeted GDP growth rate of 8% in 2025, the Government has outlined key priorities, including maintaining macroeconomic stability and keeping inflation under control.

8.2. Opportunities and challenges facing the banking sector in 2025

■ Opportunities:

- *Stable economic growth and increased international integration:*
- + With economic recovery and projected stable growth (GDP expected to range from 6 to 7%, aiming for 8%), demand for capital, credit, and financial services is expected to increase, creating opportunities for banks to expand operations.
- + International integration: Free trade agreements (FTAs) such as EU-Vietnam Free Trade Agreement (EVFTA), Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and Regional Comprehensive Economic Partnership (RCEP) will promote trade and attract foreign investment, thereby increasing demand for financial services, international payments, and risk management.
- + Attracting FDI: Foreign direct investment (FDI) is expected to continue flowing robustly into Vietnam, especially in sectors such as manufacturing, technology, and renewable energy, presenting opportunities for banks to offer financing and asset management services.
- *Digital transformation and technology application*
- + Digital Banking: The ongoing digital transformation in the banking industry will continue to accelerate, with technologies such as AI, blockchain, big data, and cloud computing helping banks reduce operational costs, enhance customer experience, and grow market share.
- + Cashless payments: The Government's initiatives to promote cashless payments will enable banks to expand digital payment services, including e-wallets and online financial platforms.
- + Fintech and banks: Collaboration between banks and fintech companies will foster innovation in financial models and products, such as peer-to-peer (P2P) lending, personal wealth management, and digital insurance.
- Credit growth and personal finance needs
- + Consumer credit: With increasing consumer demand, personal credit products (e.g., home loans, car loans, and consumer loans) will continue to be key growth drivers. Customized lending solutions and preferential loans programs will help attract new customers.
- + Green and sustainable finance: Demand for green finance, particularly in renewable energy and sustainable development projects, is expected to increase as Vietnam progresses toward its 2050 net-zero emissions target.
- + Small and medium enterprises (SMEs): As a vital component of the economy, SMEs will continue to require credit and cash flow solutions, creating additional growth opportunities for banks.
- *Support policies from the Government and the SBV:*
- + Flexible monetary policy: The State Bank of Vietnam (SBV) is expected to continue a flexible monetary policy to support credit growth while controlling inflation, offering favorable conditions for banking operation.
- + Legal reform: Regulatory improvements in digital banking, risk management, and cybersecurity will support a more transparent and conducive legal environment for the banking industry.
- + NPL handling: Effective implementation of NPL handling policies will help ensure the stability of the banking sector.
- *Market expansion and international cooperation:*
- + Unsaturated market: Limited access to banking services in rural and remote areas presents an opportunity for banks to expand their networks and provide customized financial products.
- + Bond market expansion: The Government efforts to develop the bond market through policy adjustments, such as debt rescheduling and interest rate restructuring, will create significant opportunities for financial institutions.
- + International cooperation: Participation of foreign banks and international financial institutions will enhance competition and enable greater knowledge sharing and collaboration.

■ Challenges & Potential risks

- *Macroeconomic risks and global volatility*
- + Global economic volatility: Factors such as inflation, recessions in major markets (e.g., the US, EU, China), and geopolitical conflicts can disrupt FDI flows, exports, and Vietnam's economic growth, adversely affecting capital sources and borrowing demand in the banking sector.
- + Interest rate and exchange rate fluctuations: Significant fluctuations in global interest and exchange rates could undermine the Vietnamese economy, causing liquidity risks, higher funding costs, and increased pressure from NPLs.
- + Inflation and monetary /fiscal policy: Persistent inflation may prompt the SBV to tighten monetary and fiscal policies, which could reduce lending demand and negatively affect banks' profitability.
- *NPLs and credit risk*
- + Increasing NPLs: Economic instability may impair the repayment capabilities of businesses and individuals, leading to a rise in NPLs, making it challenging for banks to maintain their target of keeping NPLs below 3%. Loans in sectors such as real estate, export, and consumer credit are particularly vulnerable to becoming non-performing, posing heightened risks to the banking sector.
- + Ineffective NPL resolution: Despite ongoing efforts to resolve NPLs, the underdeveloped debt trading market, incomplete legal framework, and declining collateral values continue to complicate NPL resolution.
- *Competition in the banking industry and pressure from Fintech*
- + Industry competition: The entry of foreign banks, digital banks, and fintech companies will intensify competition, particularly in areas like payments, consumer credit, and wealth management.
- + Fintech and digital banking: Fintech companies, with their flexible business models, low costs, and rapid customer acquisition, are capturing market share, especially in younger demographics and rural areas.
- + Pressure to reduce service fees: To stay competitive, banks may need to lower transaction fees or offer free services, which could negatively affect margins.
- *Challenges from digital transformation:*
- + High technology investment costs: Digital transformation demands significant investments in technology infrastructure, software, and human resources. Additionally, securing digital transactions and information security poses an ongoing challenge.

I. General information

- *Increasing legal and risk management requirements*
- + Stricter regulatory requirements: International standards like Basel III, as well as capital and risk management regulations, will place pressure on banks, particularly smaller institutions with limited financial capacity.
- + Fragmented risk management: Many banks have not yet established a comprehensive and integrated risk management framework, making it difficult to effectively address increasingly complex credit, market, and technology-related risks.
- *Changing customer behavior and expectations*
- + Higher customer expectations: Customers increasingly demand fast, convenient, personalized, and affordable financial services. Banks that fail to meet these demands risk losing their market share.
- + Changing consumer behavior: The rise of digital platforms and e-wallets may reduce the need for traditional banking services, particularly in areas like payments.
- *Challenges from green finance and sustainable development*
- + Pressure from green finance: Banks will need to shift their portfolios toward environmentally friendly projects. However, assessing the risks and benefits of these projects remains a significant challenge.
- + ESG compliance costs: Meeting ESG requirements will require banks to adjust their business strategies, invest in sustainable projects, and report transparently.
- *Human resources and competitiveness*
- + Shortage of high-quality human resources: The banking industry faces fierce competition from the technology and fintech sectors in attracting talent, especially in areas like data analytics, cybersecurity, and risk management.
- + Training and adaptation to new technology: Bank staff will need ongoing training to adapt to emerging technologies, which will involve both time and significant costs.

■ Key policies affecting the banking and finance industry in 2025

2024 and 2025 are critical milestone years that significantly affect all sectors – especially the banking industry. In particular, 2025 marks the final year of implementing the Vietnam Banking Industry Development Strategy to 2025, with a vision to 2030, under Decision No. 986/QĐ-TTg dated August 8, 2018. As a result, the legal and policy framework issued during this period not only serves as a vital legal foundation but also places urgent demands on the banking system to fulfill its strategic objectives.

A number of important laws passed by the National Assembly have come into effect in 2024, including the Law on Credit Institutions 2024, Land Law 2024, Housing Law 2023, Real Estate Business Law 2023, Law on Electronic Transactions 2023, and various sub-law documents (decrees and circulars), many of which are still being finalized and are expected to be issued in 2025. These legal changes are exerting a profound impact on the operations of credit institutions – including SHB – by strengthening the legal framework, enhancing transparency, and laying a foundation for the development of new banking activities. In parallel, the Government and the SBV have introduced numerous supportive policies aimed at guiding and stimulating economic growth, including:

- *Policies promoting digital transformation:*
- + Decree 57-NQ/TW on groundbreaking scientific advancement, technological innovation, and national digital transformation.
- + Decree 52/2024/ND-CP on non-cash payments.
- + Decree 69/2024/ND-CP on electronic identification and authentication.
- + Directive 01/CT-NHNN dated February 20, 2025 on implementing key tasks for the banking sector.
- + Directive 34/CT-TTg dated September 16, 2024 on digital transformation plans across ministries and provinces.
- + Circular 08/2024/TT-NHNN on the management, operation, and utilization of the national interbank electronic payment system.

+ Circular 15/2024/TT-NHNN on the provision of non-cash payment services.

- *Policies supporting green growth:*

+ Decision 1658/QĐ-TTg dated October 1, 2021 approving the National Strategy on Green Growth 2021–2030, vision to 2050.

+ Directive 44/CT-TTg dated December 9, 2024 on the implementation of key tasks and solutions to advance the National Strategy on Green Growth for the 2021–2030 period, with a vision toward 2050.

In 2025, additional legislative documents will take effect or are expected to be issued, presenting both challenges and compliance requirements for credit institutions. Key examples include:

- Law on the Personal Data Protection
- Decree on administrative sanctions in the monetary and banking sector.
- Decree detailing the Law on Credit Institutions regarding the financial regime of credit institutions and foreign bank branches.
- Decree amending and supplementing several articles of Decree No. 155/2020/ND-CP on the implementation of certain provisions of the Law on Securities.
- Circular regulating the opening and use of Vietnamese Dong accounts for conducting foreign indirect investment in Vietnam
- Circular regulating the issuance of domestic certificates of deposit by credit institutions and foreign bank branches
- Circular amending and supplementing a number of articles of Circular No. 13/2018/TT-NHNN on the internal control system of commercial banks and foreign bank branches
- Circular regulating the capital adequacy ratio for commercial banks and foreign bank branches
- Circular amending and supplementing a number of articles of Circular No. 17/2024/TT-NHNN on the opening and use of payment accounts
- Circular amending and supplementing a number of articles of Circular No. 18/2024/TT-NHNN on bank cards.


To adapt to the evolving regulatory environment, the banking industry, especially institutions like SHB, must closely monitor the issuance and implementation timeline of legal documents; allocate resources to ensure timely compliance and business continuity; review and update internal regulations and procedures; invest in technology upgrades to align with new regulatory standards and requirements; and ensure compliance while enhancing operational safety and sustainability.



Strategic insight

Drives business

breakthrough



2024 marked a pivotal year in SHB's comprehensive transformation strategy. Backed by a solid financial foundation and a clearly defined strategic roadmap, SHB – fueled by the unity, innovation, and unwavering commitment of its entire workforce – successfully achieved the business targets set by the annual general meeting of shareholders. These accomplishments have laid a strong foundation for robust growth in 2025 and brought SHB closer to achieving its strategic objectives for 2028.



Business Performance in 2024

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1. Business overview

1.1. Key business results

In 2024, SHB further solidified its position as one of Vietnam's leading commercial banks.

In 2024, SHB continued to demonstrate resilience and growth amid challenging economic conditions. The Bank's total assets maintained a strong upward trajectory, while regulatory capital under Basel II standards reached VND 75,039 billion. Of this, owners' equity amounted to VND 58,067 billion, representing a 15.9% increase compared to 2023.

A stable and long-term funding base enabled SHB to actively extend credit to priority sectors, in alignment with the orientations of the Government and the State Bank of Vietnam (SBV). As of year-end 2024, total mobilized capital stood at VND 660,983 billion – an increase of VND 107,277 billion, or 19.3% year-over-year. Deposits from economic entities and individuals accounted for VND 544,108 billion of this total.

SHB also made strategic investments to expand its operational network and workforce. The Bank now operates 587 transaction points domestically and internationally, including wholly owned subsidiary banks in Laos (2 branches) and Cambodia (4 branches), a representative office in Myanmar, one subsidiary (SHB Asset Management Single-Member LLC – SHAMC), and one affiliated company (SHB Finance Single-Member LLC – SHBFinance). With 6,651 employees and a presence across 50 provinces and cities in Vietnam and abroad, SHB serves over 5 million personal and corporate customers, maintaining correspondent relationships with 600 banks worldwide.

In line with its strategic transformation, SHB continued diversifying its income structure, reducing reliance on interest income while focusing on scale expansion, revenue growth, and cost efficiency. Key financial ratios remained well within regulatory limits: the capital adequacy ratio (CAR) under Basel II was 11.82% (SBV minimum requirement: 8%), the loan-to-deposit ratio stood at 76.58% (below the 85% cap), and the ratio of short-term funding used for medium and long-term loans was 23.62% (below the 30% threshold).

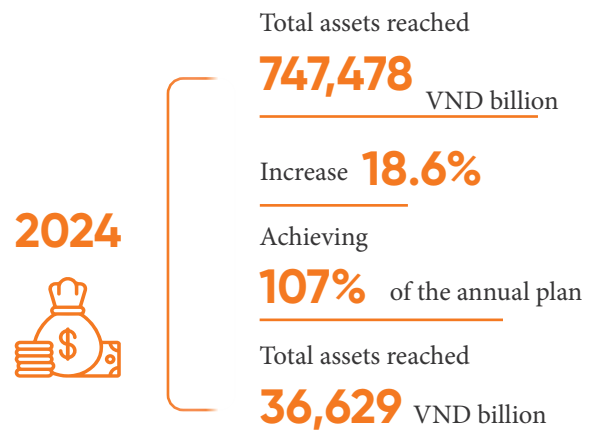
In 2024, SHB successfully completed the development of the advanced Internal Ratings-Based (IRB) approach under Basel II standards. At the same time, the Bank finalized the implementation and application of liquidity risk management frameworks aligned with Basel III, including the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). SHB also deployed advanced asset-liability management (ALM) tools such as Funds Transfer Pricing (FTP) and ALM measurement systems, enabling more effective cash

flow management, liquidity assurance, and proactive risk buffers in response to potential market fluctuations.

Throughout the year, SHB's credit strength continued to be recognized by international credit rating agencies. Moody's reaffirmed the Bank's B1 credit rating with a stable outlook, reflecting SHB's solid financial foundation and prudent risk management practices.

These outstanding achievements have firmly secured SHB's position among the top 5 largest private joint stock commercial banks in Vietnam.

1.2. Performance against planned targets



- Charter capital stood at VND 36,629 billion, and the Bank received approval from the State Bank of Vietnam to raise it to VND 40,658 billion in line with the 2024 capital increase plan.
- Capital mobilization reached VND 660,983 billion, up 19.3% year-over-year, with deposits from economic organizations and individuals totaling VND 544,108 billion—103% of the target.
- SHB's consolidated outstanding credit balance stood at **VND 533,984 billion**, of which the Bank's own credit balance reached **VND 522,754 billion**, an **18.3%** increase, in full alignment with the credit growth quota allocated by the SBV.
- Pre-tax profit reached VND 11,569 billion, up 25.2%, achieving **102%** of the plan.

Importantly, SHB maintained capital adequacy and risk management indicators well above SBV requirements and in line with international standards.

(Source: Audited consolidated financial statements 2024)

2. Organization and personnel

Saigon - Hanoi Commercial Joint Stock Bank (SHB) consistently prioritizes the development of a highly qualified and ethical leadership and management team. These individuals are not only committed to legal compliance and professional responsibility but are also adaptable, forward-thinking, and dedicated to continuous self-improvement. This focus ensures the Bank has the leadership capacity necessary to advance its ambitious transformation agenda.

2.1. List of Board of Management

No.		Full name	Title
1	Ms.	Ngo Thu Ha	CEO
2	Mr.	Nguyen Huy Tai	Deputy CEO
3	Mr.	Le Dang Khoa	Deputy CEO
4	Ms.	Ninh Thi Lan Phuong	Deputy CEO
5	Mr.	Do Duc Hai	Deputy CEO
6	Mr.	Do Quang Vinh	Deputy CEO
7	Ms.	Ngo Thi Van	Chief Accounting Officer

Background of members of the Board of Management are detailed on pages 20-23

2.2. Recent changes of the Board of Management

No.		Full name	Title	Details of change
1	Mr.	Do Duc Hai	Deputy CEO	Resigned from the Board of Directors
2	Ms.	Hoang Thi Mai Thao	Deputy CEO	Resigned
3	Mr.	Luu Danh Duc	Deputy CEO	Resigned

2.3. List of executive officers

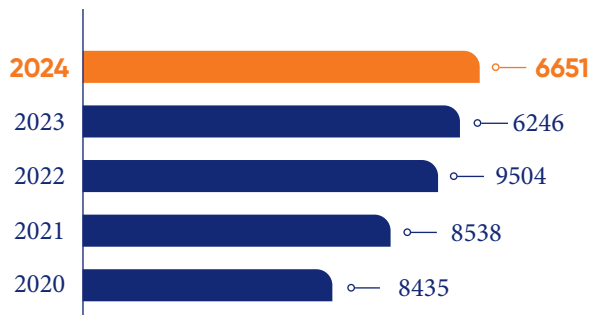
No.		Full name	Title
1	Mr.	Nguyen Dinh Duong	Chief Internal Auditor
2	Mr.	Dinh Ngoc Dung	Chief Corporate Banking Officer
3	Mr.	Vu Tuan Anh	Chief Credit Officer
4	Mr.	George Asgari	Chief Digital Banking Officer
5	Mr.	Dong Xuan Hoa	Deputy Chief Marketing & Communication Officer
6	Ms.	Nguyen Thi Thuy Phuong	Chief Operations Officer

Background of the executive officers are detailed on pages 24-25



2.4. Number of staff

As of December 31, 2024, the total number of employees at the Bank and its subsidiaries was 6,651 (SHB Finance ceased to be a subsidiary of SHB in 2023).



2.5. Human resources policy

In 2024, SHB reaffirmed its commitment to continuous innovation and breakthrough, marking a new era of national growth. We strive to build a workforce that is not only highly skilled but also deeply dedicated to the Bank's sustainable development. Guided by this philosophy, our human resources policies continue to be enhanced and innovated, laying a strong foundation for SHB's long-term success.

■ Recruitment policy:

- SHB's recruitment policy is open and transparent, with clearly defined criteria for each position. This ensures the quality of human resources and enhances SHB's employer brand in the labor market. The Bank places strong emphasis on internal recruitment, fostering promotion opportunities for existing employees and supporting a well-defined career development path.
- To meet the evolving demands of the labor market, SHB continuously updates and refines its recruitment policies, with a focus on enhancing the experience of both candidates and new hires. Recruitment information is actively communicated through multiple channels, including online job portals, in-house newsletters, and social media platforms.

■ Employee training and development policy:

- In 2024, SHB's training program was comprehensively designed to meet job title standards for key positions. The program emphasizes courses that strengthen core management skills, enhance leadership and sales capabilities, improve service quality (ISO, 5S, Lean Six Sigma), and develop competencies in data processing, appraisal, and soft skills...

- In addition to hundreds of in-person and outsourced training courses, SHB prioritizes technology-driven training solutions, including the SHB-LMS online learning system, SHB-Survey for course evaluations, and virtual training via platforms such as MS Teams and Zoom. These initiatives optimize training costs and enhance workforce productivity.

- **Compensation, Benefits, and Welfare:**

- In 2024, SHB continues to enhance its compensation, benefits, and welfare policies to foster a stable working environment and offer competitive income for employees..
- Key improvements include enhanced insurance coverage, adjustments to average salary levels, and revised salary payment regulations for branches. These efforts are part of a comprehensive total rewards strategy – encompassing both financial and non-financial elements – aimed at driving performance and attracting top talent.
- **Application of IT in human resources (HR) management**
 - To enhance the employee experience and the quality of HR services, while meeting the requirements for centralized data management and oversight, SHB is implementing the Human Resource Management Software (HRMS) project.
 - The HRMS serves as a core data source for other SHB platforms such as the LMS, Accounting, and Performance Evaluation. It improves the efficiency of HR data utilization, enables seamless system integration and data synchronization, and supports flexible adaptation to evolving HR management models.

For further details on HR policies and policy updates, please refer to “Sustainable Development – Human resources policies” on page 156.

3. Investment performance and key projects progress

3.1. Key projects progress

- *Capital transfer at Saigon - Hanoi Commercial Joint Stock Bank Finance Single- Member Limited Company (SHBFinance)*

On May 23, 2023, SHB completed the transfer of 50% of its charter capital in Saigon – Hanoi Commercial Joint Stock Bank Finance Single-Member Limited Company (SHBFinance) to Ayudhya Public Company Limited (Krungsri) of Thailand, a strategic member of the MUFG Group, Japan. The two parties have agreed to transfer the remaining 50% of SHBFinance’s charter capital after three years, in accordance with the terms outlined in the signed agreement. Following the transfer, SHBFinance officially retained its name as Saigon – Hanoi Commercial Joint Stock Bank Finance Limited Liability Company.

- *Capital transfer at Saigon – Hanoi Laos Single-Member Limited Liability Bank (SHB Laos) and Saigon – Hanoi Cambodia Single-Member Limited Liability Bank (SHB Cambodia)*

In 2024, SHB and its investor entered into a capital transfer agreement for SHB’s entire equity in SHB Laos. The parties are currently completing the necessary procedures to seek approval from the respective governments and the State Bank of Vietnam (SBV) to finalize the transaction. This capital transfer at the Lao subsidiary is expected to provide shareholders with a substantial capital surplus, while also enhancing SHB’s reputation and standing in both domestic and international financial markets.

Additionally, SHB is in the process of selecting a suitable partner for the capital transfer and/or restructuring SHB Cambodia.



As part of its continuous effort to enhance digital capabilities with a customer-centric focus, SHB completed and successfully developed many digital transformation projects to improve performance and enhance user experience.

■ *Digital transformation projects:*

As part of its continuous effort to enhance digital capabilities with a customer-centric focus, SHB completed and successfully developed the mobile banking application for personal (SAHA 1.5) and corporate customers in 2024. The Bank has also made improvements to its Internet Banking platform, aiming to provide SHB's personal and corporate customers with convenient, fast, and secure experiences across digital channels. Key developments include:

- Successful launch of SAHA 1.5 for personal customers

The enhancement of technology platforms remains a core component of the Bank's strategy. SAHA 1.5 introduces several technical enhancements designed to improve performance, increase security, and boost user satisfaction. Notable upgrades to SAHA 1.5 include:

- (1) Automating the customer onboarding process, streamlining account opening, significantly reducing transaction processing time, and improving customer satisfaction;
- (2) Enhancing mobile banking services with new features related to money transfers and account management, delivering more convenience for users;
- (3) Integrating 149 features from the SAHA 1.0 application, adding 40 additional features compared to the previous SHB Mobile application;

- (4) Collecting biometrics and improving functionalities related to card products, virtual account selection, deposit management, and loan confirmations;
- (5) Migrating from Microsoft Azure infrastructure to AWS infrastructure, which enhances scalability, system reliability, and performance by leveraging the advanced capabilities of cloud computing.

These upgrades, combined with improvements in user experience (UX) and user interface (UI) design, as well as code optimization, significantly enhance system reliability and evaluate the customer experience.

By December 2024, SHB successfully launched the SAHA 1.5 application, featuring 130 new functionalities aimed at enhancing user experience and ensuring full compliance with the regulations issued by the State Bank of Vietnam (SBV). All activities strictly adhered to the SBV's regulatory requirements, safeguarding data security and integrity across the Bank's operations.

The successful development and launch of SAHA 1.5 further strengthens SHB's market position and demonstrates the Bank's ongoing commitment to providing superior banking solutions to its customers.

This upgrade is designed to deliver a seamless and continuous customer experience, personalize content, tailor interactions to address specific customer needs, and provide appropriate, solution-driven responses.

- SAHA Branch: Key functionalities delivered include biometric data collection and enhancements to card services, personalized account number selection, deposit management, and loan confirmation processes. In addition, device management at transaction counters was implemented. All developments were carried out in full compliance with the latest circulars issued by the State Bank of Vietnam (SBV).

- The Automated Credit Approval System (ACAS): Launched in 2024, the Automated Credit Approval System (ACAS) significantly shortened loan processing times and enhanced customer experience. This breakthrough solution was honored with the Best Technology Implementation for Digital CX award at the Digital CX Awards – an annual global event organized by The Digital Banker magazine and judged by industry leaders from PwC, Deloitte, Forrester, and Capco. Notably, this is the only global award that recognizes and honors innovative initiatives and pioneers in digital customer experience within the financial services industry.

A key highlight of ACAS is its ability to deliver an outstanding customer experience by dramatically reducing approval times through automated credit assessment processes. This enables SHB to issue credit cards and overdrafts to customers anytime, anywhere, with minimal paperwork and streamlined procedures – while still adhering to stringent risk management standards.

In addition to enhancing customer experience, ACAS also improves operational efficiency. Branches can easily access credit approval results, view lists of eligible or ineligible customers, and identify reasons for rejection to facilitate timely follow-up and customer notification.

Compared to traditional loan processing, ACAS allows customers to save time and avoid complex paperwork. By simply completing a registration form on the SHB e-banking application, customers receive a notification and proceed only if ACAS determines their eligibility based on database screening. Qualified customers can access approved credit limits within just five minutes.

Since its launch, ACAS has continued to evolve. In 2024, the system was further enhanced to support business households and individual loan products, including home loans, auto loans, and home renovation loans – underscoring SHB's commitment to innovation and customer-centric banking.

- Build and enhance digital applications for Corporate Customers:

“Collection-on-behalf service via SLINK virtual accounts” was honored in 2024 under the Cash Management Platform category at the Digital CX Awards. This innovative solution by SHB offers a more optimal approach to business financial management compared to traditional methods. Transactions transferred to a business's payment account via SLINK virtual accounts are automatically categorized and processed in a streamlined, efficient manner.

The service enables corporate customers to:

- Identify revenues by specific business locations through assigned virtual accounts;
- Receive funds from various locations into the central payment account in real time;
- Conveniently manage cash flow and revenue for each location via Internet Banking;
- Enable each business location to independently track and manage its actual revenue in a timely and transparent manner.

Elevating the digital experience for corporate clients

The number of corporate customers using Internet Banking increased by

20%

Transaction volume via digital channels increased by

130%

compared to 2023

In September 2024, SHB officially launched SHB Corporate Mobile – a mobile banking application tailored specifically for corporate customers – offering 71 features tailored to user needs and roles.

Developed through close collaboration among the Corporate Banking Division, the Transformation Division, and the Digital Banking Division, the application includes 11 key features and customer journeys aimed at elevating the digital experience for corporate clients.

As a result of these efforts, SHB recorded significant growth in digital engagement from corporate customers. The number of corporate customers using Internet Banking increased by 20%, rising from 15,062 to 18,141. Notably, the number of active users regularly using Internet Banking rose by approximately 43%, with an increase of 3,031 customers – from 6,974 to 10,005. Additionally, transaction volume via digital channels grew from 35% to 45%, reflecting the positive impact of SHB's digital transformation initiatives on corporate customer behavior.

Providing employee banking services to corporate customers' employees – a key driver of retail banking development:

In 2024, SHB successfully offered Employee Banking services to employees of its corporate customers. This initiative resulted in the opening of more than 70,000 new payroll accounts, contributing approximately

VND 1,872 billion in Current Account Savings Account (CASA) deposits. This product also drove a significant increase in total deposit account balances and enhanced cross-selling performance across a range of retail banking products, including cards, overdrafts, and online savings accounts.

In collaboration with leading international partners such as Amazon Web Services (AWS) and DataMesh Group (DMG), SHB has successfully enhanced the quality and efficiency of its international payment services through the International Payment System (IPS) project.

Demonstrating a strong commitment to continuously improving international banking services for corporate clients, SHB has upgraded its IPS platform to enable the initiation of international payment requests directly via DMG's digital interface. This, combined with streamlined policies and operational processes, has reduced the average processing time for international payments from over one business day to less than four hours, significantly improving customer satisfaction.

By offering faster, more efficient, and customizable international payment solutions, SHB reinforces its position as a leading provider of innovative banking services.

In 2024, SHB's Banking Transformation Division implemented several key initiatives under the first strategic pillar, focusing on policy and workflow reform. Notable projects included the Internal Regulation Document Management (IRM) project, aimed at streamlining the management of internal regulatory documents, and the KPI Development project for front-office retail banking staff at branches.

■ **Information technology platform projects**

To realize its digital transformation strategy, support business objectives, strengthen its competitive position, and enhance customer experience, SHB implemented a series of key information technology projects in 2024. These included:

- *Core Card System Upgrade Project*

This strategic initiative applies modern technologies to enhance the quality of SHB's card services while ensuring operational safety and efficiency. The key objectives of the project include:



- Enhancing card acceptance service.
- Meeting evolving requirements for the development and deployment of new card products and services.
- Improving credit card operations.
- Optimizing technical management and operational processes.
- *Human Resource Management Software (HRMS) Project*

The project was launched to enhance the employee experience and optimize SHB's human resource management model in alignment with the Bank's strategic goals. Key objectives include:

- **Multi-Platform Experience:** Delivering seamless operations across web and mobile platforms to enhance employee engagement and accessibility.
- **HR System Transformation:** Aligning the human resource framework with SHB's evolving business model, ensuring scalability and readiness to support the aspiration of becoming one of the top 5 joint stock commercial banks in Vietnam.
- **Process Optimization:** Streamlining core HR processes, including recruitment, timekeeping, and payroll.
- **Data Standardization and Integration:** Enabling standardized data usage and integration with key systems such as Learning Management Systems (LMS), accounting, and performance review platforms.
- **Advanced Reporting Capabilities:** Providing accurate, real-time data for comprehensive management reports and agile decision-making.

II. Business Performance in 2024

- Fund Transfer Pricing (FTP) Project

The FTP system plays a critical role in helping SHB accurately assess the spread between income from assets and the cost of liabilities, thereby supporting interest rate management at the customer level. Key benefits include:

- Facilitating timely access to data, supporting strategic decision-making and management reporting.
- Enhanced transparency and accuracy: Ensuring fair and appropriate pricing for mobilization and lending, helping to optimize cost structures and mitigate risks.
- Multidimensional analysis: Providing in-depth insights and flexible analytical capabilities aligned with the Bank's business strategies.
- Decision-making support: Providing leadership with accurate and real-time data to make well-informed decisions, ultimately maximizing shareholder value.

- Digitalization of Internal Communication and Operations via the HUB Intranet Platform (SHB HUB)

The SHB HUB project marks a significant advancement in digitizing SHB's internal operations, enhancing the efficiency of work processes and document management. Key highlights include:

- Development of an internal information portal, task assignment module, and a comprehensive document management system.
- Enhanced user experience and improved access control.
- Manage the entire document cycle, task assignments and export data flexibly.
- Towards green banking: Reduce paper usage, optimize workflow, and promoting sustainable digital banking model.

- Debt Collection Software Project (SHB Collection)

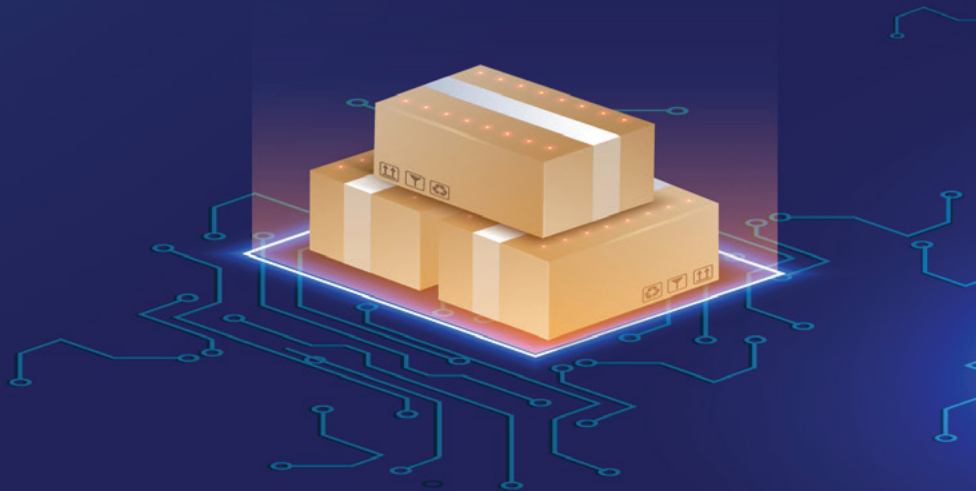
This project enables SHB to streamline debt processing, automate key operations, and empower collection officers to work more efficiently. Key features include:

- Automated Workflows: Covering debt management, resolution, KPI & incentive tracking, and settlement cost management—improving consistency and speed.
- Timely and Accurate Information: Equipping collection officers with real-time customer data to accelerate response times and improve effectiveness.
- Comprehensive Oversight: Allowing detailed tracking of the debt settlement process by region, team, and responsible officers, while managing associated costs for better control and transparency.

- IT Infrastructure Projects to Support Business Requirements in 2024

In 2024, SHB is implementing a series of IT infrastructure upgrade projects to meet evolving business demands and customer growth. These include: virtual infrastructure enhancements, database infrastructure upgrades, data backup infrastructure projects. These initiatives aim to ensure:

- High system availability: Delivering 99.9% uptime
- Operational safety & redundancy: Strengthening system resilience and minimizing downtime risks
- Regulatory compliance: Fully aligning with the State Bank of Vietnam's data security and backup regulations.



- *Disaster Recovery Infrastructure Upgrade Project (DR2)*

The DR2 Project is a strategic initiative to enhance SHB's disaster recovery capabilities through infrastructure upgrades, including cloud systems and secure network architectures, ensuring business continuity and full compliance with the State Bank of Vietnam's regulatory requirements:

- Ensure 50% redundancy for critical systems – such as Core Banking, SmartVista card management, ESB, and E-banking platforms (both for retail and corporate customers) – compared to the primary Data Center (DC)
- Complete deployment of Level 3 systems across SHB's banks in Vietnam, Cambodia, and Laos, in alignment with the SBV's regulations



3.2. Subsidiaries and affiliates

3.2.1. Subsidiaries



**SHB Asset Management
Single-Member LLC
(SHAMC)**

TOTAL ASSETS

61
VND billion

SHB Asset Management Single-Member LLC (SHAMC) was licensed for establishment under Decision No. 508/2009/QĐ-NHNN dated March 11, 2009 and commenced operations on December 5, 2009.

After 15 years of operation, SHAMC has played an increasingly important role in supporting SHB in debt settlement activities, safely and effectively managing the Bank's assets and those of its customers. SHAMC continues to focus on its main activities of purchasing, managing and recovering debt settlement assets and providing security services to support SHB's business activities. In addition to meeting SHB's debt settlement and asset management needs, SHAMC also provides business services to other credit institutions in the field of asset and outstanding debt settlement in accordance with the law.

The Company's total assets over the past 14 years have increased sharply from VND 28 billion (December 31, 2009) to VND 61 billion (December 31, 2024), showing the Company's growing scale, while the charter capital is at VND 20 billion.

In 2024, SHAMC successfully provided security services across SHB's nationwide network of business locations, reaching a total of 299 sites by December 31, 2024. This included 64 branches, 229 transaction offices, 3 buildings, and 3 other special targets. SHAMC ensured 100% compliance with security and safety requirements at all serviced locations. In addition, SHAMC managed 16 warehouses and 7 foreclosed assets across the country, fully meeting the warehousing needs of SHB branches. This infrastructure is expected to be further expanded in the coming years to support SHB's ongoing security and asset management needs.



**Saigon - Hanoi Laos
Single-Member Limited
Liability Bank (SHB Laos)**

TOTAL ASSETS

**3,848
VND billion**

SHB Laos was established with a charter capital of USD 50 million, following the conversion of its operational model from a branch to a subsidiary bank. From 2012 to 2015, SHB Laos operated as a branch of SHB. On December 18, 2015, pursuant to License No. 41 issued by the State Bank of the Laos, SHB Laos Branch was officially converted into a limited liability bank, becoming a subsidiary of SHB. The Bank's head office was inaugurated on January 15, 2016, in Vientiane, the capital of Laos, marking a significant milestone in the expansion of SHB Laos' operations.

SHB Laos functions as an independent legal entity with its own organizational structure, comprising two branches located in Champasak and Savannakhet provinces. The Bank offers a wide range of financial and banking services, contributing to diversification of portfolio, mitigation of risk, greater autonomy in decision-making, and expanding its business operations in compliance with local regulations and with authorization from SHB Vietnam.

The establishment of SHB Laos has created opportunities for SHB to tap into the growth potential of the Laos market, attract foreign investment, and elevate its brand reputation and market position both domestically and internationally. It also reflects SHB's commitment to supporting the long-standing friendly and cooperative relationship between Vietnam and Laos.

After 13 years of operation, including 8 years since its conversion into a limited liability bank, SHB Laos has demonstrated strong progress in its business development efforts within the Laos market.

As of December 31, 2024, SHB Laos operated three transaction points – comprising one head office and two branches – with a total of 74 employees. The Bank reported total assets of VND 3,848 billion, capital mobilization of VND 434 billion, outstanding credit of VND 2,178 billion, and a pre-tax profit of VND 59 billion.



**Saigon – Hanoi Cambodia
Single-Member Limited
Liability Bank
(SHB Cambodia)**

TOTAL ASSETS

14,242
VND billion

With a charter capital of USD 75 million, SHB Cambodia is SHB's second wholly owned subsidiary in the Indochina region, following SHB Laos. SHB Cambodia operates as an independent legal entity with its own organizational structure, having been converted from branch.

Over 13 years of operation, SHB Cambodia has built a diverse customer base, serving both Vietnamese enterprises operating in Cambodia and local businesses. The Bank primarily focuses on key economic sectors such as rubber, electricity, infrastructure (road and bridge construction), and mineral exploitation. Looking ahead, SHB Cambodia aims to promote comprehensive growth by leveraging its full potential and offering a complete suite of banking products and services to customers.

Despite the global economic and political challenges in 2024, SHB Cambodia recorded strong growth in total outstanding loans, capital mobilization, and pre-tax profit compared to 2023.

As of December 31, 2024, SHB Cambodia operated five transaction points – including one head office and four branches – staffed by 59 employees. Total assets reached VND 14,242 billion; capital mobilization stood at VND 3,414 billion; outstanding credit reached VND 11,659 billion; and pre-tax profit amounted to VND 201 billion.

3.2.2. List of affiliates



**Saigon-Hanoi
Commercial Joint Stock
Bank Finance Limited
Liability Company
(SHBFinance)**

TOTAL ASSETS

8,229
VND billion

SHBFinance was officially established on December 12, 2016, following the merger of Vinaconex – Viettel Finance Joint Stock Company (VVF) into SHB. The company holds a charter capital of VND 1,000 billion, co-owned by SHB (50%) and Thailand's Bank of Ayudhya Public Company Limited (Krungsri), a strategic member of the MUFG Group (Japan), which owns the remaining 50%.

In 2023, SHB completed the transfer of its 50% equity stake in SHBFinance to Krungsri, creating strong momentum for the company to pursue its medium- and long-term goals aligned with international standards. This move also supports SHBFinance's strategic vision of becoming a leading technology- and digital-driven consumer finance company in Vietnam.

The year 2024 marked a significant transformation for SHBFinance, with breakthroughs in product and service innovation aimed at enhancing the customer experience for millions nationwide. Guided by the commitment "Faster – Stronger – Moving Forward Together", SHBFinance prioritized data protection, compliance with SBV regulations, and accelerating digital transformation.

A new Loan Management System (LMS) was deployed to create value for six key stakeholder groups: Partners, Shareholders, Employees, Government, Community, and Customers. SHBFinance introduced a range

of competitive loan products targeting existing customers, credit card users, and borrowers through digital platforms such as SHBFinance, Timo, and ZaloPay. These innovations enabled approval and disbursement within just five minutes and offered diversified repayment methods across both traditional and digital channels.

In addition to product development, SHBFinance reinforced its long-term commitment to partners and investors, ensured compliance in cooperation with regulators, and contributed to financial education through community outreach initiatives. The company also maintained strong employee policies promoting work-life balance and professional development.

These efforts earned SHBFinance the title of “the Best Customer Experience - Consumer Finance Company in Vietnam in 2024” by The Global Economics Magazine, and “Best Companies to Work For” by HR Asia, along with four awards under the “Employer of Choice 2023” program.

Thanks to its sustainable development strategy, SHBFinance increased its market share by 1.5 percentage points compared to 2023, retaining its position among the top eight mainstream consumer finance companies in Vietnam.

As of December 31, 2024:

- Number of staff: 2,416
- Total assets: VND 8,229 billion
- Capital mobilization: VND 7,024 billion
- Outstanding loans: VND 7,882 billion
- Pre-tax profit: VND 67.2 billion

4. Financial overview

Key financial indicators

Key financial indicators	Unit	2023	2024	Growth rate in 2024 vs 2023
1. Funding base				
Total assets	VND billion	630,425	747,478	18.5%
Charter capital	VND billion	36,193	36,629	1.2%
Regulatory capital	VND billion	70,268	75,039	16.9%
2. Business performance				
Capital mobilization	VND billion	553,709	660,983	19.4%
Total outstanding credit balance	VND billion	455,718	533,984	17.2%
Net income	VND billion	21,328	23,572	10.5%
Pre-tax profit	VND billion	9,245	11,569	25.2%
3. Prudential ratio				
Capital Adequacy Ratio	%	12.19	11.82	Compliant with SBV's regulatory threshold under Basel II: CAR \geq 8%
Non-performing loan ratio (As stipulated in Circular 31/NHNN)	%	2.70	2.40	Compliant with SBV's regulatory threshold under Basel II: NPL \leq 3%
Overdue loan ratio (As stipulated in Circular 31/NHNN)	%	4.36	3.27	Compliant with SBV's regulatory threshold under Basel II: Overdue loan ratio \leq 5%
4. Liquidity ratio				
Loan to Deposit Ratio (LDR)	%	77.58	76.58	Compliant with SBV's regulatory threshold: LDR \leq 85%
Ratio of short-term funding used for medium and long-term loans	%	26.07	23.62	Compliant with SBV's regulatory threshold: \leq 30%
Liquidity reserve ratio	%	19.66	16.66	Compliant with SBV's regulatory threshold : \geq 10%

(Source: Audited consolidated financial statements of 2024)

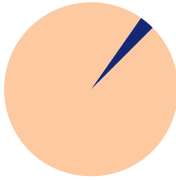
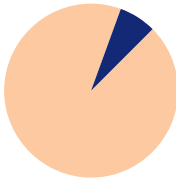
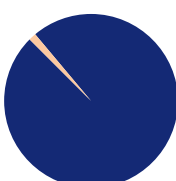
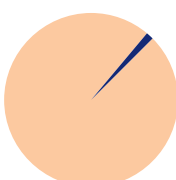
(*) Total outstanding credit balance aligns with the credit growth quota assigned by the SBV.

5. Shareholding structure and recent changes in owner's equity

5.1. Share

TOTAL NUMBER OF SHARES	NUMBER OF OUTSTANDING SHARES	NUMBER OF RESTRICTED SHARES	NUMBER OF FREE-FLOAT SHARES
3,662,908,542	3,662,412,358	161,151,749	3,501,756,793
Shares	Shares	Shares	Shares

5.2. Shareholding structure

Type of shareholders	Total number of share-holders	Shareholding percentage	Chart
Shareholding breakdown by major and minority shareholders			
Major shareholder	1	7.85%	 <ul style="list-style-type: none"> Major shareholder Minority shareholders <p>(Major shareholders hold more than 5% of the Bank's shares; minority shareholders hold less than 5%.)</p>
Minority shareholders	93,720	92.15%	
Total:	93,721	100%	
Shareholding breakdown by legal entities and individual shareholders			
Legal entities	233	16.7%	 <ul style="list-style-type: none"> Legal entities Individual shareholders
Individual shareholders	93,488	83.3%	
Total:	93,721	100%	
Shareholding breakdown by domestic and foreign shareholders			
Domestic shareholders	93,217	97.2%	 <ul style="list-style-type: none"> Foreign shareholders Domestic shareholders
Foreign shareholders	504	2.8%	
Total:	93,721	100%	
Shareholding structure by State-owned and other shareholders			
State-owned shareholder	8	0.81%	 <ul style="list-style-type: none"> Other shareholders State-owned shareholder
Other shareholders	93,713	99.19%	
Total:	93,721	100%	

5.3. Changes in owner's equity

In 2024, SHB increased its charter capital from VND 36,193,981 million to VND 36,629,085.42 million through the issuance of shares under the Employee Stock Ownership Plan (ESOP).

5.4. Treasury shares transactions:

- Number of treasury shares as of December 31, 2024: 496,186
- In 2024, SHB did not conduct any treasury share transactions.

5.5. Other shares: None

5.6. Share transaction by members of the Board of Directors, Board of Management and Board of Supervisors:

For detailed information, please refer to Section 3.2 – Corporate Governance on page 119.

6. Environmental and social impact report

For detailed information, please refer to the Sustainable Development section on page 155



The board of management's report

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Celebrating its 32nd year with a strong spirit of continuous development and innovation, SHB remains proud to be among the 5 largest private joint stock commercial banks in Vietnam. The Bank continues to excel in fulfilling two key missions simultaneously: safely and effectively expanding its business operations in line with international standards, while actively leading the implementation of major policies and directives of the Party, Government, and State.

1. BUSINESS PERFORMANCE REVIEW

Over the past five years, by consistently adhering to the principle of customer centricity, SHB has maintained stable growth across key business indicators, with rates consistently exceeding the industry average: ranging from 10% to 25%. In 2024, all operational indicators recorded positive growth compared to 2023 and remained closely aligned with the set targets.

Thanks to the strategic vision of the Board of Directors and the continued trust and support of shareholders, the Board of Management proactively implemented flexible, effective measures, successfully achieving – and in many cases surpassing – all targets set for the year. These accomplishments are particularly significant as 2024 marks a pivotal year in SHB's 2024-2028 Five-Year Development Strategy.:

- In 2024, pre-tax profit reached VND 11,569 billion, exceeding the AGM-approved target and marking a 25.2% increase (VND 2,330 billion) over 2023.
- Total assets stood at VND 747,478 billion, up VND 116,977 billion (18.6%) from the end of 2023, achieving 107% of the annual plan. Over the past three years, SHB's average asset growth was 15.3%, surpassing the sector's average of 12.7%
- Credit growth was robust, meeting the capital demands of the economy. Consolidated outstanding credit balance totaled VND 533,984 billion, of which the Bank's own outstanding credit balance was VND 522,754 billion – an 18.28% increase – in line with the credit growth quota set forth by the State Bank of Vietnam.
- Dividend distribution of 16% was completed, ensuring shareholder interests and reinforcing SHB's position among the top 5 largest private joint stock commercial banks in Vietnam. By year-end, charter capital reached VND 40,658 billion and total regulatory capital reached VND 75,039 billion.
- Funding base continued to grow strongly thanks to a diverse product suite and high-quality customer service. By December 31, 2024, SHB's total funding including corporate and retail deposits, deposits from credit institutions, and borrowed funds from development financial institutions reached VND 660,983 billion – an increase of VND 107,277 billion (19.4%) from 2023.

III. The board of management's report

- Strategic partnerships were expanded, encompassing over 600 correspondent banks worldwide and collaborations with development financial institutions such as the WB, ADB, and the governments of Germany, Japan, and Finland – particularly in areas of sustainability, environmental protection, and support for vulnerable groups.
- SHB maintained strong revenue growth and streamlined operating costs through outstanding operational efficiency, driven by continued investment in digital transformation and modernization initiatives. In 2024, the Cost-to-Income Ratio (CIR) remained low at 24.4% – among the lowest in the market. The internal digitalization rate surpassed 75%, significantly reducing manual processes and accelerating processing times.
- Subsidiaries continued to operate efficiently, contributing to the Group's overall success.
- Network expansion and organizational optimization progressed steadily, with 587 transaction points across 49 provinces and cities, ensuring convenient access to financial services nationwide.
- Proactive alignment with national priorities and active participation in social welfare initiatives remained integral to SHB's mission.

In the first year of executing its 5-year Transformation Strategy, SHB achieved significant progress, setting the stage for a new era of strong, sustainable growth. The Bank made comprehensive advancements across multiple strategic pillars:

- Delivering on key financial targets: SHB closely adhered to planned targets in assets, credit growth, funding, and profitability. At the same time, it enhanced its financial strength and management capabilities – reinforcing its position as one of the leading private joint stock commercial banks in Vietnam.
- Accelerating digital transformation for business efficiency: SHB's products and services are increasingly optimized under a “Digital First” strategy. The sharp rise in digital banking transactions has enabled the Bank to expand its customer base, increase operational efficiency, and reduce costs. Currently, 90% of SHB's core operations and customer transactions are

conducted entirely through digital channels such as Mobile Banking and Internet Banking.

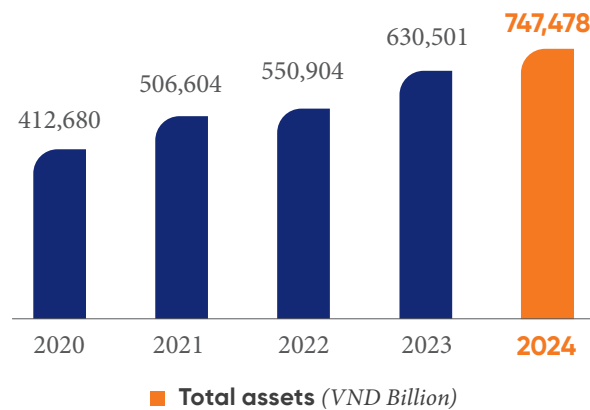
- Enhancing operational efficiency and human capital: SHB continues to drive financial and operational efficiency by focusing on high-quality human resource development and the standardization and digitalization of internal processes. Comprehensive digitalization across operations has helped maintain a low CIR, despite the Bank's accelerated investments in technology and modernization.
- Advancing risk management towards global standards: In 2024, SHB completed the development of credit risk measurement models and capital calculation methodologies in accordance with Basel II – Advanced IRB standards. The Bank is progressing toward full implementation of the Basel II – IRB framework, with the goal of full compliance by 2027, in alignment with the State Bank of Vietnam's direction. It has also established an Environmental and Social Risk Management System (ESMS), fully integrated into the credit approval process. SHB is expanding the use of advanced technologies, including Big Data and AI, in credit risk management to enhance the quality of risk identification and credit decisions. Additionally, it has completed the adoption of Basel III liquidity risk management standards (LCR and NSFR) and deployed advanced tools for asset-liability management (FTP, ALM), ensuring prudent cash flow management, liquidity resilience, and proactive preparation for market volatility.

2. Financial overview

2.1. Asset overview

Total assets in 2024 grew by 18.6%, reaching VND 747,478 billion, solidifying SHB's position among the largest private joint-stock banks in Vietnam.

The 5-year average asset growth rate was 15.5%



Along with its growth in scale, SHB remains committed to enhancing asset quality, ensuring a balanced asset structure that delivers high profitability while maintaining prudence and strong liquidity. The Bank is also shifting its asset structure to increase the proportion of non-interest services, thereby reducing reliance on interest income.

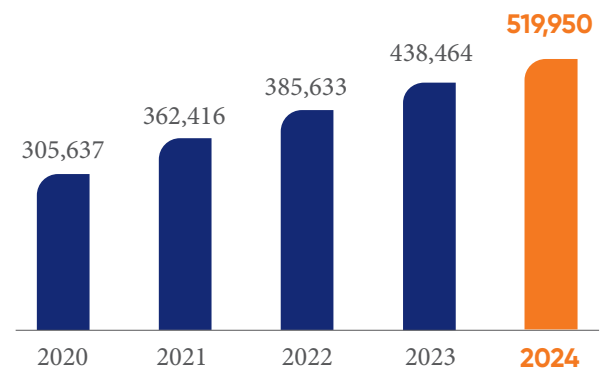


2.2. Credit extension overview

As one of the five largest private commercial banks in Vietnam, SHB has actively aligned with the Government's and the State Bank of Vietnam's policies, directing capital towards sectors outlined in the socio-economic development strategy for 2021-2025. This includes financing businesses in agriculture and rural development, export-oriented enterprises, small and medium-sized enterprises, supporting industries, high-tech enterprises, and startups.

■ **Credit extension grew robustly, closely aligned with the SBV's directions and the Bank's business growth strategy**

Total outstanding loans
(VND Billion)



• *Impressive growth, closely aligned with the SBV direction:* In 2024, SHB continued to closely follow the guidance of the Government and the State Bank of Vietnam (SBV), with a strong focus on providing credit to priority sectors and key drivers of sustainable economic growth. The Bank prioritized lending to green projects, energy efficiency initiatives, renewable energy, infrastructure development, housing, tourism, and other strategic sectors within local economies. As of the end of 2024, SHB's total consolidated outstanding credit balance reached VND 533,984 billion, including VND 519,950 billion of outstanding loans. The Bank's standalone outstanding credit balance amounted to VND 522,754 billion, representing an 18.28% increase and fully meeting the credit growth quota assigned by the SBV. Outstanding loans to priority sectors such as agriculture and rural development, export, manufacturing and processing, green projects and environmental protection, logistics, and small and

III. The board of management's report

medium-sized enterprises (SMEs) continued to grow in alignment with SHB's sustainable development orientation. Notably, loans to green sectors accounted for 10.1% of total outstanding loans, while loans to SMEs represented nearly 40% of total outstanding corporate lending.

- *Accompanying businesses and personal customers:* In 2024, amid a challenging market environment, SHB remained steadfast in its commitment to the social good and the sustainable development of the community. The Bank deployed a series of financial support packages amounting to thousands of VND billions through interest rate reductions initiatives such as the Lowered Interest Rate Loan Program and the Preferential Housing Loan Package for low-income individuals. In parallel, SHB supported customers in developing business plans and provided a comprehensive suite of financial products and services on a modern digital platform, helping them manage their finances more effectively. The Bank also actively connected businesses with reputable organizations and delivered timely market insights and updates on government support policies, contributing to business stabilization and sustainable growth. Notably, in the aftermath of Typhoon Yagi, SHB swiftly implemented targeted credit solutions for affected businesses and individuals, including a 50% reduction in interest rate on outstanding loans and preferential loan offerings to help customers restore production and business operations.
- *Flexible and optimal credit solutions for customers:* To drive effective credit growth, SHB introduced a diverse range of credit solutions ranging from comprehensive packages to offerings tailored to the specific characteristics of each economic region. The Bank also expanded supply chain and value chain financing products, supported by competitive credit policies, such as preferential interest rates, flexible credit limits, and streamlined application processing. In 2024, SHB launched its Automated Credit Approval System (ACAS), significantly reduced loan processing times and enhanced service efficiency for customers.

- *Breakthrough in retail – Digitalization for enhanced service:* SHB rolled out a series of flexible loan products with competitive interest rates and simplified procedures, integrating digital technologies to elevate the customer experience. These loan packages are designed to meet a wide range of customer needs, from consumption and mortgage financing to business operations and disaster relief, amounting to tens of VND trillions. The strategic combination of flexible interest rate policies and digital transformation tools, including SHB Mobile, the Automated Credit Approval System (ACAS), and SLINK, served as key drivers of the Bank's customer acquisition and engagement efforts in 2024.

- *Corporate customer - Partnership and development:* SHB continued to focus on offering credit packages with preferential interest rates to attract and support corporate clients, particularly through streamlined processes enabled by digital platforms such as SLINK and the Automated Credit Approval System (ACAS). The Bank is committed to supporting priority sectors, including small and medium-sized enterprises (SMEs), export businesses, foreign direct investment (FDI) enterprises, and green development, through specialized programs such as "Sustainable Development," "SLINK Value Chain," and "Reconstruction and Recovery." These credit packages not only meet capital needs but also assist businesses in recovery and in optimizing operations amid economic fluctuations. In the area of agricultural credit, SHB has developed financial products tailored to the specific characteristics of production cycles, including inter-crop lending, loans secured by credit books, and on-site loan applications and disbursements, eliminating the need for customers to visit a branch. In addition, SHB's promotion of credit along high-tech value chains in agricultural production and export helped reduce transaction costs, shorten capital turnover time, and improve customers' cash flow management efficiency.

With a credit strategy closely aligned with market demand and sustainable development trends, SHB not only ensures prudent and effective credit growth but also affirms its pioneering role in driving economic development, steadfastly accompanying businesses and individuals through every stage of recovery and growth.



■ Providing green credit and supporting sustainable business development

- SHB identifies green banking as a strategic pillar in its sustainable development orientation, aiming to create long-term value for the economy and enhance the Bank's standing within the financial system. Over the past year, SHB has continued to implement a range of preferential credit packages focused on key green sectors such as renewable energy (including wind, solar, and green hydrogen), wastewater treatment, waste recycling, green agriculture, and environmentally friendly transportation. These efforts aim to increase the proportion of green credit and support businesses in transitioning toward sustainable production models. Notably, SHB also supports small and medium-sized enterprises (SMEs), especially women-led SMEs, through preferential financing programs, financial advisory services, and capacity-building initiatives. Within the COVID-19 relief for WSME program, SHB accounted for 35% of the total project capital, making it the leading bank among the five participating financial institutions.
- In addition, SHB has developed and implemented a comprehensive set of environmental and social risk management standards to ensure that financed projects

meet stringent criteria for environmental protection and efficient resource usage.

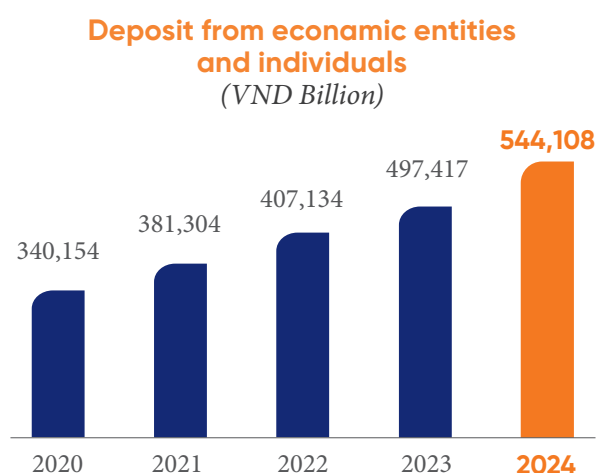
- SHB is also among the leading banks actively participating in international programs and mobilizing medium- and long-term capital from global development financial institutions (DFIs) such as the World Bank (WB), Asian Development Bank (ADB), and Japan International Cooperation Agency (JICA). These funds are directed toward the development of green credit in key areas, including SME support, rural finance, sustainable agricultural transformation, and renewable energy. Notably, SHB was selected by the WB and the Green Climate Fund (GCF) as the Management Unit of the Risk Sharing Facility under the Vietnam Scaling Up Industrial Energy Efficiency Project (VSUEE), with a total fund value of USD 86.3 million, further affirming its pioneering role in green finance.
- With these strategic and determined efforts, SHB not only leads the way in promoting green credit, but also plays a vital role in advancing sustainable economic development, thereby contributing to the realization of the nation's green growth objectives.

2.3. Funding overview

- **Diverse and flexible funding products, combined with outstanding customer service, drove strong growth in SHB's funding base.**

Guided by a customer-centric strategy, SHB has robustly expanded and diversified its funding channels, especially through digital platforms, offering a wide range of products tailored to the specific needs of each customer segment. This approach has significantly contributed to the Bank's continued funding growth and ensured liquidity to support efficient capital utilization.

As of December 31, 2024, SHB's total funding reached VND 660,983 billion, including deposits from economic entities and individuals, deposits from credit institutions, and loans from development finance institutions (DFIs), an increase of VND 107,277 billion, or 19.4% compared to 2023. Of this, deposits from economic entities and individuals amounted to VND 544,108 billion. From 2022 to 2024, SHB's deposit growth rate from these two segments averaged 12.8%, outpacing the banking sector's average of 10.2% and accounting for 3.4% of the total system-wide deposit across all credit institutions. Notably, personal deposits rose by 35.6%, highlighting the sustainability of SHB's funding structure and reinforcing customers' trust in the Bank.



- **Expanding partnership with leading domestic and international organizations.**

In 2024, SHB continued to maintain and strengthen its partnerships with major domestic and international financial institutions. The Bank maintains a global network of over 600 correspondent banks, further affirming its reputation and position in the international financial community. Notably, SHB successfully mobilized a 3-year term loan worth USD 250 million from development finance institutions (DFIs) to support green projects in accordance with its Green Financing Framework. This loan also contributes to the diversification of SHB's funding structure and supports compliance with SBV regulations on short-term funds used for medium- and long-term lending.

Building on its strong track record in implementing official development assistance (ODA) projects with institutions such as the World Bank (WB), Asian Development Bank (ADB), and the governments of Germany, Japan, and Finland, particularly in areas like environmental protection, sustainable development, and support for vulnerable populations, SHB has further enhanced its reputation among international investors. By the end of 2024, SHB was selected as the onlending and lending Bank for 29 projects with a total capital of USD 2.69 billion from these organizations. To efficiently participate in such projects and attract stable medium- and long-term funding, SHB ensures strict compliance with SBV regulations while strengthening its financial capacity, enhancing risk management according to international standards, and maintaining a clear, long-term sustainable development strategy. The Bank also emphasizes fostering strong, trusted relationships with global partners.

SHB's achievements stem from its early adoption of a multi-channel banking model. All transaction channels – eBanking, Mobile Banking, call centers, ATMs, and in-person branches – have been streamlined and optimized to deliver a consistent and convenient customer experience. Branches and Transaction Offices are being upgraded into integrated digital spaces that encourage use of automated channels while still offering support through traditional service counters. SHB also leverages modern technology systems such as Core Banking, CRM, RPA, and AI-powered back-office platforms to gain deeper insight into customer needs. This enables personalized service and more responsive engagement. Today, over 95% of SHB's core operations

are conducted digitally. More than 98% of transactions by both retail and corporate customers are performed via SHB Mobile and Internet Banking, enhancing security, improving efficiency, and reducing operational costs.

SHB continues to expand its offerings with flexible, customer-tailored products and services, particularly in the retail banking segment. Key initiatives include:

- Rolling out promotional campaigns and increasing fee income across various product lines such as savings, insurance, personalized account numbers, remittances, and fund certificates.
- Launching a Fund Certificate Advisory Service for high-net-worth customers, paving the way for bundled offerings under the Priority Banking model.
- Introducing a new prepaid interest savings product, which contributed to an increase of approximately VND 12,000 billion in term deposits and nearly VND 700 billion in sustainable CASA, and sustained throughout the fiscal year.
- Accumulating over VND 105,000 billion in medium- and long-term funding, exceeding the annual target

■ **SHB also ramped up its marketing and customer engagement efforts in 2024:**

Hosting high-impact events such as “Supporting the Vietnamese Team” – a special campaign in which SHB sponsored 600 fans to attend the 2024 ASEAN Cup finals in Thailand. Most participants were individual customers selected through promotional programs, by meeting deposit criteria, or by winning prize draws, thereby strengthening brand affinity and customer loyalty. Organizing exclusive events for premium clients to enhance the cultural and emotional connection with SHB’s brand.

Developing seamless online customer journeys in full compliance with regulatory requirements, including biometric authentication, online debit card issuance, and online passbook-secured overdraft loans. Implementing automated marketing systems across product lifecycles to ensure timely, consistent, and personalized communications.

■ **Implementing retail strategy within wholesale banking:**

- Developing the Employee Banking customer group: In collaboration with the Transformation Division and Corporate Banking Division, and with the active participation of branches, the Retail Banking Division expanded employee banking services for staff of strategic corporate clients. As a result, performance increased by 107% compared to 2023 and achieved 117% of the 2024 target.
- Launching targeted sales campaigns and lead development: SHB deployed initiatives to nurture existing customers, unlocking upsell and cross-sell opportunities, while also expanding its customer base through campaigns aimed at capturing and converting potential leads.

With these accomplishments, SHB continues to affirm its position as a pioneering and dynamic retail bank, delivering high-quality, customer-centric products and services tailored to the diverse and evolving needs of each customer segment, across all age groups and life stages.

2.4. Investment overview

SHB continues to optimize capital efficiency through the strategic restructuring of its securities portfolio. As of December 31, 2024, the total balance of debt and equity securities stood at VND 37,720 billion, including VND 14,034 billion in corporate bonds.

Corporate bond transactions are primarily conducted for short-term trading purposes, enabling SHB to diversify its business activities and enhance profitability.

As of the same date, SHB's long-term capital contributions amounted to VND 3,702 billion, of which VND 3,544 billion were invested in subsidiaries and affiliates, and VND 158 billion were allocated to other long-term capital investments.

2.5. Income, costs and profits

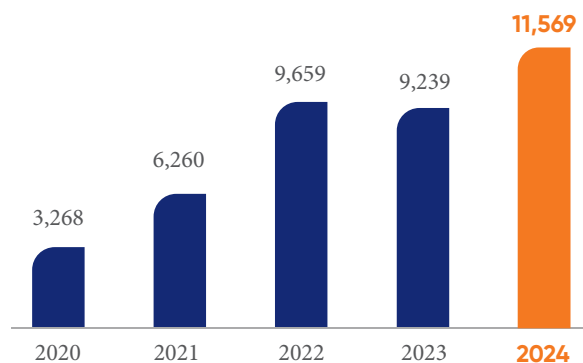
SHB maintained strong income growth and effectively optimized operating costs in 2024, supported by outstanding operational efficiency and continued investment in digital transformation and bank modernization initiatives

In 2024, SHB continued to maintain robust revenue growth while effectively optimized operating costs, despite expanding its network and heavily investing in bank modernization. Net income reached VND 23,572 billion, representing a 10.5% increase compared to 2023. Of this, net interest income amounted to VND 21,232 billion, up 10.1%, driven by positive credit growth and effective funding cost management. While interest income continued to form the core of the Bank's revenue base, non-interest income (NII) also showed consistent annual growth, reaching VND 2,340 billion in 2024. Notably, SHB's digital initiatives such as online international money transfer services significantly boosted NII. In 2024, NII rose by 135.5% to VND 1,283 billion, contributing meaningfully to the overall revenue growth.

Despite increased investments in modernization and digital infrastructure, SHB maintained strict cost control through streamlined procedures, digitized operations, and efficient cost management. Total operating expenses in 2024 stood at VND 5,760 billion, aligned with the Bank's planned expenditure. Credit risk provisioning reached VND 6,243 billion.

Pre-tax profit in 2024 totaled VND 11,569 billion, marking a 25.2% increase compared to 2023. 5-year average pre-tax profit growth has been an impressive 34.9%.

5-year average pre-tax profit growth equals 34.9%



■ Pre-tax profit (VND Billion)

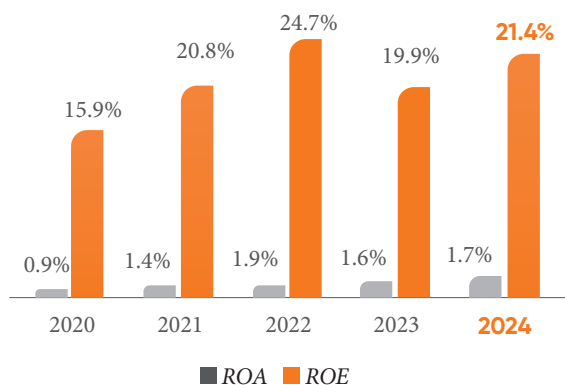
SHB ranks among the top private joint stock commercial banks in terms of pre-tax profit growth. This strong performance is driven by effective cost management, including access to cost-effective and affordable funding, enhanced risk management to reduce credit and operational risk-related expenses, and a focus on automation and digital transformation, and applied advanced technologies to improve management capacity and achieved a notable increase in NII from payment and cash services. As a result, SHB has maintained a cost-to-income ratio (CIR) is trending downward. In 2024, SHB's CIR was 24.4%, marking it among the banks with the best CIR control in the entire industry.



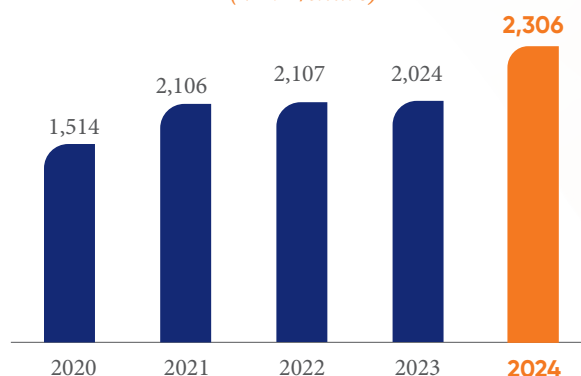
2.6. Profitability ratios and Earning per share

In 2024, SHB recorded a return on assets (ROA) of 1.7%, return on equity (ROE) of 21.4%, and earnings per share (EPS) of VND 2,306.

Profitability ratios



Earnings per share (EPS) (VND/share)



2.7. Asset quality

In 2024, SHB launched the “Determination – Speed – Efficiency” campaign to strengthen the resolution and recovery of overdue loans across the Bank. The campaign aimed to maximize debt recovery, thoroughly address non-performing and overdue debts, and maintain the NPL ratio within the regulatory limit set by the SBV. This effort helped enhance SHB’s competitiveness, reduce the ratios of NPLs and overdue debts, minimize potential losses, and mitigate the risk of future credit defaults.

At the same time, SHB consistently increased risk provisions to strengthen asset quality, fully complying with legal requirements. By the end of 2024, SHB’s NPL ratio stood at 2.40% (in accordance with Circular 31/2024-NHNN), and the total provisioning fund reached VND 9,481 billion.

2.8. Capital adequacy and liquidity

SHB consistently complies with all operational safety regulations set by the SBV.

In addition to its impressive business performance, SHB's liquidity, prudence, and risk management indicators continue to exceed both regulatory thresholds and international standards. The Bank's capital adequacy ratio (CAR) has remained consistently above 8%, as prescribed in Circular No. 41/2016/TT-NHNN. As of 2023, the liquidity ratio stood at 19.66%, significantly higher than the SBV's minimum requirement of 10%. The ratio of short-term funding used for medium- and long-term loans was 26.07%, well within the SBV's ceiling of 34%. SHB has also consistently maintained the liquidity coverage ratio within the thresholds defined by the SBV.

In 2024, SHB completed the development of the advanced Internal Ratings-Based (IRB) approach under Basel II. The Bank remains on track to finalize the full advanced risk management framework, aiming to meet all Basel II – IRB requirements by 2027, while aligning with the SBV's direction for enhancing risk governance across the banking system.

In addition, SHB has implemented liquidity risk management in line with Basel III standards, including the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). The Bank also deployed advanced asset-liability management tools, such as Funds Transfer Pricing (FTP) and Asset-Liability Management (ALM), to improve control of cash flows, ensure adequate liquidity, and proactively respond to adverse market conditions. Liquidity stress tests are conducted semi-annually to assess the Bank's resilience under both normal and stressed scenarios. SHB also continues to diversify funding sources, optimize its asset-liability structure, and closely monitor liquidity indicators to ensure a proactive and responsive financial position.

Capital adequacy ratio between 2020 – 2024

2020	2021	2022	2023	2024
10.08%	11.86%	12.22%	12.19%	11.85%

(*) SBV's minimum requirement: Under Basel II standards (>=8%)



3. Reinventing structure, policy, and management

In the first year of its five-year strategic transformation, SHB took decisive steps to enhance management capacity, optimize its operating model, and improve overall business efficiency. The Bank's strategic objectives have been translated into actionable initiatives, each with a clearly defined implementation roadmap. These initiatives are being progressively implemented across operations and business activities, generating strong momentum for SHB to enhance performance despite ongoing economic headwinds. This progress lays a solid foundation for accelerated growth in 2025 and brings SHB closer to achieving its strategic goals by 2028.

3.1. Accelerating organizational efficiency and management excellence

- In 2024, SHB continued to execute its governance framework in strict alignment with the directives of the Government and the State Bank of Vietnam (SBV), while staying closely aligned with the development strategy and business plan approved by the Annual General Meeting of Shareholders (AGM). The Bank adopted the Management by Objectives (MBO) approach to optimize resource allocation, adapt business strategies with agility, strengthen risk control, and effectively implement transformation initiatives, enhancing adaptability and sustaining high operational efficiency.
- In line with its strategic roadmap to 2028 and long-term vision toward 2035, SHB streamlined its organizational structure to become leaner and more efficient. Several divisions, departments, and centers were either restructured or newly established to enhance business performance, reduce operational costs, and improve workforce productivity.
- SHB also reinforced a clear and transparent framework for decentralization between the Head Office and branches, empowering each branch to maximize its potential within a well-controlled risk environment and ensuring strict adherence to internal policies.
- In 2024, the Bank simplified, optimized, and automated key processes to reduce personnel costs and shorten transaction turnaround times. Productivity improved significantly through

targeted training, skills enhancement, and a better working environment. SHB also accelerated its application of advanced technologies, including artificial intelligence, automation, and data analytics, to improve operational efficiency and reduce the likelihood of errors. With comprehensive digitalization across operations, SHB maintained a low cost-to-income ratio while continuing to invest in modernizing its technology infrastructure.

3.2. Elevating risk management toward global standards

- SHB successfully developed credit risk measurement models and capital calculation methodologies according to the Basel II standards using the advanced IRB approach. The Bank is on track to fully implement the advanced risk management framework, meeting all Basel II-IRB requirements by 2027, while remaining in line with the State Bank of Vietnam's strategy to strengthen risk management across the financial system.
- The establishment of a comprehensive Environmental and Social Risk Management System (ESMS) integrated into the credit extension process marks a key milestone. SHB is expanding its capacity to support green credit growth and implementing measures to manage environmental and social risks, ensuring the development of a sustainable green credit portfolio.
- The application of cutting-edge technologies such as Big Data and Artificial Intelligence in credit risk management has been expanded. This technology-driven approach improves the accuracy of risk assessments and strengthens credit decision-making processes.
- SHB successfully implemented liquidity risk management in compliance with Basel III standards (LCR, NSFR) and introduced advanced asset-liability management tools such as FTP and ALM. These initiatives help maintain better control of cash flows, ensure adequate liquidity, and enable proactive responses to adverse market conditions.

The Bank has also completed the operational risk management framework, meeting the requirements of Circular 13/2018/TT-NHNN and international best practices. Notably, SHB has implemented alternating Core Banking operations to ensure business continuity and robust operational redundancy.

3.3. Driving innovation through technology and customer-centric solutions

SHB's products and services are increasingly optimized around a "Digital first" distribution strategy. The growing share of transactions conducted via digital banking has enabled SHB to attract new customers, improve operational efficiency, and significantly reduce costs. Currently, 90% of SHB's core operations and customer transactions are fully executed through digital channels such as Mobile Banking and Internet Banking.

- To achieve this transformation, SHB has accelerated its digital strategy by modernizing its technology infrastructure, automating processes, and applying comprehensive digitalization across all areas of operations. Over the past three years, SHB has consistently invested in advanced technology and launched a wide range of innovative digital offerings. In September 2024, SHB launched SHB Corporate Mobile, a mobile application tailored for corporate customers, offering 71 features designed to suit various user roles. This platform enables businesses to manage transactions, monitor accounts, and execute foreign currency exchanges and payments – anytime, anywhere. At the end of

November 2024, SHB introduced SHB SAHA, a new mobile application for individual customers. SHB SAHA leverages cutting-edge technologies, including migration to Amazon Web Services (AWS) cloud infrastructure, optimized code, and an enhanced user interface and experience (UI/UX). The app integrates over 130 key features and introduces new capabilities in money transfers, account management, biometric authentication, virtual account selection, deposit management, and loan confirmation. The onboarding process has been automated for speed and convenience. The transition from SHB Mobile to SHB SAHA was executed smoothly, receiving highly positive customer feedback, particularly regarding processing speed, interface, functionality, and security. The successful rollout of both SHB SAHA and SHB Corporate Mobile in 2024 not only reinforces SHB's market position but also reflects the Bank's strong commitment to delivering cutting-edge digital banking solutions and exceptional customer experiences.



4. SHB Forward: Strategic priorities for (2025–2028)

Building on its 2024 business performance and market outlook, SHB remains committed to advancing its strategic agenda in 2025, centered around four pillars and key priorities as follows:

PROJECTED KEY FINANCIAL INDICATORS IN 2025

Unit: VND Billion

No.	Indicators	Projection in 2025	Projected growth	
			(+/-)	(%)
1	Total assets	832.221	84.743	11,00%
2	Charter capital (*)	45.942	5.285	13,00%
3	Total outstanding credit balance (**)	617.624	83.640	16,00%
4	Pre-tax profit	14.500	2.931	25,00%
5	NPL ratio as defined in Circular 31	≤ 2,00%	-	-
6	Projected dividend payout ratio	18%	-	-

(**) Credit growth will be adjusted in accordance with the quota assigned by the SBV. Deposits from economic entities and individual customers will align with the approved credit growth rate to optimize the balance sheet structure.

5. Board of Management's explanation of the auditing company's opinion

Deloitte, as the auditing company, issued an unqualified opinion on SHB's financial statements.



“

Guided by the principle of “Heart”; SHB’s Board of Directors, together with employees at all levels, have devoted much kindness to continuously carry out activities to accompany the community to build a sustainable Vietnamese society.”

6. Environmental and social impact assessment

6.1. Environmental impact assessment

SHB does not prepare an environmental impact assessment report, as the majority of its buildings and transaction points are rented.

As a service provider in the financial and banking sector, SHB's operations generate minimal greenhouse gas emissions and have a limited direct impact on the environment. Any emissions primarily arise from the use of office equipment, building lighting, equipment maintenance, power generation systems, air conditioning, and transportation for employees and customers to and from transaction points.

Despite this, as a joint-stock commercial bank, SHB is committed to fulfilling its environmental responsibility by financing national sustainable development sectors through various green credit programs.

SHB emphasizes training, awareness initiatives, and cost control measures to help staff protect the workplace environment and promote practices that encourage more efficient use of resources.

6.2. Labor impact assessment

SHB consistently complies with legal regulations on employment, wages, and insurance, while continuously improving and expanding its competitive welfare policies. The Bank is dedicated to fostering a humane and supportive working environment that inspires motivation, enhances productivity, and helps employees realize their full potential.

SHB also prioritizes ongoing professional development and regularly communicates labor regulations to ensure transparency and compliance in labor relations.


In addition, trade union and Party activities are actively encouraged, playing a vital role in safeguarding employees' rights and responsibilities, while also contributing to their overall well-being and mental health.

6.3. Corporate social responsibility


For more details, please refer to the Sustainable Development Section on page 155

Reaching new heights

Green and digital transformation in line with national development



SHB's vision by 2028 is to become the most efficient bank, the most favored digital bank, the premier retail bank, and the primary provider of financial products and services to strategic private and State corporate customers with a green supply chain, value chain, and ecosystem.



Guided by four strategic pillars, SHB is steadfast in pursuing its ambitious goals for the new era. Among these, modern information technology, digital transformation, and green transformation serve as core drivers. SHB is channeling its resources toward these spearheads, ready to rise alongside the nation in the new era.



Evaluation of the Board of Directors on the bank's operations

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1. Assessment of the Board of Directors on SHB's operations

The year 2024 continued to pose numerous challenges for both Vietnam's economy as a whole and the banking sector in particular. Nevertheless, under the sound and timely leadership of the Party, the decisive and flexible governance of the Government, the concerted efforts of the entire political system, and the strong consensus and support from the public and the business community, Vietnam in general, and the banking industry in particular, achieved remarkable socio-economic development outcomes.

As a strategic guiding and decision-making body, in 2024 SHB's Board of Directors proactively introduced timely solutions aligned with market dynamics. These actions served as a strong driving force for the entire system to mobilize resources and accelerate business performance. With a solid financial foundation, clear strategic vision, and the unity, determination, and innovative spirit of all staff members, SHB successfully fulfilled and exceeded its 2024 business targets. This accomplishment reaffirms SHB's position and reputation while laying a robust groundwork for stronger growth in 2025, bringing the Bank closer to its strategic objectives for 2028.

■ As of December 31, 2024, SHB's consolidated total assets reached over VND 747 trillion, an increase of 18.6% compared to the end of the previous year. Total consolidated outstanding credit balance amounted to VND 533,984 billion, of which the Bank's standalone credit balance reached VND 522,754 billion, marking a growth of 18.28%. SHB closely aligned its credit growth with the Government's and the State Bank of Vietnam's (SBV) directives, channeling capital into key priority sectors of the economy. The Bank continued to maintain strong liquidity, sound risk management practices, and compliance with safety indicators, all exceeding SBV requirements. The Capital Adequacy Ratio (CAR) stood at over 12% in accordance with Basel II standards, with liquidity risk indicators complied with Basel III standards. SHB also successfully met its Non-Performing Loan (NPL) control target as approved by the Annual General Meeting of Shareholders (AGM).

2024 marked a pivotal year in the Bank's 2024 - 2028 Transformation Strategy.

SHB reported a pre-tax profit of VND 11,569 billion, a 25% increase year-on-year, surpassing the target set by the AGM. The Cost-to-Income Ratio (CIR) was held at an efficient 24.4%, among the lowest in the banking

sector, thanks to ongoing digital transformation and the integration of advanced technologies across operations, services, and products. Return on Equity (ROE) reached 21.4%, reinforcing SHB's position among the industry's top performers in terms of profitability.

■ The BOD for the 2022–2027 term consistently monitored all developments in SHB's business operations, providing direction, oversight, and supervision of the Board of Management in implementing the 2024 business plan in accordance with the resolution approved by the AGM.

The Cost-to-Income Ratio (CIR) was held at an efficient 24.4%, among the lowest in the banking sector, thanks to ongoing digital transformation and the integration of advanced technologies across operations, services, and products.

■ The BOD has effectively fulfilled its role and responsibilities in formulating and issuing a comprehensive internal management framework, establishing a unified and consistent governance mechanism that ensures operational efficiency and robust supervision. This has contributed to safeguarding shareholder interests while harmonizing the interests of stakeholders, including customers, employees, and shareholders. SHB has continued to uphold strong corporate governance practices, adhering strictly to the Law on Enterprises, the Law on Credit Institutions, and the Bank's Charter.

■ For 2024 and beyond, the BOD has provided strategic direction to the Executive Board and the entire SHB ecosystem, aiming to realize the Bank's long-term

development objectives built upon four key pillars: (1) Institutional and mechanism reform, (2) People-centricity, (3) Customer-centricity, and (4) IT and digital transformation. In line with this vision, the BOD has directed efforts toward institutional and procedural reforms, streamlining internal regulations, and restructuring the organizational structure at the Head Office while improving human resource development and training initiatives.

- In its continued commitment to protecting shareholder interests, in 2024, SHB successfully completed the first-round cash dividend payment for 2023 at a rate of 5%, alongside a stock dividend issuance of 11%. As a result, the Bank's charter capital rose to VND 40,657 billion. On March 12, 2025, SHB received official confirmation from the State Securities Commission of Vietnam on the successful issuance of an 11% stock dividend.

- With a strong reputation and financial capability, SHB remained a trusted partner of leading international financial institutions in the past year, including IFC, ADB, and WB, with partnership values amounting to hundreds of millions of USD.

Amid a challenging and uncertain domestic and global market landscape, SHB has consistently prioritized the common good and the sustainable development of the nation and community, with social responsibility serving as a guiding principle in all its activities. In 2024, in line with directives from the Government and the State Bank of Vietnam to proactively implement measures that enhance credit access and ease difficulties for production and business activities, SHB – operating under the philosophy of “customer and market-centric” business – rolled out timely, flexible, and effective solutions to support both businesses and individuals. Beyond its business support initiatives, SHB has also actively spread the spirit of compassion across the country. The Bank remained committed to implementing social welfare programs, caring for policy beneficiary families, people with meritorious services to the nation, and those in difficult circumstances.

2. Evaluation of the Board of Directors on the activities of the Board of Management

- The Bank is led by a dedicated and experienced management team, comprising reputable experts with decades of experience in investment, business administration, banking, and finance – both domestically and internationally. Under the leadership of this committed and seasoned team, SHB achieved sustainable growth in 2024 and was honored with numerous prestigious awards from both local and international organizations.

- Guided by the timely direction and leadership of the BOD, SHB's BOM successfully implemented the policies, strategies, and resolutions approved by the Annual General Meeting of Shareholders and the BOD. The BOM carried out its responsibilities with a high sense of accountability, managed operations with agility, and provided close guidance to all business units. It also proactively submitted timely proposals and solutions to the BOD, ensuring that every unit within the system operated in a fully monitored, controlled, safe, efficient, and legally compliant manner.



To achieve the long-term strategic goals, the BOD has selected leading global partners and strategic consulting firms to accompany SHB in planning, supervising, and organizing the implementation of the bank's development strategy.



3. Plans and orientations of the Board of Directors

Closely aligning with and actively supporting the policies of the Party, the Government, and the State Bank of Vietnam and based on continuous analysis of domestic and international developments along with its strategic orientation and governance focused on efficiency, safety, and sustainable development, SHB has consistently stood by the people and businesses, fostering economic growth alongside social progress. SHB has identified 2025 as a pivotal year of transformation and breakthrough, characterized by strengthening internal capabilities and sustaining effective growth.

Continuing its proud journey of development, SHB enters a new phase with renewed spirit and strength, steadily working toward its 2028 goals: to become the leading bank in terms of efficiency; the favorite digital bank; the best retail bank; and a top-tier provider of capital, financial products, and services to both private and state-owned strategic enterprise clients with integrated supply chains, value chains, ecosystems, and green development models. In its vision up to 2035, SHB aspires to become a modern retail bank, a green bank, and a leading digital bank in the region.

SHB is dedicating its resources into the comprehensive implementation of its transformation strategy based on four foundational pillars: Institutional Reform, People-centricity, Customer-centricity, and Modernized Information Technology and Digital Transformation. This is underpinned by the Bank's steadfast commitment to its six core cultural values: Heart – Faith – Trustworthiness – Knowledge – Wisdom – Greater Height.

The BOD has directed the entire system to implement a governance strategy centered on six key strategic orientations, with a strong focus on:

1. Centering all operations around customers and market dynamics, firmly upholding the commitment to sustainable growth in alignment with the country's development journey.

Focusing on optimizing the business model with the ultimate goal of delivering the best value to customers. From product design to service delivery and customer engagement models, every aspect is being streamlined and tailored to the customer journey - differentiated by region, ecosystem, and industry sector.

Guided by the strategic direction of the Government and the State Bank of Vietnam for joint-stock commercial

IV. Assessment of the board of directors on SHB's operations

banks, and informed by ongoing analysis of domestic and international market trends, SHB is directing its credit growth in alignment with national and local socio-economic development priorities. Key focus areas include clients in infrastructure construction (especially national key transportation projects), energy (particularly renewable and green energy), agriculture and rural development, export-oriented industries, supporting industries, high-tech and environmentally friendly technologies, as well as the tourism and hospitality sectors. The Bank is also actively expanding credit through customer ecosystems and supply chains of strategic partners, while continuing to strengthen relationships with high-performing existing clients.

SHB is actively undergoing a digital transformation, continuously integrating cutting-edge technologies into every stage of the customer journey to deliver the most seamless and rewarding experiences across its suite of products and services. At the same time, the Bank proactively researches and gains deep insights into customer needs, aiming to develop comprehensive, customized solutions, both financial and non-financial, that meet evolving expectations and create lasting value for customers.

2. Accelerating digital transformation in business operations and governance

Building on a modern digital foundation encompassing digital governance, digital human resources, and advanced infrastructure, SHB will continue to accelerate its comprehensive digital transformation. By leveraging cutting-edge digital technologies throughout banking operations, SHB aims to deliver highly personalized financial solutions and value-added service packages, thus deepening customer engagement and enhancing business performance.

SHB is undertaking a fundamental transformation to enhance service quality and elevate the customer experience through digital technologies and data utilization. Its strategic partnerships with leading global technology firms, such as SAP, SAP Fioneer, AWS, and Google play a pivotal role in achieving these strategic objectives.

In 2025, SHB's transformation efforts will focus on delivering greater value to customers and enhancing sales efficiency through the following key initiatives:



Implementing tools to optimize sales processes, sales management, and loan management in both retail banking and corporate banking sectors.

Transforming digital channels to offer a more intuitive and seamless online customer experience, while ensuring security and privacy that meet international standards.

Modernizing cash flow management and diversifying payment solutions to provide customers with more flexible, efficient, and secure payment options, enhancing convenience while supporting their business growth.

Branch network optimization to create a more efficient operational environment and improve service quality for customer support.

Bank of the Future (BOF) – A comprehensive strategy for transformation and digitalization in 2025 and beyond.

One of the key pillars of SHB's transformation strategy is the Bank of the Future (BOF) initiative. This transformative program will establish a scalable platform built in collaboration with leading global and Vietnamese banking technology providers, including SAP, SAP Pioneer, AWS, and CMC. BOF is set to redefine SHB's competitive edge and customer service capabilities, delivering significant milestones in 2025 and 2026, including: Enhanced Digital Services; Digitized Customer Journeys; Enhancing Automation; Data-Driven Growth; Core Banking Modernization; Operational Efficiency Enhancement; and Scalable Technology Foundation to support long-term growth and continuous innovation for the Bank.

With its transformation strategy built on four strategic pillars and a strong commitment to investing in digitalization and comprehensive transformation, SHB's decisive execution plan is set to drive breakthrough growth. This will significantly enhance customer satisfaction and solidify SHB's position as a leading financial institution both domestically and regionally.

3. Placing “people at the core” – fostering a professional and modern work environment

The BOD recognizes that people are the strategic pillar determining SHB's competitive edge and sustainable development. Therefore, SHB continuously refines and enhances its human resource strategies and policies, while cultivating a fair, transparent, innovative, and inspiring workplace culture. This ensures employees are motivated to grow and contribute effectively.

In 2025, SHB will continue to focus on training, planning, attracting and nurturing a team with expertise, ethics, “both heart and vision”, ready to change, ready to make breakthroughs, and committed to long-term engagement. At the same time, the Bank is also continuing to focus on training and developing human resources with digital capacity to meet the requirements of the 4.0 industrial revolution and the digital transformation wave in the banking industry. Through in-depth training programs, SHB has built and developed a team of employees capable of operating electronic banking systems, applying Artificial Intelligence (AI), Big Data, and Blockchain technology to the Bank's work processes and services. This not only helps improve work efficiency but also creates more innovative and modern products and services to better serve customers and people in the digital age.

During the strong transformation phase of the entire SHB system, every SHB employee is also a catalyst for change, continuously innovating, improving, and embracing a spirit of creativity and dedication, driving value for themselves, the organization, and the nation.

4. Enhancing executive management capabilities and streamlining the organizational structure to be lean, strong, efficient, and effective with clear delegation and decentralization, empowering all levels.

Continue refining the governance framework in line with international standards, optimizing the executive management system to suit the business strategy, market dynamics, and customer needs.

A lean organizational structure, with well-defined delegation, supervision, and accountability, ensures transparency, agility, and proactive strategic execution. Decision-making processes are expedited, and internal

IV. Assessment of the board of directors on SHB's operations

controls are operated through a digital data-driven model with early warning mechanisms.

Continue promoting and improving digitalization and automation of internal processes serving the Bank's management, and applying AI in operations and risk management, thereby enhancing efficiency, reducing operating costs, strengthening security and transparency, and delivering superior products and services to customers, all contributing to a strong foundation for the Bank's sustainable development in the digital era.

5. Continue to strengthen risk management capacity and monitor compliance with advanced standards

Continue focusing on promoting and improving risk management capacity according to modern, effective, and sustainable international standards:

SHB has been focusing on promoting and improving its risk management capacity in line with modern, effective, and sustainable international standards. The Bank continues to enhance its comprehensive risk management system by applying modern models and tools to assess, measure and control risks; maintaining liquidity risk management aligned with Basel III standards and implementing advanced Basel II credit risk measurement models. With ongoing improvements in technology, management processes, personnel training, and building a risk management culture, SHB aims to build an operating environment with a clear risk control culture identity that positively impacts all activities – a crucial foundation for the Bank's safe, sustainable, and effective development thereby better serving customers and contributing more significantly to the stable development of the economy.

Improve the effectiveness of compliance management:

SHB is building a comprehensive compliance management system to ensure that all bank activities comply with the requirements of the regulators, align with legal regulations, and meet international standards. The Bank continues to enhance and digitize compliance control and monitoring tools across the system and to each unit, ensuring all transactions and activities are transparent and fully compliant.

Focus on preventing corruption, waste, and misconduct:

SHB identifies the prevention of corruption, waste, and misconduct as a core, regular, continuous, and long-term priority, demonstrating its commitment to maintaining a transparent, fair, and effective working environment. The Bank established a strict monitoring system to detect acts of corruption, misconduct, and waste. Any violations will be thoroughly investigated and handled in accordance with the provisions of law and the Bank's internal policies. SHB remains focused on organizing training courses for staff on issues related to corruption, misconduct, and waste, while raising awareness about their harmful effects. This is one of the Bank's important strategies to affirm the reputation and value of "Taking Heart as the Root" of SHB people, increasing the trust of customers, partners and society, while ensuring the sustainable development of SHB.

Strengthening loan management and resolution:

In 2025, SHB will intensify its focus on minimizing non-performing loan (NPL) ratios to ensure financial stability and keep credit risk within controlled levels through the following measures: Continuously improving credit quality control and early-stage risk prevention mechanisms; Proactively advising and implementing loan restructuring solutions in accordance with legal regulations; Enhancing the efficiency of loan handling activities and developing specialized loan settlement policies; Refining models and processes to ensure transparency and legal compliance; Investing in technology and deploying modern loan management software to enable timely detection, prevention, and oversight of loan resolution activities, ensuring transparency, safety, and efficiency.

6. Anticipating future trends and pioneering scientific and digital solutions for breakthrough:

In all investment and development activities, SHB is committed to both meeting present demands and proactively preparing for future opportunities.

Adhere to the Government's orientation in the development of science, technology, innovation, and digital transformation to drive strong national development in the new era – the era of prosperity. With a vision of strong development in the future, SHB will continue to invest in advanced technology solutions to optimize processes, delivering outstanding experiences to customers and offering modern, convenient and secure digital banking services. The Bank also prioritizes strengthening its financial foundation to remain resilient amid market fluctuations and evolving economic landscapes.

SHB actively fosters strategic partnerships with leading global technology corporations, international financial institutions, and reputable organizations worldwide. These collaborations not only enhance SHB's competitive advantage in the present but also unlock new growth opportunities for the future.

SHB continually monitors, analyzes, and adapts to macroeconomic, political, and social shifts in Vietnam and globally. By staying ahead of market dynamics, the Bank develops agile strategies and solutions, ensuring resilience and responsiveness. Additionally, SHB is dedicated to introducing innovative products and services aligned with emerging trends and evolving customer needs.

7. Continuing to contribute to national prosperity, social welfare, and support for the poor and vulnerable

Throughout its development journey, SHB has consistently played a pivotal role in fostering economic growth, creating value, and spreading positive impact. Every business activity is conducted with a balanced approach, aligning the interests of the Bank, customers, and the community.

Originating from the Heart, throughout more than 30 years of construction and development, SHB has always put the Heart first and considered it the guiding principle for all activities. In 2025, alongside its core business, SHB commits to continuing its participation in social security programs for the community, launched by the Party and the State. At the same time, SHB will continue to contribute and fulfill its responsibility to the community through investment activities in various areas such as education development, nurturing, child protection, health care support, and environmental protection.

SHB will continue promoting the spirit of solidarity, confidence, self-reliance, national pride, and determination to innovate, create, and develop based on the 4 pillars of the Bank. The Bank remains committed to putting people at the center, constantly innovating, creating, continuously learning, and renewing thinking. At the same time, SHB will continue to actively connect societal resources, ignite national spirit and generate even greater value for customers, investors, shareholders, and the broader community. By doing so, SHB contributes to national prosperity and helps propel the country into a new era of growth - an era of national resurgence.



Corporate governance

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The economy is undergoing rapid transformation, driven by urgent demands for a shift in growth models, innovative governance thinking, and the optimization of available resources. In response to this dynamic landscape, SHB's leadership has clearly defined its role and responsibility in setting strategic and management direction according to goals: each leader is envisioned as a catalyst for change, guiding the Bank's comprehensive transformation, ensuring efficient governance, and delivering the highest value to shareholders, investors, customers, partners, and the wider community.

1. Board of Directors

The Board of Directors is the highest governance body of the Bank, with members elected by the General Meeting of Shareholders, having full authority on behalf of SHB to decide and exercise the rights and obligations of SHB in accordance with the provisions of Law.

1.1. Membership and composition of the Board of Directors for the 2022-2027 term

SHB's Management and Operations Structure complies with key legal regulations and corporate governance orientations issued by State Management Agencies, including: Decree 155/2020/ND-CP regulating detailing the implementation of a number of articles of the Securities Law; Circular 13/2018/TT-NHNN on internal control systems of commercial banks, foreign bank branches, and amending and supplementing documents; Corporate Governance Principles according to best practices issued in August 2019 by the State Securities Commission and the International Financial Corporation (IFC);

SHB Board of Directors for the 2022-2027 term consists of:

No.	Full name	Position	Appointment date (Term 2022-2027)	Shareholding – with voting right (%)
1	Do Quang Hien	Chairman of the Board of Directors – Non-executive	April 26, 2022	2.724
2	Do Quang Vinh	Vice Chairman of the Board of Directors - Executive	April 26, 2022	2.768
3	Do Duc Hai	Vice Chairman of the Board of Directors (dismissed since April 25, 2024)	April 11, 2023	0.005
4	Thai Quoc Minh	Member of the Board of Directors – Non-executive	April 26, 2022	0.005
5	Ngo Thu Ha	Member of the Board of Directors – Executive	April 11, 2023	0.078
6	Pham Viet Dan	Member of the Board of Directors – Non-executive	April 11, 2023	0.004
7	Do Van Sinh	Independent member of the Board of Directors	April 26, 2022	0.004
8	Haroon Anwar Sheikh	Independent member of the Board of Directors (dismissed since April 25, 2024)	April 11, 2023	

(*) Background of members of the Board of Directors are detailed on pages 13-16



Change of members of the Board of Directors

Number of members of the Board of Directors: 06 members.

Number of independent members: 01 members.

As SHB's 32nd Annual General Meeting of Shareholders in 2024, the dismissal of two members of the Board of Directors for the 2022–2027 term was approved: Mr. Do Duc Hai, Vice Chairman of the Board cum Deputy CEO of SHB, and Mr. Haroon Anwar Sheikh, Independent Board Member.

No	Full name	Title
1	Do Quang Hien	Chairman of the Board
2	Do Quang Vinh	Vice Chairman of the Board
3	Thai Quoc Minh	Member of the Board of Directors
4	Ngo Thu Ha	Member of the Board of Directors
5	Pham Viet Dan	Member of the Board of Directors
6	Do Van Sinh	Independent Board Member

Titles at other companies held by BOD members for the 2022-2027 term

No.	Full name	Title	Titles at other companies
1	Do Quang Hien	Chairman of the Board	<ul style="list-style-type: none"> Chairman of Hanoi Association of Small and Medium Enterprises; Vice Chairman of Vietnam Association of Small and Medium Enterprises; Member of the Vietnam Fatherland Front Central Committee; Chief Operation Officer, T&G Group Joint Stock Company; Chairman of the Business Alumni Club of Hanoi National University.
2	Do Quang Vinh	Vice Chairman of the Board	<ul style="list-style-type: none"> Chairman of the BOD of Saigon - Hanoi Securities Joint Stock Company (SHS); Chairman of BVIM Fund Management Joint Stock Company.
3	Do Duc Hai	Vice Chairman of the Board (dismissed since April 25, 2024)	<ul style="list-style-type: none"> Chairman of the BOD and Chairman of the Executive Committee of Saigon - Hanoi Bank Laos Limited; Chairman of the BOD and Chairman of the Executive Committee of Saigon - Hanoi Bank Cambodia Limited.
4	Ngo Thu Ha	Member of the Board of Directors	None
5	Thai Quoc Minh	Member of the Board of Directors	None
6	Pham Viet Dan	Member of the Board of Directors	None
7	Do Van Sinh	Independent member of the Board of Directors	None
8	Haroon Anwar Sheikh	Independent member of the Board of Directors (dismissed since April 25, 2024)	None

1.2. Subcommittees of the Board of Directors

In 2024, the Board of Directors reinforced the organizational structure of its key committees, including the Strategy Committee, Human Resources Committee, and Risk Management Committee, as well as other Steering Committees. This enhancement aims to provide timely guidance, strategic oversight, and robust support to the Executive Board in driving and accelerating business performance.

- Strategy Committee;
- Human Resources Committee;
- Risk Management Committee;
- Internal Security Department.

1.3. Activities of the Board of Directors

Meetings of Board of Directors for the 2022-2027 term in 2024

No.	Member of the BOD	Meetings attended	Meeting attendance rate	Reason for absence
1	Do Quang Hien	9/9	100%	
2	Do Quang Vinh	9/9	100%	
3	Thai Quoc Minh	9/9	100%	
4	Do Van Sinh	9/9	100%	
5	Ngo Thu Ha	9/9	100%	
6	Do Duc Hai	6/9	66.7%	On April 25, 2024: The AGM approved the dismissal of the position of Member of the BOD of SHB for the 2022–2027 term.
7	Pham Viet Dan	9/9	100%	
8	Haroon Anwar Sheikh	1/9	11.1%	<ul style="list-style-type: none"> Prior to April 25, 2024: Absences from meetings were accompanied by formal written requests for unpaid leave. On April 25, 2024: The AGM approved the dismissal of the position of Member of the BOD of SHB for the 2022–2027 term.

Supervisory activities of the Board of Directors for the Board of Management

- Management and supervision activities of the Board of Directors over the Board of Management are carried out in accordance with the provisions of Law, SHB Charter, Regulations on Organization and Operation of the BOD and Internal Management Regulations of the Bank. The BOD regularly monitors and inspects the implementation of Resolutions and Decisions passed by the AGM and the BOD
- SHB's BOD applies a comprehensive, consistent, and timely control mechanism by analyzing and evaluating periodic and ad-hoc reports submitted by the BOM, covering all operational activities and specific business functions, to ensure operations closely align with the strategic directions approved by the AGM.
- The BOD's operational plan is closely aligned with SHB's strategic objectives. Accordingly, its supervisory role is proactive and adaptive, providing timely support to the BOM in executing business strategies. In addition, reports from the Board of Supervisors and Internal Audit Division further assist the BOD in identifying and mitigating risks, ensuring compliance with legal requirements and SHB's Charter.
- The BOD's oversight activities affirm that the BOM has effectively adhered to the approved strategic orientation and annual plan, promptly and efficiently executed BOD directives, and successfully carried out SHB's 2024 business strategies.

Through meetings held in 2024, the BOD has issued 29 resolutions, including:

Resolutions of the Board of Directors in 2024

No	Resolution No.	Date	Description	Approval ratio
1	01/NQ-HĐQT	15/01/2024	Approve amendments to credit extension requirements for corporate clients	100%
2	02/NQ-HĐQT	17/01/2024	Approve the extension of guarantee limit for corporate clients	100%
3	03/NQ-HĐQT	23/01/2024	Approve the loan repayment plan of the next tranche of IFC Loan A	100%
4	04/NQ-HĐQT	30/01/2024	Approve the handling of remaining shares under Employee Stock Option Programme (ESOP)	100%
5	05/NQ-HĐQT	21/02/2024	Approve the distribution of remaining shares under Employee Stock Option Programme (ESOP)	100%
6	06/NQ-HĐQT	23/02/2024	Prepare the list of shareholders and organize the 2024 Annual General Meeting of Shareholders	100%
7	07/NQ-HĐQT	28/02/2024	Sign and renew the Banker Blanket Bond and Professional Liability Insurance at SHB for 2024.	100%
8	08/NQ-HĐQT	06/03/2024	Identify the type of deposited securities.	100%
9	09/NQ-HĐQT	08/3/2024	Established the Board of Inspection of Shareholder eligibility at the 32nd Annual General Meeting of Shareholders	100%
10	10/NQ-HĐQT	25/3/2024	Close the list of shareholders eligible to nominate or self-nominate for additional Board of Directors members for the 2022-2027 term.	100%
11	11/NQ-HĐQT	08/5/2024	Assign tasks to Board of Directors members for the 2022-2027 term.	100%
12	12/NQ-HĐQT	10/5/2024	Authority to approve credit extensions.	100%
13	13/2024/NQ-HĐQT	28/5/2024	Approve the signing of contracts between Saigon - Hanoi Commercial Joint Stock Bank and Saigon - Hanoi Securities Joint Stock Company.	100%
14	14/2024/NQ-HĐQT	06/6/2024	Approve the plan to issue publicly traded bonds to increase Tier 2 capital in 2024.	100%

No	Resolution No.	Date	Description	Approval ratio
15	15/2024/NQ-HĐQT	06/6/2024	Approve the signing of the publicly traded bond issuance consulting contract and services between Saigon - Hanoi Commercial Joint Stock Bank and Saigon - Hanoi Securities Joint Stock Company for 2024.	100%
16	16/2024/NQ-HĐQT	25/6/2024	Approve the first tranche of the bond issuance plan for 2024.	100%
17	17/2024/NQ-HĐQT	26/6/2024	Register the change in Charter Capital at the Business Registration Certificate	100%
18	18/2024/NQ-HĐQT	28/6/2024	Approve the registration documents for SHB's public bond offering in 2024.	100%
19	19/2024/NQ-HĐQT	01/7/2024	Approve the last registration date to exercise the right on 2023 cash dividends	100%
20	20/2024/NQ-HĐQT	27/8/2024	Approve the extension of deposit transaction limits to Financial Institutions	100%
21	21/2024/NQ-HĐQT	23/9/2024	Approve the execution of the plan for public offering of SHB bonds in 2024, including the detailed plan for utilizing and repaying the capital raised through the bonds issuance.	100%
22	22/2024/NQ-HĐQT	23/9/2024	Approve the registration dossier for the public offering of SHB bonds in 2024	100%
23	23/2024/NQ-HĐQT	25/9/2024	Amend the SHB Establishment and Operation License to include additional business activities	100%
24	24/2024/NQ-HĐQT	11/10/2024	Amend and adjust the plan to increase charter capital	100%
25	25/2024/NQ-HĐQT	21/10/2024	Approve the issuance of guarantee for corporate customer	100%
26	26/2024/NQ-HĐQT	01/11/2024	Approve the execution of a cooperation agreement with Saigon - Hanoi Securities Joint Stock Company for the launching of securities lending products	100%
27	27/2024/NQ-HĐQT	04/11/2024	Approve the sale/transfer of capital at SHB Finance Company Limited and other related issues	100%
28	28/2024/NQ-HĐQT	21/11/2024	Sign the loan agreement with SMBC and approve the plan for borrowing and utilizing the loan funds	100%
29	29/2024/NQ-HĐQT	16/12/2024	Approve the signing of agreements between Saigon - Hanoi Commercial Joint Stock Bank and Saigon - Hanoi Securities Joint Stock Company	100%

1.4. Activities of non-executive independent directors

Fulfilled the rights and responsibilities of independent members of the Board of Directors in accordance with SHB's internal regulations and the assignment decision of the BOD/Chairman of the BOD, with diligence and integrity, aiming to effectively enhance SHB's business outcomes for 2024.

Attended all meetings of the BOD and the Risk Management Committee and actively contributed opinions as well as through written consultations on issues circulated for comment.

Implemented the resolutions and decisions of the Annual General Meeting of Shareholders and the Decision delegated by the BOD.

Duly reported and disclosed information in accordance with applicable law.

Executed designated responsibilities and a, providing timely and effective support to the BOD in decision-making and management of banking operations.

1.5. Activities of subcommittees in the Board of Directors

The Committees/Departments are advisory bodies established by the BOD to assist in governance and oversight functions of the Bank. These include the Strategy Committee, Human Resources Committee, Risk Management Committee, and the Internal Security Department. Their establishment complies with regulations of the State Bank of Vietnam and other applicable laws. Each operates under its own organizational and operational charter as approved by the BOD.

These Committees and BOD-affiliated units report regularly and promptly on their areas of responsibility, ensuring that the BOD remains fully and comprehensively informed to facilitate effective and lawful decision-making, in line with resolutions passed by the AGM.

1.5.1. Strategy Committee (SC)

The Strategy Committee (SC), a subcommittee under the BOD, advises and supports the BOD in shaping SHB's vision, direction, strategic planning, and oversight of SHB's strategy through transformative initiatives. In 2024, the Strategy Committee continued to fulfill its advisory role in alignment with the BOD's strategic orientation, focus on:

- Advising the BOD in formulating vision and strategic objectives, considering both global and national economic outlooks and drawing lessons from leading banks worldwide;
- Developing and planning growth strategies that leverage SHB's core strengths, while overseeing the Board of Management (BOM) and related departments in executing initiatives related to business strategy development, information technology, and digital transformation, as part of the Bank's innovation and modernization efforts;
- Collaborating with domestic and international consulting firms and recommending appropriate consultancy partners based on strategic fit and project requirements;
- Acting as the central coordination point for evaluating and reporting the implementation of strategy, proposing necessary strategic adjustments when necessary, and promoting the realization of strategic goals;
- Researching and proposing institutional and policy solutions to enhance governance and management effectiveness.



1.5.2. Human Resources Committee (HRC)

The Human Resources Committee, a body directly under the BOD, advises and supports the BOD on personnel matters. Specifically, in 2024, the HRC fulfilled its role by providing advice and support in:

- Reforming mechanisms and policies related to human resources, labor management, compensation, and benefits to improve productivity, motivate employees, and strengthen engagement; Streamlining policies and procedures;
- Leveraging technology and digitalization in human resource management to improve employee experiences, accelerate processing times, and ensure transparency and accessibility;
- Promoting employee performance through awards and competitions, enhancing oversight of labor compliance, and maintaining a fair system of rewards and disciplinary actions;
- Reviewing and evaluating personnel for positions within the BOD's appointment authority, and performing other assignments as delegated by the BOD.

1.5.3. Risk Management Committee (RMC)

The Risk Management Committee (RMC) performs specialized risk governance functions on behalf of the BOD. Implementing the 2024 action plan, the RMC held 04 periodic meetings, 01 meetings on information technology risks, and multiple working sessions with the BOS, the BOM, and the divisions/departments to monitor, evaluate, and advise on risk management measures. Highlights include:

- Proposing and supervising the implementation of information technology risk management solutions; ensuring continuous system operation; and implementing security solutions in compliance with Decision No. 2345/QD-NHNN dated December 18, 2024, of the Governor of the SBV on implementing security solutions for online payment and card payment; and proposing the establishment of a dedicated department to manage system data;
- Advising on the restructuring of the Debt Handling Division and establishment of the Legal and Compliance Division in accordance with Circular No. 13/2018/TT-NHNN dated May 18, 2018, of the Governor of the SBV



on internal control for commercial banks and foreign bank branches;

- Overseeing lending activities to ensure compliance with Circular 06/2023/TT-NHNN issued by the SBV, which regulates lending practices of credit institutions and foreign bank branches to customers;
- Supervising and advising the management of risk-weighted asset using the Internal Ratings-Based (IRB) method;
- Advising and proposing on asset classification and recommending the establishment of a dedicated debt-handling department to comply with Circular No. 31/2024/TT-NHNN dated June 30, 2024, of the Governor of the SBV on asset classification for commercial banks, non-bank credit institutions, and foreign bank branches;
- Approving strategic direction for credit risk-weighted assets in 2024;
- Advising and approving amendments to risk management and credit policies to ensure compliance with the Law on Credit Institutions 2024 and guiding circulars of the SBV;

- Advising on the implementation of environmental and social risk management (ESG), and fulfill risk management obligations with various development financial institutions;

- Supervising and proposing centralized risk management measures for customers with outstanding debt of 5% or more of equity capital, following Circular No. 52/2018/TT-NHNN dated December 31, 2018, of the Governor of the SBV (as amended and supplemented) regulating credit institution ratings.

Looking ahead to 2025, in addition to strengthening its personnel, the RMC will continue to carry out its supervisory role at the senior management level by overseeing comprehensive risk governance across all banking operations. The Committee will also advise on the review, update, and refinement of SHB's risk management policies and internal control systems; support the rollout of risk management projects; and drive implementation aligned with Basel III standards.

1.5.4. Internal Security Department (ISD)

The Internal Security Department (ISD) is a subordinate unit of the BOD, with the function of advising and assisting the BOD in ensuring security and safety across the SHB system and its member units. In 2024, the ISD fulfilled its role by:

- Advising the BOD on developing strategies and policies for safety and security across the banking system: formulating internal security and information security measures for SHB's operations (Advising functional departments on strengthening supervision and control in IT operations; Advising administrative and risk management departments on developing contingency plans to address potential disruptions, including crowd gatherings that disrupt bank operations and armed robberies at SHB's head office);
- Conducting investigations and collecting information to reduce risks and losses: this involved organizing and executing investigations into suspected violations at SHB's head office and branches, as well as actively participating in debt recovery efforts alongside the Debt Settlement Steering Committee. Based on findings, recommendations were submitted to the Chairman of the Board regarding handling measures and strategies to strengthen risk management;
- Overseeing to ensure security across SHB's banking system: this included inspecting and proposing internal and external security solutions at all transaction points; recommending measures to ensure information security and safeguard customer data; coordinating with relevant departments to inspect and supervise regulatory compliance throughout the Bank; and preparing both quarterly and ad hoc reports: Submitting quarterly reports on ISD activities to the Chairman of the BOD. Preparing ad hoc reports including proposed measures and solutions to address specific challenges and maintain operational security.

List of members of the Board of Directors with training certificates in corporate governance:

- SHB has consistently prioritized participation in corporate governance training programs organized by the Stock Exchange and the State Securities Commission

of Vietnam. These programs are designed to update and enhance knowledge in corporate governance in accordance with legal regulations, as well as the best practices both in Vietnam and globally.

- Since 2018, the Bank has organized training courses for 31 executives and managers, including members of the Board of Directors, the Board of Supervisors, the Board of Management, Heads of Departments at the Head Office, officers of the Board of Directors' Office, Company Secretary, and assistants/secretaries to the BOD and the BOM. Participants have successfully completed certified Corporate Governance training programs as required. In addition, members of the Board of Directors and officers of the Board Office have also attended courses on international corporate governance standards, strategic governance, and modern governance architecture, as well as capacity-building conferences for listed companies on the Vietnamese stock market.

- SHB has also implemented a range of programs to enhance the governance and management capabilities of its leadership and management teams across all levels. Senior executives have been nominated to attend training courses, seminars, and workshops organized by the Stock Exchange, the State Securities Commission, regulatory bodies, and reputable domestic and international institutions. These programs are designed to keep pace with regulatory changes in corporate governance, while also strengthening leadership, operational, and organizational management skills. In 2024, SHB launched several key initiatives aimed at strengthening governance and leadership capacity, including a collaboration with the National Economics University and the Vietnam National University - Ho Chi Minh City to implement the "Effective Bank Director" training program for nearly 300 executives holding the titles of Director and Deputy Director of business units.

- In addition, SHB sent 477 employees to participate in various training sessions and workshops covering topics such as legal updates, credit management, banking governance, information technology, and digital transformation.

2. Board of Supervisors

The Board of Supervisors (BOS) is a body elected by the AGM, responsible for controlling and evaluating the compliance with internal regulations, legal provisions, Charter and implementation of policies and resolutions passed by the General Meeting of Shareholders and the Board of Directors; Carrying out internal audits of SHB's business activities and financial statements.

2.1. Members and composition of the Board of Supervisors

No	Full name	Position	Shareholding (%)
1	Pham Hoa Binh	Head of the Board	0.006%
2	Le Thanh Cam	Full time member	0.002%
3	Vu Xuan Thuy Son	Full time member	0.002%

Brief backgrounds of members of the Board of Supervisory can be referred to on page 19

2.2. Operations of the Board of Supervisors

In 2024, operations of SHB's Board of Supervisors (BOS) were carried out in strict adherence to the responsibilities and authorities outlined by the Law, Charter, and internal regulations of SHB. These actions aligned with the annual and periodical plans and directions set by the BOS, ensuring the comprehensive fulfillment of their duties. Additionally, the BOS undertook supplementary tasks as directed by the BOD and CEO of SHB.

In 2024, the BOS held four regular meetings (scheduled during the second week of the first month of each quarter), focusing on reviewing the prior quarter's performance and setting directions for the upcoming quarter. All meetings achieved 100% attendance and unanimous approval on discussed matters.

With consensus reached in these meetings, the BOS successfully fulfilled its annual and quarterly work plans and strategic objectives for 2024. Key completed tasks include:

(1) Supervised the management and operational activities of SHB's Board of Directors and CEO, ensuring compliance with legal provisions and SHB's Charter.

The BOS conducted comprehensive and regular supervision of the BOD and the CEO in accordance with current legal regulations and the SHB Charter. Key focus areas included: (i) Strategic directions and directives from the BOD to the CEO and other units within their authority; (ii) Execution by the CEO of BOD directives, compliance with laws and SHB's regulations, and the CEO's governance and oversight functions.

The BOS also monitored: The timely issuance, amendment, or supplementation of internal policies, regulations, and operational procedures (within delegated authority) in accordance with laws and SHB's internal rules; The approval and implementation of investment projects, fixed asset transactions, contracts, and other transactions under the authority of the AGM and the BOD; Shareholding ratios of 1% or more of SHB's charter capital, including those held by BOD members, BOS members, the CEO, and related parties; Compliance with regulatory limits to ensure operational safety, as stipulated in Chapter VII of the Law on Credit Institutions No. 32/2024/QH15, effective from July 1, 2024.

(2) Issued internal regulations of the BOS and Internal Audit during the period to ensure compliance with the regulations of the State Bank, the Charter and other current regulations of SHB, specifically:

The Regulation on the Organization and Operation of the Board of Supervisors (BOS) of SHB was issued and approved by the General Meeting of Shareholders in accordance with the Law on Credit Institutions No. 32/2024/QH15. In addition, the BOS reviewed current documents related to SHB's Internal Audit (IA) activities and directed the Internal Audit Division to propose revisions and supplements to internal regulatory documents on IA. These include: the Regulation on the Organization and Operation of the IA Division, the Internal Audit Procedures, the IA Handbook, the Regulation on Monitoring and Verifying the Implementation of Recommendations from the BOS and IA Division, the Regulation on Criteria for Determining Materiality, Risk Levels, and Audit Frequency, ensuring alignment with applicable laws and SHB's internal regulations over each period.

(3) Ensured performance of the internal audit function of the BOS:

- Through directing the Internal Audit Division to carry out both scheduled and ad-hoc audits (at the request of the Banking Supervisory Agency, branches of the SBV in provinces/cities, or upon requests from the BOS, the BOD, or the CEO), the BOS ensured that internal audit activities are conducted independently, regularly, and comprehensively across all SHB units.
- The BOS also instructed the Internal Audit Division to perform remote monitoring of SHB units in accordance with the Internal Audit Procedures, as well as to supervise operational safety indicators as prescribed by the SBV. Information technology has been leveraged to develop methods, techniques and tools for effective oversight and internal audit operations.
- The BOS oversaw the follow-up and resolution of issues identified through audits, directed the Internal Audit Division to participate in handling complaints and denunciations, ensuring the timely and complete submission of periodic reports as required by the SBV and SHB's internal regulations.
- Special attention was given to professional development and training for internal audit personnel, ensuring that the Internal Audit Division is adequately staffed and that its members are well-qualified to meet operational demands.

(4) Fulfilled other functions and responsibilities of Internal Audit in accordance with SHB's Charter, internal regulations, and applicable laws.

(5) Ensured full and accurate appraisal of SHB's 2023 Financial statements and interim Financial statement for the first 6 months of 2024 according to the provisions of law and SHB.

(6) Checked accounting books, other documents and management operations of SHB and promptly notified the BOD when detecting violations by Bank managers.

(7) Maintained effective coordination and working relationships with the BOD, CEO, AGM, the SBV, and other external authorities, in accordance with applicable laws, SHB's Charter, internal governance regulations, and the Regulations on the Organization and Operation of the BOS, as updated from time to time.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Management and Board of Supervisors

3.1. Salary, bonus, remuneration, benefits

Unit: VND Million

	2024
Board of Directors	11,719
Board of Supervisors	4,620
Board of Management	28,373

3.2. Share transactions of internal shareholders

Transactions of SHB shares by SHB insiders and related persons

No.	Performed by	Relationship with insiders	Shares owned at beginning of the period		Shares owned at end of the period		Reason (buying, selling, transfer, bonus,...)
			Number of shares	Share ownership percentage	Number of shares	Share ownership percentage	
1	Do Quang Hien	Chairman of the BOD	99,539,881	2.750%	99,787,412	2.724%	ESOP
2	Do Quang Vinh	Vice Chairman of the BOD and DCEO; Son	939,722	0.026%	101,388,408	2.768%	- ESOP - Share purchase
3	Ngo Thu Ha	Member of the BOD and CEO	2,634,761	0.073%	2,854,347	0.078%	ESOP
4	Do Van Sinh	Independent member of the BOD	-	-	140,729	0.004%	ESOP
5	Thai Quoc Minh	Member of the BOD	-	-	176,665	0.005%	ESOP
6	Pham Viet Dan	Member of the BOD	-	-	140,729	0.004%	ESOP
7	Pham Hoa Binh	Head of the BOS	199,712	0.006%	219,712	0.006%	ESOP
8	Le Thanh Cam	Member of the BOS	-	-	80,000	0.002%	ESOP
9	Vu Xuan Thuy Son	Member of the BOS	-	-	80,000	0.002%	ESOP

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No.	Performed by	Relationship with insiders	Shares owned at beginning of the period		Shares owned at end of the period		Reason (buying, selling, transfer, bonus,...)
			Number of shares	Share ownership percentage	Number of shares	Share ownership percentage	
10	Le Dang Khoa	DCEO	-	-	176,270	0.005%	ESOP
11	Do Duc Hai	DCEO	181	0.000%	177,849	0.005%	ESOP
12	Nguyen Huy Tai	DCEO	-	-	176,270	0.005%	ESOP
13	Ninh Thi Lan Phuong	DCEO	131,533	0.004%	293,103	0.008%	ESOP
14	Ngo Thi Van	Chief accountant	-	-	30,000	0.001%	ESOP
15	Pham Bich Lien	Person in charge of corporate governance	-	-	69,199	0.002%	ESOP
16	Do Thi Minh Nguyet	Related person of Mr. Do Quang Hien – Chairman of the BOD	25,733,094	0.711%	-	-	Share sale
17	T&T Group JSC.	Related entity	361,888,485	9.999%	287,388,485	7.846%	Share sale
18	Vu Thi Hoa	Related person of Mr. Nguyen Huy Tai - DCEO	600	0.00002%	-	-	Share sale

Transactions between the company and related persons of the company; or between the company and major shareholders, insiders, or related persons of insiders

No.	Name of institution	Relationship	Business Registration Certificate number, date of issue, place of issue	Head office address/Contact address	Time of transaction with SHB	BOD Resolution No.	Description
1	Saigon - Hanoi Insurance Joint Stock Corporation	Related person of BOD member	0103085460	86 Ba Trieu, Hang Bai Ward, Hoan Kiem, Hanoi	17/01/2024	02/NQ-HDQT dated 17/01/2024	Granting of Guarantee Limit for Corporate Clients Guarantee Limit: VND 200 billion
2	Saigon - Hanoi Insurance Joint Stock Corporation	Related person of BOD member	0103085460	86 Ba Trieu, Hang Bai Ward, Hoan Kiem, Hanoi	17/01/2024	07/NQ-HDQT dated 28/02/2024	Signing and renewal of Comprehensive Fraud Risk Insurance and Professional Liability Insurance service contracts at SHB in 2024
3	Saigon - Hanoi Securities Joint Stock Company	Related person of BOD member	0102524651	Unit 1-5, Unimex Hanoi Building, No. 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem, Hanoi	28/05/2024	13/2024/NQ-HDQT dated 28/05/2024	Signing of contracts between SHB and Saigon - Hanoi Securities Joint Stock Company
4	Saigon - Hanoi Securities Joint Stock Company	Related person of BOD member	0102524651	Unit 1-5, Unimex Hanoi Building, No. 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem, Hanoi	06/06/2024	15/2024/NQ-HDQT dated 06/06/2024	Signing of the bond issuance consultancy agreement and related public offering services for SHB bonds
5	Saigon - Hanoi Bank Finance Company Limited	Affiliate	0107779290	Level 6 Gelex Building, No. 52 Le Dai Hanh, Le Dai Hanh Ward, Hai Ba Trung, Hanoi	27/08/2024	20/2024/NQ-HDQT	Granting of deposit transaction limits for institutional clients Total approved limit: VND 3,750 billion
6	T&T Group Joint Stock Company	Major shareholder; Related party of a member of the Board of Directors	0100233223	31-33 Ngo Quyen Street, Hang Bai Ward, Hoan Kiem District, Hanoi	21/10/2024	25/2024/NQ-HDQT dated 21/10/2024	Granting of guarantees for corporate clients Total guarantee amount issued: VND 18,789,618,720

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No.	Name of institution	Relation-ship	Business Registration Certificate number, date of issue, place of issue	Head office address/Contact address	Time of transaction with SHB	BOD Resolution No.	Description
7	Saigon - Hanoi Securities Joint Stock Company	Related person of BOD member	0102524651	Unit 1-5, Unimex Hanoi Building, No. 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem, Hanoi	01/11/2024	26/2024/NQ-HDQT dated 01/11/2024	Signing a cooperation agreement to launch securities lending products with Saigon - Hanoi Securities Joint Stock Company
8	Saigon - Hanoi Bank Finance Company Limited	Affiliate	0107779290	Level 6 Gelex Building, No. 52 Le Dai Hanh, Le Dai Hanh Ward, Hai Ba Trung, Hanoi	04/11/2024	27/2024/NQ-HDQT dated 04/11/2024	Sale/transfer of SHB's remaining capital in SHB Finance Company Limited
9	Saigon - Hanoi Securities Joint Stock Company	Related person of BOD member	0102524651	Unit 1-5, Unimex Hanoi Building, No. 41 Ngo Quyen, Hang Bai Ward, Hoan Kiem, Hanoi	16/12/2024	29/2024/NQ-HDQT dated 16/12/2024	Signing of contracts between SHB and Saigon - Hanoi Securities Joint Stock Company. The contract value is less than 20% of SHB's charter capital as recorded in the latest audited financial statements.

Transactions between the company and any company where members of the BOD, the BOS, the CEO, and other managers have been or are currently founders or members of the BOD, or Executive Directors (CEOs) within the past three (03) years.

No.	Name of individual/institution	Relationship with SHB	Business Registration Certificate number, date of issue, place of issue	Head office address/Contact address	Type of trans-action	Time of trans-action	Description
1	T&T Group Joint Stock Company	Founded by Mr. Do Quang Hien (founding shareholder) Mr. Do Vinh Quang, Vice Chairman of the BOD (related party of a SHB Board member)	0100233223 Date of issue: 15/08/2023 Place of issue: Hanoi Department of Planning and Investment	31-33 Ngo Quyen Street, Hang Bai Ward, Hoan Kiem District, Hanoi	Deposits at SHB	2024	Number and value of transactions under deposit contracts with SHB are not disclosed due to confidentiality obligations
2	Saigon - Hanoi Securities Joint Stock Company (SHS)	Mr. Do Quang Vinh is Chairman of the BOD	0102524651 Date of issue: 15/11/2007 Place of issue: Hanoi Department of Planning and Investment	Floors 1–5, Unimex Hanoi Building, No. 41 Ngo Quyen Street, Hang Bai Ward, Hoan Kiem District, Hanoi	Deposits at SHB	2024	Number and value of transactions under deposit contracts with SHB are not disclosed due to confidentiality obligations
3	SHB Finance One-Member Limited Liability Company ("SHB FC")	Mr. Do Quang Vinh is former Chairman/ Standing Vice Chairman of the Members' Council	0107779290 Date of issue: 27/03/2017 Place of issue: Hanoi Department of Planning and Investment	6th Floor, Gelex Tower, 52 Le Dai Hanh Street, Le Dai Hanh Ward, Hai Ba Trung	Deposits at SHB	2024	Number and value of transactions under deposit contracts with SHB are not disclosed due to confidentiality obligations
4	SHB Finance One-Member Limited Liability Company ("SHB FC")	Mr. Do Quang Vinh is former Chairman/ Standing Vice Chairman of the Members' Council	0107779290 Date of issue: 27/03/2017 Place of issue: Hanoi Department of Planning and Investment	6th Floor, Gelex Tower, 52 Le Dai Hanh Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	SHB deposits at SHB FC	2024	Number and value of transactions under deposit contracts at SHBFC are not disclosed due to confidentiality obligations



SHB firmly believes that robust corporate governance practices are essential for ensuring sustainable business development, fostering trust, and maximizing shareholder benefits.

4. Evaluate the implementation of corporate governance regulations

The Board of Directors, Board of Management, and Board of Supervisors of SHB have diligently implemented corporate governance regulations in accordance with the law. SHB prepares its corporate governance report as stipulated in Circular No. 96/2020/TT-BTC dated November 16, 2020. While adhering strictly to Vietnamese corporate governance laws and regulations applicable to listed companies, SHB continuously enhances its governance practices by benchmarking against leading regional and global standards such as the “ASEAN Corporate Governance Scorecard” and the “Corporate Governance Principles according to best practices” guidebook issued by the State Securities Commission and the International Finance Corporation (IFC) in August 2019.

In its efforts to bolster governance practices, SHB has implemented notable enhancements, surpassing previous benchmarks by meeting a greater number of criteria outlined in the ASEAN Corporate Governance Scorecard. This serves as a roadmap for elevating management standards and practices, mitigating risks, and advancing the Bank’s sustainability agenda. Among these improvements, SHB consistently upholds five fundamental corporate governance principles: safeguarding shareholders’ rights, ensuring equitable treatment of shareholders, engaging with stakeholders, maintaining transparent information disclosure, and upholding the responsibilities of the Board of Directors.

4.1. Overall assessment on corporate governance

(i) SHB ensures shareholders’ rights and equitable treatment

■ Ensuring shareholders’ rights

- Shareholders are empowered to partake in approving and ratifying SHB’s Charter and the issuance of shares, as well as in electing the Board of Directors and Supervisors. They also have the authority to endorse meeting agendas during the Annual General Meeting of Shareholders.
 - Shareholders utilize the General Meeting documents available on the website to cast their votes on pertinent matters, submitting them to SHB ahead of the scheduled General Meeting date. These shareholder votes are deemed valid and are included in the tally of votes for, against, or expressing no opinion during the General Meeting count.
 - Ensure dividend payment to shareholders within 30 days from the date the Board of Directors issues a Resolution on dividend payment and within 06 months from the date of the annual General Meeting of Shareholders.
 - Publish Meeting Notices and General Meeting of Shareholders Documents on the Bank’s website; Furnish sufficient grounds, information, and clarifications regarding the matters presented for approval at the Annual General Meeting of Shareholders.
 - Full disclosure of information about Board of Directors candidates, dividend payment policy in the Annual General Meeting of Shareholders documents and the Annual Report.
 - Shareholders have the right to nominate and elect members of the Board of Directors regardless of whether they are major shareholders or minority shareholders.
 - Participation in the Annual General Meeting of Shareholders by the Board of Directors, Board of Management, Board of Supervisors and shareholders.
- ###### ■ Providing transparent information, ensuring shareholder rights
- As a publicly listed entity with a substantial shareholder base, SHB consistently prioritizes transparency in information dissemination. It proactively releases comprehensive and timely periodic/

extraordinary updates, adhering to specified deadlines across various platforms such as its bilingual website, electronic portals of Stock Exchanges, State Securities Commission, and Vietnam Securities Depository and Clearing Corporation. In 2023, SHB diligently fulfilled its disclosure obligations as per regulations, covering financial statements, corporate governance reports, annual reports, and details regarding the Annual General Meeting of Shareholders, including soliciting written opinions from shareholders. Additionally, it provided information on increasing charter capital through issuing shares to pay dividends.

- SHB facilitates shareholders' swift access to information regarding the Bank's business performance during the Annual General Meeting of Shareholders. Upon reviewing the presented reports and presentations, shareholders are entitled to directly pose questions and offer recommendations to SHB's Board of Directors prior to voting on crucial matters pertaining to the Bank's operations. All documents relevant to the Annual General Meeting of Shareholders are comprehensively available on the SHB website, ensuring transparency of information for all shareholders and the broader investor community to access without constraint.

- Furthermore, SHB proactively assists and addresses investors' inquiries and information requests via indirect channels, including email, telephone, and the website.

- *Dividend policy*

- SHB maintains a resilient dividend policy that provides substantial returns for investors, founded on a harmonious alignment of shareholders' interests and balanced resource allocation to ensure SHB's development. The Bank's average dividend payout ratio over the last five years stands at 13.9%. In 2023, the dividend payment for the first round was 5% in cash and for the second round was 11% in shares.

(ii) SHB ensures the role of relevant parties

- SHB communicates and enacts social security policies within the communities surrounding its transaction points, alongside initiatives to enhance health, safety, welfare, and training programs for employees.

- Provides contact information on the Bank's website and in the Annual Report to enable relevant parties such as customers, partners, shareholders,... can easily access for problem resolution.

- Develops, promulgates and published internal and website procedures for complaints about illegal behavior such as publishing the Code of Conduct and Professional Ethics, Anti-Corruption Regulations to orient corporate culture.

- Develops and implements processes and procedures for selecting suppliers and contractors.

- Adopts a reward policy tied to unit performance.

(iii) SHB fully conducts information transparency and disclosure

- *Disseminating information extensively through mass media*

Furthermore, SHB consistently disseminates timely, comprehensive, transparent, and official information to investors and shareholders through various domestic and international newspapers, television stations, and news sites with extensive coverage via mass media.

Specifically, SHB prioritizes extensive communication of strategic information that significantly affects the interests of investors and shareholders. This includes information pertaining to events before, during, and after the Annual General Meeting of Shareholders, dividend payments, capital increase, business performance, prospects, strategic direction, collaboration signings, credit ratings, awards, and more. This emphasis serves to reinforce SHB's credibility and standing in the industry.

SHB guarantees timely and transparent publication of the Annual Report in both Vietnamese and English on its website. This includes details about shareholders, the Bank's ownership structure, subsidiary system, and other financial and non-financial data.

Organizes press conference and press releases on business results and operational strategies;

- *Promoting investor relations*

In 2024, SHB engaged in meetings and collaborations with numerous foreign investors, including banks, investment funds, and prominent credit institutions worldwide. These interactions facilitated the exchange of insights, exploration of mutual strengths, and creation of opportunities for cooperation and growth, fostering an expanded platform for collaboration and development.

The aforementioned activities have been instrumental in fostering professionalism and transparency in the

dissemination of information, as well as in fortifying relationships with investors. Consequently, this has bolstered investors' trust, thereby augmenting SHB's brand positioning within the market.

In the future, SHB will enhance its efforts to disseminate shared information and newsletters to investors, aiming to continuously elevate professionalism and bolster credibility in the stock market. This endeavor aligns with the goal of achieving sustainable development and fostering long-term value creation for shareholders.

(iv) SHB continuously enhances responsibilities of the Board of Directors

- The roles and responsibilities of members of SHB's Board of Directors and regulations on corporate governance are detailed in SHB's Charter and corporate governance regulations.
- The Board of Directors has organized meetings in 2024 and disclosed each member's meeting attendance in the Annual Report.
- The Bank has set up committees under the Board of Directors, conducted assessments of both the Board members and the committees, and disclosed these evaluations in the Annual Report.

4.2 Plan to enhance SHB's corporate governance efficiency

With the aim of progressively aligning with regional and global corporate governance standards, SHB will persist in enhancing its corporate governance practices in the following ways in the foreseeable future:

- *Improving standards related to information disclosure and transparency:*
 - Continue to refine and disseminate the Regulations on stock market information disclosure, ensuring thoroughness, rigor, and adherence to the guidelines outlined in Circular 96/2020/TT-BTC issued by the Ministry of Finance. This includes aligning with pertinent laws and regulations governing information disclosure;
 - Make continuous efforts to enhance adherence to the standards outlined in existing regulations and international norms, with the aim of delivering

comprehensive information to both domestic and international shareholders and investors.

■ *Strengthening the responsibilities of the Board of Directors:*

- Develop succession plans, orientation and training programs for new and current Board members to ensure that SHB's next leadership team has the necessary experience and skills to undertake the task;
- Develop a specific roadmap to approach the requirement on the ratio of independent directors in the Board of Directors according to best governance practices and Vietnamese legal regulations;
- Increase the participation of independent members in Committees under the Board of Directors to improve the operational efficiency of the Committees in advising and assisting the Board of Directors; Strengthen the independence of Committees under the Board of Directors;
- Hold additional Board of Directors meetings besides regular ones to discuss key issues related to business orientation and major solutions.

■ *Persisting in consolidating and fortifying the functions of Internal Audit, Risk Management, and Compliance within SHB's internal governance structure, aiming to achieve:*

- (i) Ensuring the effective and precise operation of the risk management and internal control system;
- (ii) Playing a pivotal role in enhancing corporate governance practices and;
- (iii) Are lines of defense safeguarding investment capital and fostering the creation of long-term sustainable value for shareholders.

4.3. Detailed assessment of SHB's corporate governance practices according to the ASEAN regional corporate governance scorecard

No.	Criteria	Evaluation ground	SHB's Compliance
A	Shareholders' rights		
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?	In 2024, SHB successfully completed the first round of cash dividend payments at a rate of 5% to existing shareholders and received approval from the SBV to issue nearly 403 million shares for the second round of 2023 dividend payments, equivalent to a rate of 11%	Complied
A2	Right to participate in decisions concerning fundamental corporate changes.		
	Do shareholders have the right to participate in:		
A2.1	Amendments to the company's constitution?	Provided for in the Charter and Internal Regulations on Bank Governance	Complied
A2.2	The authorization of additional shares?	Approved by the Annual General Meeting of Shareholders in accordance with the law	Complied
A2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	Approved by the Annual General Meeting of Shareholders in accordance with the law	Complied
A.3	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.3.1	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?	The agenda of the Annual General Meeting of Shareholders shows this content	Complied
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/ commissioners?	Shareholders exercise rights in compliance with the provisions of law and the Charter of the Bank	Complied

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No.	Criteria	Evaluation ground	SHB's Compliance
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?	Provided for in Article 29 Rights of shareholders, SHB's Charter	Complied
A.3.4	Does the company disclose the voting procedures used before the start of the meeting?	Provided for and disclosed on SHB's website before holding the Annual General Meeting of Shareholders (in accordance with regulations)	Complied
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	All questions and answers of shareholders are included in the minutes of the AGM and approved at the meeting	Complied
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?	Shown in the minutes of the 2024 AGM	Complied
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	Shown in the minutes of the 2024 AGM	Complied
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?	Disclosed on SHB's website	Complied
A.3.9	Does the company allow voting in absentia?	Absent shareholders may authorize another person to attend and vote at the meeting	Complied
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	Stated in the Regulations of the AGM	Complied
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	SHB disclosed this and sought approval at the AGM	Complied
A.3.12	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?	The minutes of the meeting and Resolution of the 2024 AGM are published on SHB's public portal in accordance with regulations	Complied
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?	Disclosed on SHB's website	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
A.3.14	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?	Each item in the draft Resolution includes a detailed proposal/report attached	Complied
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	All questions and answers are included in the minutes of the AGM and approved during the meeting	Complied
A.4	Markets for corporate control should be allowed to function in an efficient and transparent manner.		
A.4.1	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?	SHB complies with the law to ensure the publicity, transparency, and reasonableness of merger and acquisition transaction prices, thereby ensuring the maximum benefits of SHB and its shareholders	Complied
A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.		
A.5.1	Does the company disclose its practices to encourage shareholders to engage the company beyond AGM?	Provided for in SHB's Charter	Complied
B	Equal treatment to shareholders		
B.1	Shares and voting rights		
B.1.1	Do the company's ordinary or common shares have one vote for one share?	Provided for in SHB's Charter	Complied
B.1.2	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)?	The company has only one class of common stock	Complied
B.2	Notice of AGM		
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	SHB does not bundle many contents in the same resolution	Complied

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No.	Criteria	Evaluation ground	SHB's Compliance
B.2.2	Is 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?	Notice and documents of SHB's AGM are fully translated into English and published on the same day as the Vietnamese version on SHB's website	Complied
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	SHB publishes biographies of candidates for elected/re-elected on the Bank's website	Complied
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	Shown in the reports submitted to the 2024 AGM	Complied
B.2.5	Were the proxy documents made easily available?	Announced on the website and sent directly to shareholders by post along with the meeting invitation letter	Complied
B.3	Insider trading and abusive self-dealing should be prohibited.		
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees from benefiting from knowledge that is not generally available to the market?	Shown in SHB's charter	Complied
B.3.2	Are directors/commissioners required to report their dealings in company shares within 3 business days?	Members of the BOD must disclose information before and after trading shares in accordance with regulations	Complied
B.4	Related party transactions by directors and key executives.		
B.4.1	Does the company have a policy requiring directors/commissioners to disclose their interest in transactions and any other conflicts of interest?	RPTs are reviewed and reported to the BOD or the AGM for approval before being carried out, in accordance with SHB's Charter	Complied
B.4.2	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?	SHB provides specific provisions in its Charter and in the Regulations on the Organization and Operation of the BOD	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
B.4.3	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?	SHB specifies detailed provisions in its Lending Regulations, in compliance with the credit restriction cases stipulated in Article 134 of the Law on Credit Institutions	Complied
B.5	Protecting minority shareholders from abusive actions		
B.5.1	Does the company disclose that RPTs are conducted fairly and at arms' length?	SHB disclosures according to the law	Complied
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	Voting conducted according to the law	Complied
C	Rights of stakeholders		
C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.		
	Does the company disclose policies and practices that address:		
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	SHB fully promulgates Customer's Complaint Handling Policy and Procedure; publishes hotlines, email addresses on the website, publications, leaflets, e-banking applications, etc.	Complied
C.1.2	Supplier/contractor selection procedures?	Published on SHB's website	Complied
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or consistent with promoting sustainable development?	SHB disclosed in its Annual Report, Section Sustainable Development	Complied
C.1.4	The company's efforts to interact with the communities in which it operates?	SHB disclosed in its Annual Report	Complied
C.1.5	The company's anti-corruption programmes and procedures?	SHB published and implemented the Regulations on Prevention of Operational Risks and Anti-Money Laundering as disclosed in the Annual Report (Section 1.6) and other internal regulations	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
C.1.6	How are creditors' rights safeguarded?	SHB fully promulgates Customer's Complaint Handling Policy and Procedure; Publication of hotlines, email addresses on the web, publications, leaflets, e-banking applications, etc.	Complied
C.1.7	Does the company have a separate report/section that discusses its efforts on environmental, economic and social issues?	SHB disclosed in its Annual Report	Complied
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.		
C.2.1	Does the company provide contact details via the company's website or Annual Report for stakeholders (e.g. customers, suppliers, general public) to voice their concerns and/or complaints regarding possible violation of their rights?	SHB published a hotline and contact phone number on its website and in the Annual Report	Complied
C.3	Mechanisms for employee participation should be permitted to develop.		
C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	SHB disclosed in its Annual Report	Complied
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	SHB disclosed in its Annual Report	Complied
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	SHB disclosed in its Annual Report and internal documents. A policy for issuing shares under the employee selection program is in place	Complied
C.4	Stakeholders, including individual employees 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.		

No.	Criteria	Evaluation ground	SHB's Compliance
C.4.1	Does the company have a whistleblowing policy including 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?	SHB announced and implemented the Operational Risk and Anti-Money Laundering policy as shown in its Annual Report (Section 1.6) and other internal documents Hotline is published on the website	Complied
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?	Shown in the Code of Conduct, labor rules and other internal documents. Specific procedures and policies to protect whistleblowers have been developed	Complied
D	Information 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?	SHB submits periodic reports in accordance with the regulations of the State Bank, the SSC and VNX	Complied
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	SHB submits periodic reports in accordance with the regulations of the State Bank, the SSC and VNX	Complied
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	SHB submits periodic reports in accordance with the regulations of the State Bank, the SSC and VNX	Complied
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	SHB submits periodic reports in accordance with the regulations of the State Bank, the SSC and VNX	Complied
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	SHB submits periodic reports in accordance with the regulations of the State Bank, the SSC and VNX	Complied
D.2	Quality of Annual Report		
D.2.1	Corporate Objectives	SHB discloses details in its Annual Report	Complied
D.2.2	Financial Performance indicators	SHB discloses details in its Annual Report	Complied

V. Corporate Governance

No.	Criteria	Evaluation ground	SHB's Compliance
D.2.3	Non-Financial Performance indicators	SHB discloses details in its Annual Report	Complied
D.2.4	Dividend Policy	SHB discloses details in its Annual Report	Complied
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	SHB discloses details in its Annual Report	Complied
D.2.6	Attendance details of each director/commissioner in all directors/commissioners meetings held during the year	SHB discloses details in its Annual Report	Complied
D.2.7	Total remuneration of each member of the board of directors/commissioners	Discloses in the Annual Report; however, only the total remuneration of the BOD, the BOS and the BOM is disclosed separately	Partial compliance
D.2.8	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	Fully disclosed in Annual Report – Section Corporate Governance	Complied
D.3	Disclosure of related party transactions (RPT)		
D.3.1	Does the company disclose its policy covering the review and approval of material RPTs?	Disclosed in Annual Report – Financial Statements/Related Party Transactions	Complied
D.3.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	Disclosed in Annual Report – Financial Statements/Related Party Transactions	Complied
D.4	Directors and commissioners dealings in shares of the company		
D.4.1	Does the company disclose trading in the company's shares by insiders?	Disclosed on SHB's website and the Stock Exchange	Complied
D.5	External auditor and Auditor Report		
D.5.2	Does the non-audit fee exceed the audit fees?	SHB incurred no fees for non-audit services	
D.6	Medium of communications		
D.6.1	Quarterly reporting	SHB fully discloses it on the Bank's website in accordance with regulations	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
D.6.2	Company website	SHB fully discloses it on the Bank's website in accordance with regulations	Complied
D.6.3	Analysts' briefing	SHB proactively provides information for analysis reports and expert commentary	Complied
D.6.4	Media briefings/press conferences	SHB issues periodic press releases on the mass media	Complied
D.7	Timely filing/release of annual/financial reports		
D.7.1	Is the audited annual financial report/statement released within 120 days from the financial year end?	Fully discloses information on the Bank's website in accordance with regulations	Complied
D.7.2	Is the annual report released within 120 days from the financial year end?	Fully discloses information on the Bank's website in accordance with regulations	Complied
D.7.3	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?		Complied
D.8	Company website		
D.8.1	Financial statements/reports (latest quarterly)	Fully discloses information on the Bank's website in accordance with regulations	Complied
D.8.2	Materials provided in briefings to analysts and media	Updated frequently	Complied
D.8.3	Downloadable Annual Report	Fully disclosures on the Bank's website and available for download	Complied
D.8.4	Notice of AGM and/or EGM	Fully disclosures of information on the Bank's website	Complied
D.8.5	Minutes of AGM and/or EGM	Fully disclosures of information on the Bank's website	Complied
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)	Fully disclosures on the Bank's website and available for download	Complied

V. Corporate Governance

No.	Criteria	Evaluation ground	SHB's Compliance
D.9	Investor relations		
D.9.1	Does the company disclose the contact details (e.g., telephone, fax, and email) of the officer/office responsible for investor relations?	Disclosed on SHB's website.	Complied
E	Board duties and responsibilities		
E.1	Clearly defined board responsibilities and corporate governance policies		
E.1.1	Does the company disclose its corporate governance policy/ board charter?	Fully disclosures of information on the Bank's website	Complied
E.1.2	Are the types of decisions requiring board of directors/ commissioners' approval disclosed?	Fully disclosures of information on the Bank's website	Complied
E.1.3	Are the roles and responsibilities of the board of directors/ commissioners clearly stated?	Fully disclosed in the Charter of the Bank; Annual Report and Bank Governance Report	Complied
E.1.4	Does the company have a vision and mission statement?	SHB fully disclosed in the Annual Report, at the General Meeting of Shareholders and through internal publications	Complied
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?	The role of the BOD is shown in the Annual Report - Section Corporate Governance	Complied
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	The roles and activities of the BOD members are shown in the Annual Report - Section Corporate Governance	Complied
E.2	Board structure		
E.2.1	Are the details of the code of ethics or conduct disclosed?	Publicly disclosed throughout the SHB system	Complied
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the codes?	Shown in the Charter, internal regulations on governance, publicly announced on the Company's website	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	Shown in the Labor Regulations, the internal regulations on governance are publicly disclosed throughout the SHB system	Complied
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?	SHB complies with the provisions of law on conditions of independence of independent BOD members	Complied
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	SHB has provisions in the Charter and Regulations on organization and operation of the BOD	Complied
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?	Not applicable	Complied
E.2.8	Does the company have a Nominating Committee (NC)?	SHB's Human Resources Committee was established under the Board of Directors	Complied
E.2.9	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	Disclosed in the Annual Report	Complied
E.2.10	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	Disclosed in the Annual Report	Complied
E.2.11	Does the company have an Audit Committee?	SHB has a Board of Supervisors (BOS). Operating under the model of Annual General Meeting of Shareholders, Board of Directors, Board of Supervisors, CEO	Complied
E.2.12	Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?	The Board of Supervisors operates independently, supervises the activities of the Board of Directors and the BOM	Complied
E.2.13	Is the chairman of the Audit Committee an independent director/commissioner?	The Head of the BOS operates independently of the Board of Directors	Complied

V. Corporate Governance

No.	Criteria	Evaluation ground	SHB's Compliance
E.2.14	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	Disclosed in Annual Report, Charter of SHB, internal regulations...	Complied
E.2.15	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	All members are ensured to have professional experience	Complied
E.2.16	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	Disclosed in the Annual Report	Complied
E.2.17	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	Disclosed in SHB's Charter	Complied
E.3 Board Processes			
E.3.1	Are the board of directors meeting scheduled before the start of the financial year?	The BOD of SHB meets periodically and ad hoc in accordance with the law and internal regulations of SHB, with at least 04 regular meetings/year	Complied
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	In 2024, the BOD convened 09 direct meetings, as disclosed in the Annual Report	Complied
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	Disclosed in the Annual Report	Complied
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	Provided for in the Charter and Regulations on organization and operation of the Board of Directors	Complied
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?		Complied
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?	SHB has stated this requirement in the Charter and consistently complies with it	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	SHB appoints the person in charge of corporate governance who performs the duties of the company secretary to ensure that governance is conducted effectively	Complied
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	SHB guarantees the requirements	Complied
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	Disclosed in the Charter, Organizational Regulations of the BOD	Complied
E.3.10	Did the company describe the process followed in appointing new directors/commissioners?	Disclosed in the Charter, Internal Regulations of SHB	Complied
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?	The term of the BOD of SHB is 5 years, as stipulated in the Charter, Internal Governance Regulations of SHB	Complied
E.3.12	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?	Disclosed in SHB's Charter and Annual Report	Complied
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	Disclosed in SHB's Charter and Annual Report	Complied
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive directors and/or the senior executives?	The Annual General Meeting of Shareholders approves the remuneration norms and the BOD specifies detailed regulations	Complied
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executive directors with long-term interests of the company, such as claw back provision and deferred bonuses?	Disclosed in SHB's Charter	Complied
E.3.16	Does the company have a separate internal audit function?	SHB has an Internal Audit Division operating under the Board of Supervisory	Complied
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	Disclosed in SHB's Charter and Annual Report	Complied

V. Corporate Governance

No.	Criteria	Evaluation ground	SHB's Compliance
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	The appointment and dismissal of the Internal Auditor fall under the authority of the Board of Supervisory	Complied
E.3.19	Does the company disclose the internal control procedures/ risk management systems it has in place?	Disclosed in the Annual Report – Section Risk	Complied
E.3.20	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?	Disclosed in Annual Report – Section Corporate Governance	Complied
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	Disclosed in the Annual Report – Section Risk	Complied
E.3.22	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?	Disclosed in Annual Report	Complied
E.4	People on the Board		
E.4.1	Do different persons assume the roles of chairman and CEO?	SHB has a separate Chairman and CEO	Complied
E.4.2	Is the chairman an independent director/ commissioner?	The Chairman of the BOD is a non-executive member	Complied
E.4.3	Has any director been the company CEO/executive in the last two years?	None	Complied
E.4.4	Are the role and responsibilities of the chairman disclosed?	Disclosed in the Charter	Complied
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?	SHB has 01 independent BOD member with experience in finance, insurance, and banking	Complied
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?	All members of the BOD have experience in finance and banking	Complied

No.	Criteria	Evaluation ground	SHB's Compliance
E.5	Board Performance		
E.5.1	Does the company have orientation programmes for new directors/commissioners?	SHB has a learning program for each professional position and is currently reviewing and updating additional programs for members of the BOD	Complied
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	SHB has a learning program for each professional position and is currently reviewing and updating additional programs for all members of the BOD	Complied
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?		Complied
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	Reflected in SHB's internal governance regulations and Annual Report	Complied
E.5.5	Is an annual performance assessment conducted of the board of directors/commissioners?	Reflected in SHB's internal governance regulations and published on SHB's website	Complied
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?	Reflected in SHB's internal governance regulations and published on SHB's website	Complied
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?	Disclosed in SHB's Annual Report	Complied

5. Risk management

Amid ongoing market challenges and uncertainties, SHB remains steadfastly committed to strengthening risk management practices to ensure operational resilience and contribute to economic stability and growth. Risk management at SHB is continuously enhanced and comprehensively implemented, forming a solid foundation for the Bank to innovate and drive breakthroughs in an evolving landscape.

SHB conducts annual reviews and assessments of key activities and critical risks to evaluate the overall risk profile. Based on these assessments, SHB measures risk levels and determines the Bank’s risk capacity. This process underpins the development of SHB’s risk appetite, management strategies, and internal control systems to manage critical risks and ensure adequate capital to cover potential losses.

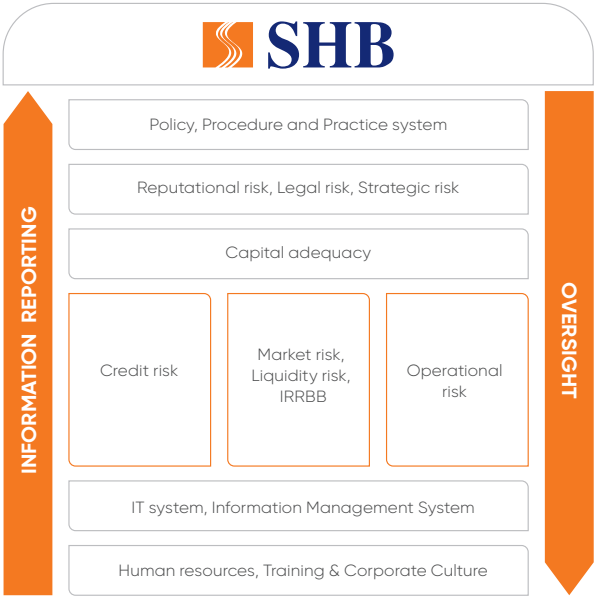
5.1. Risk management framework at SHB

SHB has established a risk management framework to ensure a complete system of policies, regulations, procedures, and guidelines to operate in line with its business strategy and risk management objectives. Material risks are identified, measured, and controlled while maintaining a satisfactory capital adequacy ratio commensurate with the Bank’s risk profile, ensuring its capacity to withstand unexpected market fluctuations.

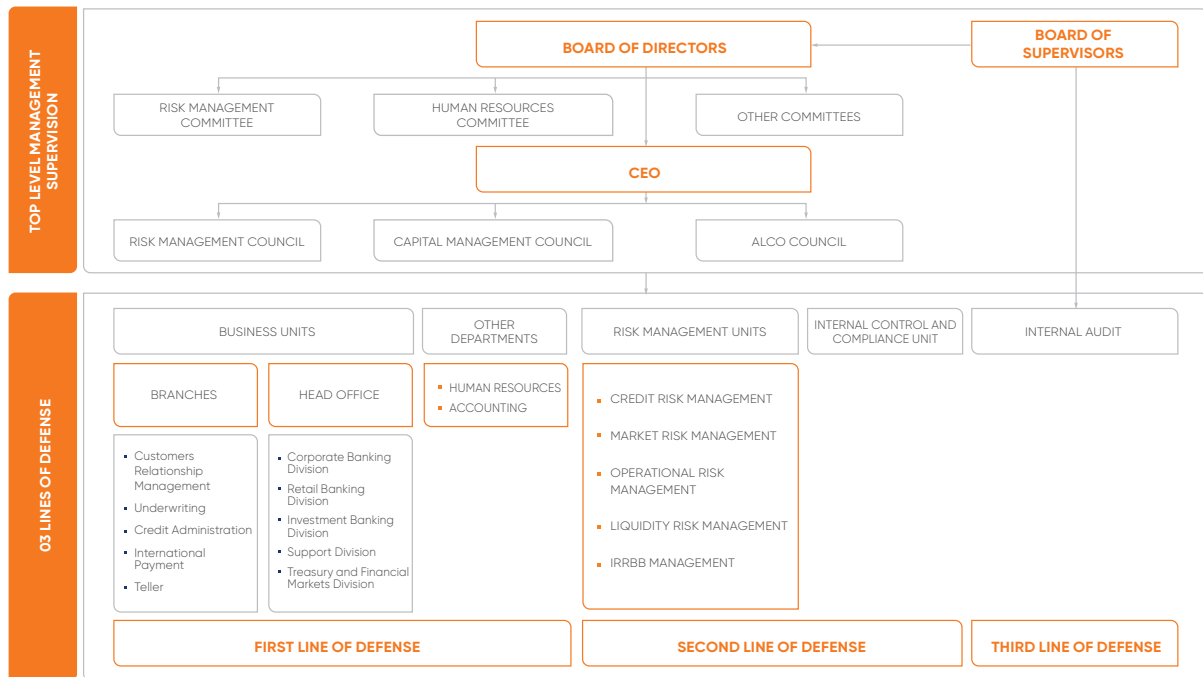
In 2024, SHB implemented its Environmental and Social Risk Management System (ESMS), fully integrated into the credit approval process with a clear structure. This ensures compliance with legal regulations and meets international standards.

To further strengthen the effectiveness of its risk governance framework, SHB has developed a robust information system and a comprehensive management reporting system to deliver timely and accurate insights into the Bank’s risk exposure. These systems not only support ongoing risk monitoring across business operations but also enable assessments of the impact of risks on the Bank’s asset portfolio and provide forecasting tools for business performance and asset quality, thereby facilitating well-informed and effective business decisions.

In parallel, SHB places strong emphasis on risk management training and communication through targeted training programs, thematic workshops, and internal communication initiatives. These efforts serve as the foundation for building a risk-aware culture across the organization, ensuring that all employees clearly understand and apply risk management principles in all business activities, thereby enhancing governance capabilities and supporting SHB’s sustainable growth.



5.2. Risk management structure



SHB adopts the three lines of defense model to enhance risk management capabilities across the Bank, in which:

The first line of defense is responsible for identifying, controlling, and implementing risk reduction measures. The second line of defense controls and monitors legal and compliance-related risks. The third line of defense is executed by the Internal Audit Division to monitor and evaluate the effectiveness and adequacy of the first and second line of defense. Furthermore, SHB has established a full range of Committees/Councils to assist the Board of Directors and CEO in performing supervisory function at the top level management.

SHB has established and strengthened a comprehensive framework of documents and risk management policies to effectively oversee risks, ensuring operational safety in alignment with legal requirements, directives from the State Bank of Vietnam, and SHB's risk management objectives. This framework adheres to current regulations while consistently guiding risk management practices in accordance with international standards and best practices. In 2023, SHB finalized the development and implementation of enhanced liquidity risk management measurement tools conforming to Basel III standards. These tools incorporate Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) indicators for internal monitoring and supervision, subsequently undergoing review and authentication by a big 4 international independent audit firm.

In addition, to maintain sufficient capital for material risks, SHB regularly implements measures to optimize Risk-Weighted Assets (RWA) and improve the Bank's equity capital, thereby surpassing the minimum capital adequacy ratio of 8% as prescribed in Circular 41/2016/TT-NHNN and consistently maintaining a ratio above 10%. This measure ensures a capital buffer to support the Bank's sustainable and effective growth. SHB's capital adequacy ratio is maintained above the Bank's target ratio in both normal and adverse conditions. This ensures a robust capital buffer that supports the Bank's business operations and enables sustainable, efficient growth.

5.3. Material risks management

5.3.1 Credit risk

Credit risk refers to the possibility of financial loss in banking operations caused by clients failing or being unable to fulfill their commitments.

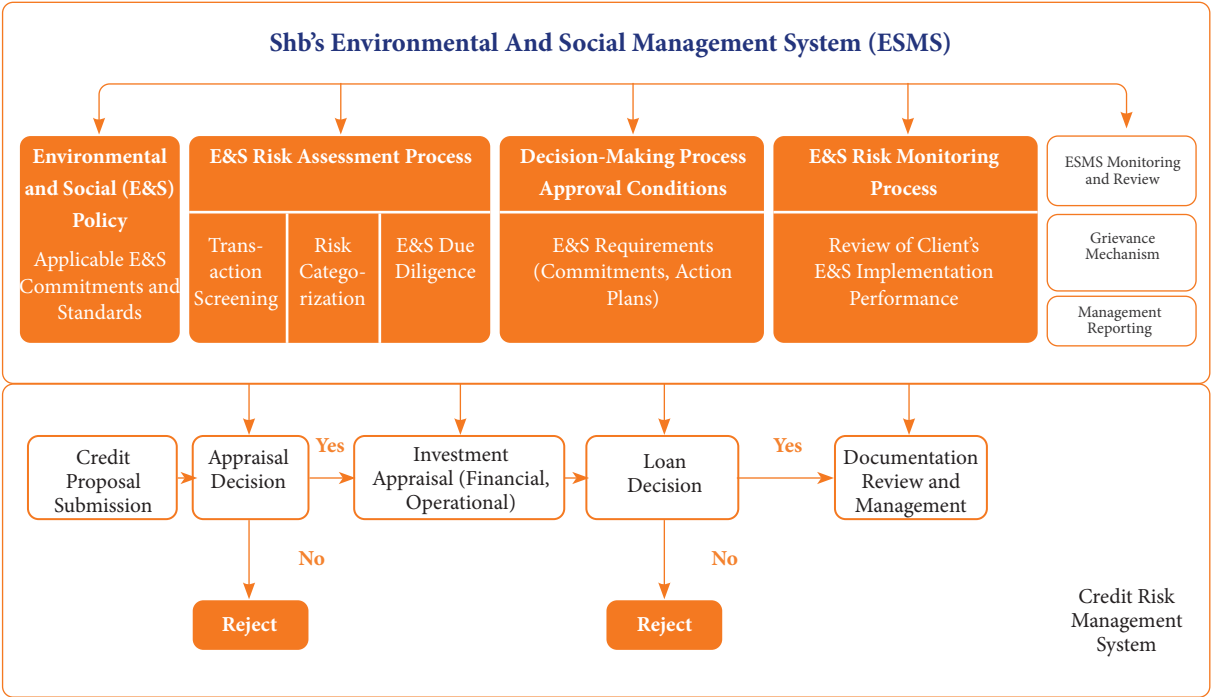
To effectively manage and control credit risk, a system of credit risk management policies has been developed in line with the following principles: (i) Establish an appropriate credit risk management environment; (ii) Carry out the credit granting procedure with close coordination among involved departments; (iii) Identify, measure, and monitor risks in each tier of the three lines of defense to ensure adequate control over credit risk.

SHB also conducts credit risk assessments under both normal operating conditions and adverse market scenarios. In the event of unfavorable market developments, SHB employs scenario analysis to forecast credit growth rates and loan quality. Based on these projections, the Bank proactively develops provisioning plans and implements appropriate control, monitoring, and mitigation measures to manage and reduce non-performing loans in a timely and effective manner.

5.3.2 Environmental and social risks

Green credit represents a global trend within the financial industry, particularly relevant to Vietnam’s finance and banking sector. It aims to achieve a balanced and harmonious development that fosters green growth and sustainability, promoting harmony between the economy and the environment. Acknowledging the significance of green credit, SHB is increasingly prioritizing green credit growth while integrating social and environmental risk management practices into credit extension activities.

SHB’s Environmental and Social Management System (ESMS) has been established with a clear structure and is fully integrated into the credit approval process. The diagram below illustrates the key steps in managing environmental and social risks – from policy formulation, appraisal, and approval to post-disbursement monitoring – ensuring that such risks are effectively identified, controlled, and managed throughout the entire credit lifecycle.



In 2024, SHB launched a series of key initiatives to strengthen environmental and social risk management and promote the development of green credit:

- **Updated Environmental and Social Risk Management Framework:** SHB has finalized and upgraded its environmental and social risk management regulations, applying them across the entire credit portfolio, including corporate clients, small and medium-sized enterprises (SMEs), and individual customers. ESG (Environmental, Social, and Governance) criteria have also been integrated into the credit appraisal, assessment, and investment decision-making processes to ensure alignment with international standards.
- **Deployment of Technology for Environmental and Social Risk Assessments:** SHB has adopted specialized tools to assess environmental and social risks throughout the entire credit process.
- **International Collaboration and Enhanced ESG Standards:** SHB continues to collaborate closely with the World Bank (WB), International Finance Corporation (IFC), Asian Development Bank (ADB), and others. The Bank has updated and implemented new environmental and social standards aligned with the requirements of the State Bank of Vietnam and international best practices.
- **Capacity Building and Awareness Raising:** SHB has focused on training and internal communications to improve the environmental and social risk management capacity of its staff. Training content includes ESG criteria, risk assessment methodologies, and action plans for risk mitigation.
- **Implementation of Key ESG Initiatives:** Notable projects include the launch of an Environmental and Social Risk Management System for trade finance, supporting import-export enterprises in meeting ESG standards, and the development of a similar system for lending to SME clients.

With strong support from international organizations and a firm commitment from SHB's leadership, the Bank continues to affirm its pioneering role in environmental and social risk management and the development of green finance in Vietnam, contributing toward a more sustainable financial future.



5.3.3 Operational risk

The risk arising from incomplete or faulty internal processes, human factors, errors, system failures, or external factors causing financial losses or non-financial negative impacts to SHB (including legal risks) is defined as operational risk.

SHB has fully implemented the operational risk management framework to align with Circular 13/2018/TT-NHNN requirements and international standards.

In 2024, SHB intensified efforts to strengthen its operational risk management (ORM) culture across all business units. The Bank established designated focal points for ORM at each branch and business center and continued internal training and knowledge-sharing activities on risk management directly within these units. SHB prioritized allocating resources to conduct comprehensive risk assessments and evaluate the effectiveness of key controls, aiming to proactively identify and mitigate operational risks associated with core products, processes, and projects.

SHB also accelerated the evaluation of outsourced operational risks and third-party risks, with a particular focus on IT outsourcing activities, to ensure compliance with legal regulations and to safeguard the security and integrity of the Bank's IT systems.

In parallel, business continuity management remained a key focus area in 2024. SHB reviewed and updated general policies and Business Continuity Plans (BCPs) for critical business and head office units. The Bank conducted business continuity response tests at over 100 transaction points and several key head office departments to ensure timely and uninterrupted banking operations, customer transactions, and internal processes in the face of potential disruptions.

5.3.4 Information technology risk

Information Technology (IT) risk is the possibility of loss when performing activities related to information systems. IT risks relate to management and use of hardware, software, communications, system interfaces, operations, and people.

At SHB, IT operations are organized and managed based on the ITIL (Information Technology Infrastructure Library) framework. The Bank strictly complies with most of the security and safety regulations issued by the State Bank of Vietnam (SBV), while also adhering to international security standards to ensure the robustness of its internal IT systems, including ISO 27001:2013, PCI DSS, 3D Secure, and the SWIFT Customer Security Controls Framework (CSCF).

In 2024, SHB continued accelerating the adoption of cloud technologies to enhance customer experience, deliver 24/7 services, and mitigate IT-related risks. Notably, the Bank allocated substantial resources to conduct risk assessments for several Level-3 critical systems, focusing strongly on IT risk assessments for the online banking platform. This initiative ensures service availability and robust security for SHB's digital services.

Furthermore, SHB has been actively refining and updating its existing IT risk assessment policies and procedures. The Bank conducted in-depth risk evaluations for key IT systems and critical technology projects, strengthening its ability to control and manage risks within the ever-evolving technological landscape.

5.3.5 Market Risk

Market risk refers to the potential for adverse fluctuations in interest rates, exchange rates, stock prices, and commodity prices within the market. SHB confronts two primary types of market risk: interest rate risk and exchange rate risk. The Bank has established and fortified a comprehensive system of policy documents, regulations, and processes for managing market risk. These guidelines delineate the steps involved in identifying, measuring, monitoring/controlling, and reporting on market risks, as well as outlining the responsibilities of relevant units in market risk management.

In conjunction with the centralized management of interest rate and exchange rate risk at the Head Office, SHB has instituted a comprehensive framework of market risk limits for management. These include status/portfolio limits, teller limits, loss/stop-loss limits, and sensitivity limits. Market risk limits undergo periodic reviews, at least annually, or ad hoc in response to significant market fluctuations. Measurement of market risk is conducted utilizing methods and systems such as Open Position, PV01 sensitivity, and profit and loss assessment based on market value (MtM), along with VaR risk assessment. These measurement methods and tools are subject to regular review and refinement to accurately gauge risks, aligning with market conditions and SHB's business landscape in each respective period.




```

nblocks*sizeof(gid_t *) GFP_USER);
if (!group_info)return NULL;

group_info->ngroups = gidsetsize;
group_info->nblocks = nblocks;
atomic_set(&group_info->usage, 1);
if (gidsetsize <= NGROUPS_SMALL)

group_info->nblocksEQ3 = group_info->nsmall_blocks;
else {
    for (i = 0; i < nblocks; i++) {
        info init_group = { .usage = ATOMIC_INIT(0) };
        info *group = &info;
        struct group_info *group_info = &group_info;
        nblocks = (gidsetsize +
            NGROUPS_PER_BLOCK - 1) / NGROUPS_PER_BLOCK;
        /* Make sure we always allocate an integer number of
            block pointers */
        block pointer *nblocks = nblocks + 1;
        group_info = kmalloc(sizeof(*group_info) +

```



5.3.6 Liquidity risk

Liquidity risk refers to the inability to meet debt obligations when due, or meeting them at a cost higher than the market average.

SHB advocates diversifying mobilized capital sources and mobilization terms to enhance liability stability, thereby maintaining a reasonable balance between assets and liabilities and ensuring sufficient highly liquid assets. Mobilization plans are built and monitored safely and effectively in each period, based on each unit's business plan and the overall strategy of the entire bank, ensuring liquidity under both normal conditions and during crises.

SHB has established and implemented liquidity risk limits, including: maximum net cash flow, solvency ratio, LDR ratio, and the ratio of short-term capital to medium and long-term loans. Daily measurement and monitoring of liquidity risks are conducted. In the 2024-2025 period, SHB continues to implement the Asset and Liability Management (ALM) project, which includes upgrading and refining its liquidity risk management framework, policies, and methodologies. This initiative aims to enhance balance sheet management efficiency and proactively mitigate and prevent liquidity risks for the Bank.

5.3.7 Bank book interest rate risk

Bank book interest rate risk arises when adverse fluctuations of interest rates negatively affect the Bank's income, asset value, liability value, and off-balance sheet commitment value. To mitigate this risk, SHB maintains a prudent balance in the term structure/revaluation period between assets and liabilities. This is achieved by applying appropriate base interest rate policies to determine loan interest rates, thus curtailing potential interest rate risks like repricing risk and basis risk.

SHB issues and applies bank book interest rate risk limits tailored to the scale and complexity of its business operations and risk tolerance. These include limits on interest rate gap and net interest income (NII). The Bank assesses interest rate risk for both VND and foreign currencies, valued at 5% or more of total assets, using methodologies and indicators such as interest rate gap sensitivity, evaluation of the impact of interest rate fluctuations on NII, and economic value of equity (EVE). Additionally, SHB calculates the required capital for bank book interest rate risk management using the Delta EVE method, in line with Basel III guidelines. As part of the ALM project implementation in 2024-2025, SHB is also continuing to upgrade and refine its policy



framework and methodologies for managing bank book interest rate risk.

5.3.8 Anti-money laundering

SHB has established support measures to foster collaboration with international banks, constructing frameworks to adhere to both domestic and international regulations in combating money laundering. This effort aligns with global standards, facilitating partnerships with international banks. This consequently strengthens the correspondent banking system and amplifies revenue from international payment transactions. Implemented control measures include maintaining and regularly updating lists of countries and sectors/currencies under embargo by each nation. Additionally, there are warnings and recommendations regarding bank partnerships deemed high-risk or non-compliant with anti-money laundering and counter-terrorist financing requirements.

SHB has augmented its monitoring of customer transactions to identify any suspicious or unlawful activities. Employing an automated system, SHB oversees customer transactions according to predefined scenarios. This system automatically scrutinizes all customer transactions, flagging those displaying signs

of suspicion or potential legal violations. Any alerts are diligently investigated and promptly reported to relevant government authorities. In 2024, SHB cooperated with the police to apprehend a wanted individual who attempted to conduct a transaction at one of SHB's branches. Furthermore, SHB extensively educates its employees on various methods of legal infringement to mitigate risks to both customers and the Bank itself.



A New Era

Prosperity through
sustainability



In line with its transformation strategy, SHB has embedded ESG (Environmental, Social, and Governance) standards across all operations, promoting a green economy, an inclusive society, and supporting the Government's sustainable development agenda.

SHB proudly upholds a deep-rooted corporate culture shaped by six core values – Heart, Faith, Trustworthiness, Knowledge, Wisdom, Greater Heights – reinforcing its community influence and contributing to Vietnam's cultural and social development.



Sustainable Development report

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The Sustainable Development Report is compiled by SHB using information and data from the actual operations of SHB and its subsidiaries for the fiscal year ending December 31, 2024. Information disclosure is based on Circular 96/2020/TT-BTC.

At SHB, the CEO holds the highest level of responsibility for sustainable development policy. The sustainable development policy is defined in internal documents issued by the Board of Directors and the CEO. The CEO and project teams closely follow the direction and orientation of the Board of Directors, actively implementing initiatives to achieve the goals.

SHB's sustainable development goal is to focus on comprehensively and systematically integrating international standards, practices and domestic regulations on Environment, Social, and Governance (ESG) into all aspects of banking operations and products. Thereby, building long-term competitiveness, expanding the portfolio of sustainable financial products, and applying a consistent and effective environmental and social management system (ESMS). At the same time, SHB actively contributes to the national sustainable development goals, and enhances value for stakeholders (including shareholders, partners, customers, employees, communities). Accordingly, the specific goals by 2028 are as follows:

Environment (E)

- **Green credit:** Increase the share of green credit to at least 25% of total outstanding loans by 2028, focusing on the fields of renewable energy, organic agriculture, sustainable infrastructure and resource management.
- **Internal Emission Reduction:** Reduce greenhouse gas emissions in internal operations by at least 30% through the application of energy-saving technologies and promoting digital transformation, using renewable energy, waste and water management, and integrating ESG into procurement.

Social (S)

- **ESG training:** Ensure 100% of employees understand ESG and sustainable development, with all managers receiving advanced training in

ESG risk analysis, international standards and ESG integration in decision-making.

- **Social Responsibility:** Increase the scale and impact of corporate social responsibility (CSR) and community investment (CSI) programs, prioritizing financial education, culture and sports, and supporting underprivileged communities.

Governance(G)

- **ESG Risk Management:** Establish a comprehensive Environmental and Social Management System (ESMS) by 2028, in accordance with international frameworks/standards and State Bank guidelines. The system includes identification, assessment, measurement and monitoring of environmental and social risks in credit granting activities.
- **Integrating ESG into corporate governance:** Develop a roadmap to integrate ESG criteria into overall strategy, credit approval processes, supply chain management, remuneration and performance evaluation of managers.
- **Publish annual ESG reports** aligned with international standards and SEC guidelines

To develop initiatives and implement policies on environmental and social issues, SHB has officially established the Green Bank Development Project Team under the General Director in 2024. In order to ensure that implementation activities are carried out effectively, synchronously, optimize internal processes and achieve the strategic goals of the project, the ESG Implementation Team under the Green Bank Development Project Team has been established. The project is expected to be implemented in 3 phases:

- **Phase 1:** Initiation – Setting the foundation: Establishing organizational structure, strategic direction and implementing foundational ESG initiatives.
- **Phase 2:** Integration and Expansion: Integrate developed products into the common system, scale up and standardize.
- **Phase 3:** Leading and perfecting: Becoming a leading bank in ESG practices, achieving international recognition.

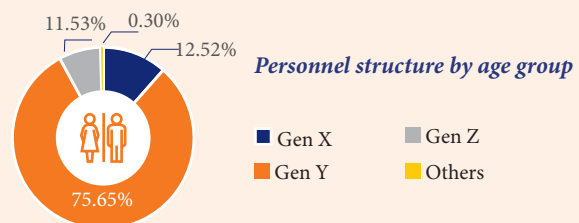
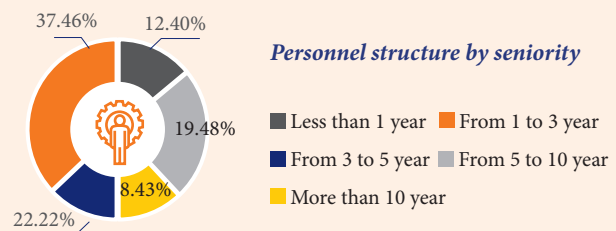
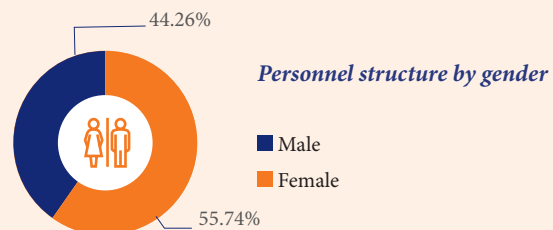
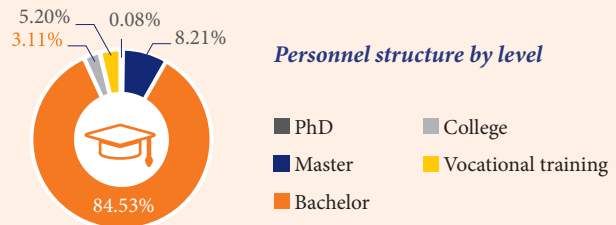
1. Employee related policies

1.1. Employee related policies

Number of employees, average salary for employees

- As of December 31, 2024, the total number of employees at SHB and its subsidiaries is 6,651. The workforce is mainly concentrated in the age group of 30-35 years old. This workforce has strong potential for development and training into key positions within the Bank.
- SHB always considers people as the center of all development strategies and a core factor in the Bank's transformation and sustainable development journey. SHB continues to build human resources policies to attract and develop a team of highly qualified personnel, capable of quickly adapting to the Bank's transformation trends, ensuring high-quality human resources for the future.
- SHB prioritizes policies to attract candidates from outside, in parallel with planning and developing a team of successor staff from internal sources, ensuring ready resources for key positions of the Bank such as management positions, experts...
- The average employee income reached VND 29.19 million/month, up 26.9% compared to 2023.

Personnel structure in 2024



1.2. Superior labor policy to ensure the health, safety and welfare of workers

SHB's human resources policies consistently deliver outstanding values to employees, with the aim of creating a working environment that is not only stable but also sustainable.

■ Value 1 - Competitive benefits:

SHB understands and demonstrates its cares for employees through practical and competitive benefits. SHB continuously improves its benefits policy every year to ensure competitiveness with the market, to attract and retain talent. In particular, SHB always gives special priority to benefits for female employees and health care policies for all staff.

■ Value 2 - Humane and responsible environment:

At SHB, people are always the priority. SHB's corporate culture is clearly formed based on the core values of "6 T's", in which "Heart" is the root to help employees feel secure in developing their long-term careers. SHB understands that, ultimately, the humane spirit of the organization is the greatest motivation for employees to feel secure in contributing and developing a sustainable career.

■ Value 3 - A Private bank with international vision:

With a vision to reach regional and international levels, SHB has been cooperating with leading global organizations and brands such as Amazon, Barcelona Football Club, Manchester City Football Club and many others. SHB is also the first joint stock commercial bank with an office in ASEAN. Employees are encouraged to challenge themselves and participate in major partnership projects.

■ Value 4 - Accompanying the aspirations of National Entrepreneur Do Quang Hien:

At SHB, employees are not only engaged in their work but are also inspired to align with the aspirations of contributing to national development alongside National Entrepreneur Do Quang Hien.

1.2.1. Salary and reward regime

■ SHB pays salaries based on key performance indicators (KPI) and the KPI system continues to be improved, aiming to pay monthly income fairly and accurately based on employee contributions and the responsibilities of each functional department. The salary and income of employees are linked to the efficiency, level of contribution as well as the business situation of SHB.

■ SHB maintains a stable annual bonus policy for employees on holidays, Tet and the Bank's founding anniversary.

■ In particular, SHB always encourages initiatives and outstanding achievements through reward policies, quarterly and annual Certificates of Merit/Recognition awarded by the Chairman of the Board of Directors and the CEO. This motivates employees to constantly strive, promote productivity and contribute many ideas and initiatives to the sustainable development of the Bank.

1.2.2. Insurance, health care, safety and welfare

- The highlight that makes SHB's salary and bonus policy different and attractive is the policy of paying "net" salary instead of "gross" salary. Accordingly, SHB pays, on behalf of employees, deductions for social insurance, health insurance, unemployment insurance, personal income tax and union fees. The policy not only helps to ensure and improve income for employees but also demonstrates the Bank's responsibility towards employees.
- SHB provides regular health check-ups at leading hospitals and provides comprehensive health insurance through the SHB Care program in association with reputable insurance companies. This policy is constantly improved to bring better and better insurance value to employees.
- Special allowances such as toxic allowance; make-up allowance for treasury, cash handling, and front-office roles; concurrent allowance; and gasoline/parking... are all fully and promptly implemented by SHB. In addition, the Bank also arranges shuttle buses for the leaders of the Headquarters and branches.
- In addition to implementing policies for employees according to the provisions of law, SHB also applies many additional welfare programs for employees every year such as: providing uniforms; providing modern working tools; organizing vacation activities; football sports; mass art performances; and offering employees preferential loans for housing, vehicles, and consumer needs.



1.3. Open and transparent recruitment policy

- In 2024, SHB will continue developing human resources through internship programs, talent pipelines, and other initiatives, targeting groups ranging from promising students to experienced managers and experts. SHB always puts trust in and gives opportunities to young people who are ready to challenge, innovate and create.
- In addition, SHB maintains close cooperation with leading universities such as the University of Commerce, expanding opportunities for potential students. In 2024, the Bank participated in 08 job fairs/workshops at universities/colleges nationwide and shared job opportunities at SHB with more than 5,000 potential students.





- In 2024, SHB issued 02 important policies:
 - Regulations on onboarding and integration for new employees at SHB (Decision No. 160/2024/QĐ-TGD issued on January 23, 2024) aim to improve the experience for new employees.
 - Regulations on the Mobile Director Program at SHB Business Units (Decision No. 150/2024/QĐ - Board of Directors issued on May 15, 2024) to prepare a high-quality talent pool to meet the growing needs of SHB's business development.
- In 2024, SHB successfully recruited 1,253 employees, including 106 management positions and 1,147 specialist positions. The total number of applications was 61,932 with 2,351 publicly posted recruitment positions.
- In domestic and foreign provinces where SHB is present, local candidates are prioritized due to their thorough understanding of the local market and demonstrated commitment.
- With continuous efforts in recruitment and superior human resource policies, SHB is honored to have received prestigious awards with 03 award categories in 2024:
 - **TOP 3 Most Favorite Employers in Large Enterprises - Finance - Banking - Securities;**
 - **TOP 19 Most Favorite Employers in Large Enterprises;**
 - **TOP 100 best places to work in Asia (3rd consecutive time).**

1.4. Labor training and development activities.

■ SHB always regards human resource training and development as a key driver of the Bank's sustainable development. Every individual at SHB is provided opportunities for learning, training and development. SHB creates favorable conditions for every individual employee to have the opportunity to develop their career through policies to support maximum training costs, defined career paths, and quality training programs.



- SHB trains and develops employee capacity through 06 training program groups with 152 courses implemented: (1) Information technology; (2) Personal and management effectiveness, (3) Marketing - sales - service, (4) Law and compliance, (5) Risk and finance, (6) Products and processes.
- In 2024, SHB conducted a total of 327,488 training hours, equivalent to an average of 54.6 hours/employee/year.

Trainee	Total training hours completed	Average training hours/employee/year
Staff	255,215	52
Management staff	72,273	66.3
All SHB	327,488	54.6

- SHB conducts training based on the competency framework and required competency level for each position. The training programs are diverse, continuously improved and updated in both content and format, suitable for many subjects, designed based on the training catalog categorized into 04 positions groups: (i) Senior Manager; (ii) Middle Manager; (iii) Grassroots Manager and (iv) Specialist/Employee.
 - **For new employees:** The integration training program is organized monthly with 32 topics on integration, awareness - compliance and professional expertise implemented with the participation and guidance of experienced staff, helping new employees easily adapt to the work and culture of SHB.
 - **For experienced employees:** In 2024, SHB provided 82 advanced and specialized professional courses with the participation of more than 37,499 students and sent 477 staff members to attend

32 training courses on professional knowledge, law, financial management, risk management, information technology and digital technology.

- **For management levels:** SHB prioritizes promoting and standardizing management training programs to suit each management position at SHB. SHB has cooperated with the National Economics University and Ho Chi Minh City National University to develop and implement a management and leadership skills training program for the positions of Branch/Transaction Office Directors and staff earmarked for positions from Department Head and above at business units, and has completed 19 leadership skills courses for 784 managers across the system.
- SHB flexibly deploys many different forms of training, while SHB promotes the application of high technology in lesson design and teaching activities, enhancing learning experiences and optimizing training costs.

Total training hours

327.488

82 advanced and specialized professional courses

with the participation of students

37.499

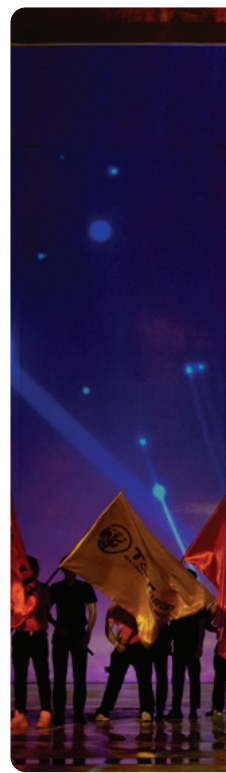
19 leadership skills courses

with the participation of managers

784



SHB affirms its Identity and continues to promote a culture from the Heart:
 “Originating from the Heart – Building Trust
 – Establishing Prestige
 – Accumulating Knowledge –
 Achieving Wisdom –
 Constantly Reaching for Heights”.



1.5. Developing corporate culture

SHB’s corporate culture was formed as a result of a 31-year journey of steadfastness and perseverance. SHB’s culture is not only present in big actions but also in daily activities, from the smallest details.

Continue to spread 6 core values

In 2024, SHB continues to affirm and promote its cultural identity through the implementation and development of 6 core values: Heart, Trust, Faith, Knowledge, Intelligence, and Vision. These values have been widely embraced and have become an indispensable part of the activities of each employee, imbued and integrated into the daily work and thinking of each SHB member.

SHBiLOVE Journey: Developing culture into sustainable strength

SHB has actively communicated and disseminated the 6T core cultural values through large-scale events and activities, contributing to cohesion and spreading corporate culture throughout the system. These cultural values are integrated into the Bank’s key programs, including the Bank-wide Summary and Mid-Year Conference, with the participation of more than 1,000 leaders nationwide. This is also the first time the 6T

values have been implemented synchronously by all leaders and employees, demonstrating the spirit of solidarity and determination towards the goal of sustainable, professional and humane development.

In particular, SHB organized the first “Khoi dong” corporate culture workshop in 2024, marking an important step in systematizing and developing the Bank’s core values. This is an opportunity for members of the system to share and contribute ideas to build a set of Behavioral Standards and Code of Conduct, an important tool to concretize the 6T values into daily work. This set of Behavioral Standards and Code of Conduct will be the foundation for building a stronger corporate culture.





Inspire and launch meaningful competitions

SHB has distinguished itself in spreading corporate culture through inspirational stories. Ordinary but meaningful stories from junior employees have contributed to affirming the 6T spirit: dedication to work, belief, strong commitment, learning spirit and aspiration to rise. The small but meaningful actions have become examples, encouraging everyone to live and work according to the 6T spirit.

Competition and innovation programs, such as **“From the Heart to the Mind”**, **“Excellent Operation”**, and **“21 Days Challenge”**, also reflect SHB’s ongoing efforts to encourage creativity and innovation at work, thereby improving service quality and customer experience.

On the occasion of its 31st anniversary, SHB organized a series of meaningful internal activities to express deep gratitude to members of the system. The message **“Thank you for reaching out with SHB for 31 years”** was conveyed in the gratitude activities from the Board of Directors, teammates and families of each employee. In addition, SHB also launched the music product **“Advancing to Glory”**, a cultural story associated with the journey to conquer new heights, arousing pride and solidarity in the SHB community.

SHB also reaffirms human values in its corporate culture through social activities, such as the Loving Heart Fund, supporting people in the Northern provinces after Typhoon Yagi. These actions clearly reflect the **“Heart”** of SHB people, always ready to help the community and contribute to the development of society.

In addition, SHB also demonstrates its love for sports, especially in accompanying the Vietnamese football team at the ASEAN Cup 2024, reflecting its aspirations to reach new heights, solidarity and innovation, all stemming from SHB’s core values.

2025 Plan: Continue to develop SHB Culture

In 2025, SHB will continue to affirm its cultural identity through the values of Heart, Trust, Faith, Knowledge, Intelligence, and Vision, and will systematize these values through the set of Behavioral Standards and Code of Conduct. SHB is ready to face new challenges, aiming for sustainable development and continuing to spread good values to the community.

In particular, in 2025, SHB and T&T Group will jointly organize a special program titled **“Cultural Festival - Firmly Stepping Into the New Era”** on the largest scale ever, with the mission of connecting employees, spreading the spirit of pride and corporate cultural values of the two units.

2. Responsibility to local communities

In 2024, natural disasters caused significant losses, beginning with the devastation of Typhoon Yagi, followed by prolonged rains, flash floods and landslides that severely affected the Northern and Central provinces. The fierce waves of natural disasters made people's lives extremely difficult. In that context, SHB quickly took action, demonstrating its strong sense of community responsibility, not only helping people overcome short-term damage but also supporting long-term recovery efforts.

That reflects only part of SHB's broader commitment to building a sustainable society, where everyone has the opportunity to live, study and work in a progressive environment.

In 2024, SHB implements community activities targeting on 4 key areas:

Education development - nurturing the young generation;

Sports and culture development - increasing spiritual values for the community;

Disaster recovery;

Support the poor

Guided by the principle of "Heart"; SHB's Board of Directors, headed by Chairman of the Board of Directors Do Quang Hien, together with employees at all levels, have devoted much kindness to continuously carry out activities to accompany the community to build a sustainable Vietnamese society.

In 2024 alone, SHB has spent nearly VND 278 billion on community sponsorship programs, double the 2023 budget, bringing the total contribution to social security activities during 2019 - 2024 to over VND 768 billion.

768 total contribution to social security activities during 2019
VND BILLION

2.1. Developing education and promoting the young generation

As a bank with a 31-year tradition of establishment and development, SHB always pays attention to training and developing human resources, based on the principle that "people are the central", promoting innovation, improving the capacity of the leadership and staff. In recent times, SHB has always accompanied prestigious universities, promoted cooperation, and joined hands to develop high-quality human resources for the country.

Continuing its educational partnership, in 2024, SHB signed strategic cooperation agreements with the Banking Academy, Banking University of Ho Chi Minh City, University of Commerce, FPT University; agreed to strengthen cooperation with the schools, actively support students to leverage the facilities, personnel, and experience of both sides, serving training and scientific research. SHB will be a strategic partner of the schools in brand development activities, providing superior financial products and services according to the actual needs of the school as well as creating conditions for students to access real working environments to improve their knowledge and professional capacity. Every year, SHB awards valuable scholarships to excellent students, supporting the younger generation on their journey of knowledge. SHB will also send experts to support and participate in meaningful school activities; or sponsor and invest capital in implementing student ideas, startup projects, and innovation.

Right before the new school year 2024-2025, the Sin Chai and Phinh Giang Primary School projects, 100% funded by SHB (total support value of VND 12.5 billion), have officially come into operation, providing a comfortable learning environment for more than 1,100 students in disadvantaged communes in Dien Bien province. Despite the schools' remote locations, unsynchronized traffic infrastructure, and complicated weather and natural disasters, SHB has made efforts to closely follow, monitor progress and ensure the goal is achieved.



12,5 VND
BILLION

for the Sin Chai and Phinh Giang
Primary School projects



In parallel, SHB has also awarded hundreds of scholarships to poor students who have overcome difficulties in Na Hang (Tuyen Quang), valedictorians, students with difficult circumstances and students affected by storm Yagi who are studying at Hanoi National University; sponsored the Banking Scholarship Fund, sponsored equipment for Ly Bon High School (Thai Binh) and supported the renovation of the dormitory of the University of Foreign Languages; along with contributions to Scholarship Funds, Scholarship Funds, Charity Shelters or Child Protection Centers in the localities. These acts of kindness have ignited confidence in students who still have many difficulties, inspired passion and continued the tradition of studiousness of the young generation of Vietnam.

2.2. Accompanying Vietnamese Sports and Culture

Along with the development of Vietnamese football over the past 20 years, SHB has always accompanied and made significant contributions through tournament sponsorship activities and youth training; closely associated with the image of both the national team and the club. This attachment comes from the long-term orientation and commitment of SHB, led by Chairman of the Board of Directors Do Quang Hien - who always pays special attention to the development of domestic football, with the desire to contribute to raising the level of Vietnamese football through support programs and methodical investment. As the main sponsor of SHB Da Nang Football Club from 2008 to present, SHB has sponsored from VND 60 to 100 billion each year for the development of young football talents at the club, and achieving promotion to the top tier of Vietnamese football in 2024 has partly demonstrated the efforts of both SHB and the club.



SHB fully sponsored the expenses

600 FANS

to Thailand to support the Vietnamese national football team during the 2024 ASEAN Cup.





One of the highlights in SHB's journey with sports is the campaign to Support the Vietnamese National Team at the ASEAN Cup 2024. As the first unit to announce that it would award VND 2 billion if the Vietnamese team won the championship cup, SHB did not stop there, but organized flights to bring 600 fans, players' relatives, customers and lucky fans to Bangkok to motivate the players and witness the Vietnamese team lift the well-deserved championship cup. After the tournament, SHB continued to award VND 3 billion to the coaching staff, coach Kim Sang-sik and players such as Nguyen Xuan Son, Nguyen Quang Hai, Bui Hoang Viet Anh... as a thank you for the efforts that contributed to this impressive achievement.

In the cultural field, SHB is also present as a companion to many important cultural events, notably the New Year Light Concert within the framework of the Hanoi International Light Festival; Hanoi International Women's Football Tournament on the occasion of the October 20 anniversary; accompanying the Buddhist television channel An Vien TV - Bchannel... and many other important events of the country.



2.3. Overcoming the consequences of natural disasters

After storm No. 3 (Yagi) passed, causing serious floods and landslides in the northern provinces, in order to promptly share the loss of people and property, SHB immediately donated nearly VND 24 billion to the Central Committee of the Vietnam Fatherland Front and the provinces and cities. In the spirit of mutual love, SHB staff throughout the system also initiated the "Heart of Love" program to support people affected by storms and floods with a total donation of VND 2.2 billion.



At Nam Luc Hydropower Plant (Lao Cai province), which suffered heavy losses in both human life and property after a terrible landslide, SHB visited and promptly waived VND 5 billion in interest payable in September 2024, reduced the interest payable by 50% to the plant until the end of 2024 with an estimated total amount of more than VND 10 billion and restructured the debt according to regulations.

For corporate and individual customers who suffered damage due to storms and floods, SHB has implemented a policy of supporting an average of 50% of the interest payable during the period from September 1 to December 31, 2024. Especially for customers who suffered heavy damage and had difficulty in restoring production, depending on the severity, support may reach up to 100% of the interest payable in the last 4 months of the year. The Bank also provides a credit package with an interest rate of only 4.5%/year for new loans, to help customers stabilize their lives and resume production.

In addition to emergency support during and immediately after the storm and flood, SHB also continues to accompany customers and people in social activities, building works and infrastructure... to rebuild lives in areas affected by natural disasters.

2.4. Support the poor

Responding to the Prime Minister's call for a nationwide campaign to eliminate temporary and dilapidated houses, SHB has donated VND100 billion to Soc Trang province to support the construction and repair of houses for poor and near-poor households in the province. Beneficiaries will now be able to live in "3-solid" houses – solid roof, floor, and wall. This is a noble and ambitious goal that can only be achieved with the joint efforts of the whole society.

SHB's grassroots trade union also focuses on implementing annual community care activities, such as the "Sharing love - Lighting up the future" program cluster targeting poor students and disadvantaged people, and the "Sharing Tet - Happy Spring" program organized on the occasion of Lunar New Year every year. Thousands of gifts were distributed to students and disadvantaged households in the provinces of Lao Cai, Thai Nguyen, Lang Son, Binh Thuan, Binh Duong, Ben Tre, An Giang, etc. in 2024, providing meaningful encouragement, helping people in difficult areas have more motivation to rise up and take control of their lives.

Through organizations such as the Red Cross, the Association of Former Youth Volunteers, the Association of Agent Orange/Dioxin Victims, and the Association of the Disabled in localities, SHB has also contributed hundreds of millions of VND to activities to repay gratitude, express gratitude to those who contributed to the revolution, and support in overcoming post-war consequences.

With the spirit of "Joint Commitment – Joint Strength", SHB always accompanies the Party and the State in social security programs, volunteer activities, building schools, houses, infrastructure, etc., joining hands to help those in difficult circumstances, improving quality of life for Vietnamese people. The Bank constantly spreads profound human values, promotes the good traditions of the nation and society towards a better future, sustainable development with the country.



150
VND BILLION

for initiatives supporting the poor, constructing houses and overcoming the aftermath of Typhoon Yagi.

2.5. Community Awards

At a bank that puts the Heart at the root like SHB, delivering the greatest values to the community is always a top priority. With its continuous contributions to the community, at the Better Choice Awards 2024 gala, under the Innovative Choice Awards category, SHB was honored as "Bank of the Year for People".



3. Environmental impact report

SHB has long determined that sustainable development involves not only secure financial growth indicators but also in the rational exploitation and economical use of natural resources, protecting and improving the environment.

At SHB, environmental policies are specified in regulations issued by the Board of Directors and the General Director. The General Director is responsible for executing the policies. The General Director and the Executive Board have closely followed the direction and orientation of the Board of Directors, actively implementing activities related to social responsibility and environmental protection to bring better values to the community and society.

3.1. Environmental impact

As a financial and banking service provider, SHB's business operations do not generate large amounts of greenhouse gas emissions or cause significant impacts on the environment. The main sources of greenhouse gas emissions include the use of labor equipment as well as lighting, repair, maintenance of equipment, power generation systems, building air conditioning, and employees and customers transportation. However, at SHB, environmental protection awareness is promoted and spread within SHB, including initiatives to save electricity, reduce plastic waste and enhance digital channels for transactions and meetings to contribute to reducing emissions to the environment...

3.2. Raw material resource management

SHB is a service provider in the financial and banking sector, with primary raw materials consisting of printing paper, printing ink, stationery, etc. SHB's total annual material costs increase in proportion to the Bank's operational scale. The Bank is constantly applying measures to save materials while still ensuring work efficiency, maintaining average materials costs as just over VND 2 million/employee/year.

SHB Material costs

Unit: VND million

Item	2021	2022	2023	2024
Cost of stationery, printing paper, ink (VND million)	11,304	11,276	13,664	18,649
Office supplies cost per employee per year (VND million)	2.14	2.12	2.38	3.04

- SHB has implemented various measures to conserve raw materials, reduce equipment use, and minimize environmental impact:
 - Strengthening the development of products and services applying modern technology, while minimizing the use of paper procedures to bring a streamlined, smooth customer experience, save transaction processing time and lower office supply costs. Banking operations or operational document processes have largely shifted to online transactions and approvals thanks to the online document storage and approval system; the online automatic customer identification application (eKYC) has been put into operation since 2020, so the amount of paper, pens and other labor tools has significantly decreased in recent years.
 - The electronic communication system has been upgraded and expanded from the headquarters to branches such as meetings, supporting videoconference meetings, recruitment interviews, digital publications, etc., contributing significantly to reducing the amount of printed documents and improving labor productivity.
 - Reuse single-sided printed paper; assign annual usage quotas for each department/office; classify stationery into one-time, monthly request, and irregular usage requirements; monitor and compare periodic usage.
 - The Bank's internal communication activities also devote a lot of content and topics to raising awareness among staff in printing documents to reduce the amount of excess paper and increase the exchange of information, documents, and reports via internal email, and encourage the reuse of used stationery.



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Sustainable development and green transformation – The commitment of a pioneering bank in response to national strategy in the new era.

3.3. Energy consumption

At SHB, the energy consumption primarily includes electricity for lighting, maintaining computer operations, air conditioning, gasoline for staff shuttle vehicles... Accordingly, for both of these criteria, SHB optimizes to reduce gradually each year.

■ Fuel consumption:

Gasoline consumption primarily arises from vehicles such as company cars, cash transport trucks and staff vehicles, etc. Vehicle operating costs and fuel consumption are carefully managed and controlled according to assigned quotas for leadership and staff using company vehicles. Travel activities must be registered in advance to ensure maximum service to work needs, save operating costs and fuel consumption, and reduce vehicle wear and tear on vehicles.

The gasoline consumption of each employee at SHB in 2024 is VND 0.59 million, representing a reduction of VND 0.57 million, or 49% compared to 2021.

Unit: VND million

Item	2021	2022	2023	2024
Gasoline cost (VND million)	6,218	5,600	3,760	3,604
Fuel cost per worker in 1 year (VND million / person/year)	1.16	1.05	0.65	0.59

■ Use of electric energy:

SHB has optimized electricity consumption as a measure to reduce business costs. Many energy-saving measures have been applied such as prioritizing the use of energy-saving light bulbs, installing air-conditioning systems that comply with greenhouse gas emission standards and maintaining regular maintenance. The habit of switching off the breaker when not in use, effectively managing the air conditioning of the workspace, and arranging seats to optimize workspace layout to reduce lighting needs, has also been calculated and optimized.

Unit: VND million

Item	2021	2022	2023	2024
Electricity cost (VND million)	28,580	28,408	32,214	40,114
Electricity cost per worker in 1 year (VND million/person/year)	5.40	5.35	5.60	6.55

3.4. Water consumption:

Water is another resource that is carefully managed in the workplace to ensure minimal usage and complied with building's regulations. The cost of drinking water for staff, employees and guests is covered by SHB under a strong conservation, including practices such as pouring only as much as needed and using glass water bottles in internal meetings. For external meetings and guests, the Bank provides smaller-capacity bottles to avoid waste.

Unit: VND million

Item	2021	2022	2023	2024
Water cost	1,104	1,052	1,197	1,455
Water cost per worker in 1 year (VND million/person/year)	0.17	0.20	0.21	0.24

3.5. Comply with environmental protection laws

Compliance with environmental protection laws is a consistent priority for SHB: from external to internal workspace cleaning; from managing wastewater and exhaust gas to saving travel costs, applying digital technology... All SHB employees adhere to 5S principles in all their activities to move towards a GREEN bank - first of all in daily operations, aligning with the goal of sustainable development.

With the awareness of strictly complying with the law on environmental protection, throughout its operation, SHB has not incurred any penalties related to environmental issues.

“

SHB must not only grow but must do so sustainably, in alignment with community values and environmental concerns. This is the goal and direction SHB has chosen to contribute to the country's green and circular economy, in response to the Government's Renewable Energy Development Strategy to 2030, with a vision to 2050.”



3.6. Strongly deploy the “SHB Go Green” campaign internally and in the customer ecosystem:

In 2024, ongoing green living competition initiatives were organized to encourage SHB staff and workers to participate in a green lifestyle, save energy and protect the environment, notably the 21 Days Challenge including 6 activities: “Green Suggestions”, “Green Box”, “Green Electricity”, “Saving clean water for a Green life”, “Waste classification for a Green environment”, “Strong Green Team”. The Green Suggestions Challenge alone attracted more than 60 entries from staff in just 1 week of launching, laying the foundation for the success of the subsequent initiatives that will be held consecutively in 2025.

Also, with the message SHB Go Green, SHB won the Aspiration Award in the Green Bank for Green Life contest organized by the State Bank Trade Union. With the efforts of both individuals and groups, each SHB employee serves as a brand ambassador spreading positive values about a bank that is always a pioneer for the sustainable development of the community.



3.7. Green financial market activities

- **Green growth is inevitable, and green finance is a key driver of this transition:**

In Vietnam, green credit is an inevitable trend and has received attention from commercial banks.

The goal of green growth is to establish mechanisms to improve the efficiency of natural resource management and reduce environmental pressures, while also focusing on technology and consumption patterns, and encouraging environmentally friendly business and individual behaviors. Finally, it involves developing policies to help the economy effectively transition to a sustainable economy.

SHB aims to maintain its position as one of the leading commercial banks in green credit, enhancing its reputation and brand, creating new business opportunities, and fostering sustainable development – in alignment with Vietnam’s COP26 commitment of reducing carbon emissions by 2050.

- **Building a strategic framework on green banking:**

Drawing from the Green Banking Development Project in Vietnam, the banking industry’s action plan for the National Strategy on Green Growth for the 2021-2030 period, and government direction, SHB remains committed to its goal of sustainable development and greening its banking operations.

Building and developing green banking at SHB is at level 5 in the green banking development strategy framework of the Project. SHB proactively promotes ecological balance and its green banking activities extend beyond individual operations to networks, alliances, community dialogues, and the ecosystem as a whole to achieve social, environmental, and financial sustainability. The Bank is building a strategic framework for green finance development that identifies transition risks and measures and monitors carbon emissions from both its operations and its lending and investment activities.

SHB has issued and applied regulations on environmental risk management in credit granting activities. **SHB has support from IFC to develop regulations on environmental and social risk management in credit granting activities aligning with international standards.**

Recognizing the banking system's intermediary role in influencing environmental outcomes through customer activities, SHB has promoted green investment by directing financial resources to focus on funding projects and business production plans in 12 green areas: green agriculture, sustainable forestry, green industry, renewable energy - clean energy, recycling and reuse of resources, waste treatment against pollution, protection of the natural environment and natural disaster prevention, clean water management, green construction works, sustainable transportation, provision of environmental protection services, and resource saving. Investments in these areas increase the proportion of green credit in the credit portfolio structure, encouraging customers to convert their projects to more environmentally friendly alternatives.

■ Implementation of green credit project lending:

The total outstanding green credit balance as of December 31, 2024 reached VND 52,300 billion. The proportion of outstanding green credit balance accounts for over 10% of total outstanding debt.

Recently, SHB prioritized customers engaged in green projects in the rural agricultural sector by offering tailored solution packages, preferential interest rates, exemptions from early repayment fees, reduced service fees, flexible procedures, simplified loan applications, and faster disbursement processed – helping customers access preferential loans in a timely and efficient manner. Many customers in these sectors produce clean agricultural products that meet international standards such as VietGAP and Global GAP, and they are also investing in high-tech agriculture. These potential customers represent a strong opportunity for SHB to expand its green agricultural loan portfolio.

SHB's policies that prioritize "green" customers have encouraged borrowers to convert projects and loan purposes to more environmentally friendly alternatives. In addition, SHB maintains control of safety and sustainability when financing capital. Projects must meet strict domestic and international standards on environmental protection, energy efficiency, and resource conservation.

Some typical green credit projects in 2024 that SHB has been sponsoring include:



The proportion of green credit at SHB has now reached more than 10% of the total loan portfolio, efficiently contributing to sustainable growth and environmental protection.

- The REDP project, funded by the World Bank since 2014. Presently, SHB has four valid small hydropower sub-projects (<30MW) with a total approved re-loan amount, using REDP capital, of nearly VND 1,000 billion, ranking 3rd out of 7 participating commercial banks (after Vietcombank and BIDV). Through participation in the REDP project, SHB can bring outstanding benefits to investors of green projects such as offering loan interest rate reductions of 1.5 - 3%. This project supports implementation and reimbursement of 100% of dam safety consulting costs and 50% of social and environmental consulting costs. The REDP project also participates in the carbon finance program, technical assistance programs, training, and capacity building for investors.
- The "Smart Grid - Efficiency in Power Transmission" (phase 1) project (worth EUR 65 million) and "Efficient Power Grid in Small and Medium Cities" (phase 1 and 2) project (worth EUR 350 million), are both funded by the German Government through the German Reconstruction Bank. The goal of these two projects is to expand and develop the power transmission grid system, reduce overload on the national power grid, meet the current urgent demand for electricity, maintain safety, and improve the reliability and quality of the national power transmission system.
- Currently, SHB is also sponsoring a number of medium-sized solar and wind power, funded by capital mobilized from the population. Notable examples can be found in Gia Lai, Ninh Thuan, Dak Lak, and Soc Trang.

- The Project on Promoting Energy Efficiency in Vietnam's Industrial Sectors has been funded by the Green Climate Fund (GCF), through the World Bank, since 2021. SHB will manage the Risk-Sharing Fund (RSF) on behalf of the Ministry of Industry and Trade and issue credit risk guarantees to banks participating in lending to sub-projects on energy efficiency. The project model, applied for the first time in Vietnam, will make an important contribution to the process of encouraging businesses to convert technology towards energy saving and efficiency – a key factor contributing to the government's goal of reducing greenhouse gas emissions.

- The “Developing the Central Coastal Urban Area towards green growth and climate change response in Dong Ha City” project is funded by the French Development Agency (AFD).

- Inaugurated in January 2022, The Happiness Rice Factory Project is now the largest rice factory in Asia, with an area of 161,000 m² located in An Giang. SHB provided capital for this sub-project through the Rural Finance Project (VnSAT), which is funded by the World Bank. The factory operates 100% of its modern technology solutions and equipment from Europe, ensuring that it meets the world's most stringent standards of food safety, operational safety, and environmental friendliness in accordance with the World Bank's sustainable development criteria.

- Khe Giang Solid Waste Treatment Area Investment Project (Phase 1) has investments from Viet Long Investment and Construction Joint Stock Company. The project comprises a solid waste treatment plant along with renewable material production capability with a capacity of 200 tons/day. The plant is located in Khe Giang village, Thuong Yen Cong commune, Uong Bi city, Quang Ninh province. Truly innovative, the company can burn 100% of unsorted waste and creates an odorless and insect-free waste treatment environment through the use of harmless microbiological processes. These two breakthroughs set the company apart from other waste treatment providers and are being proposed for technology transfer by Japanese partners.

- Thanks to its meaningful contributions and efforts towards green growth goals, SHB is honored to receive the following awards: “Bank With the Best Sustainable Financing Activities 2024” honored by Global Finance; “Bank With the Best ESG Impact” voted by FinanceAsia magazine; “Top 10 Green and Sustainable Enterprises”

voted by the Vietnam Environmental Association; and “Top 10 Banks Effectively Arranging Investment Capital for Vietnam Energy Projects in the Period 2017 – 2021” honored by the Vietnam Energy Association.



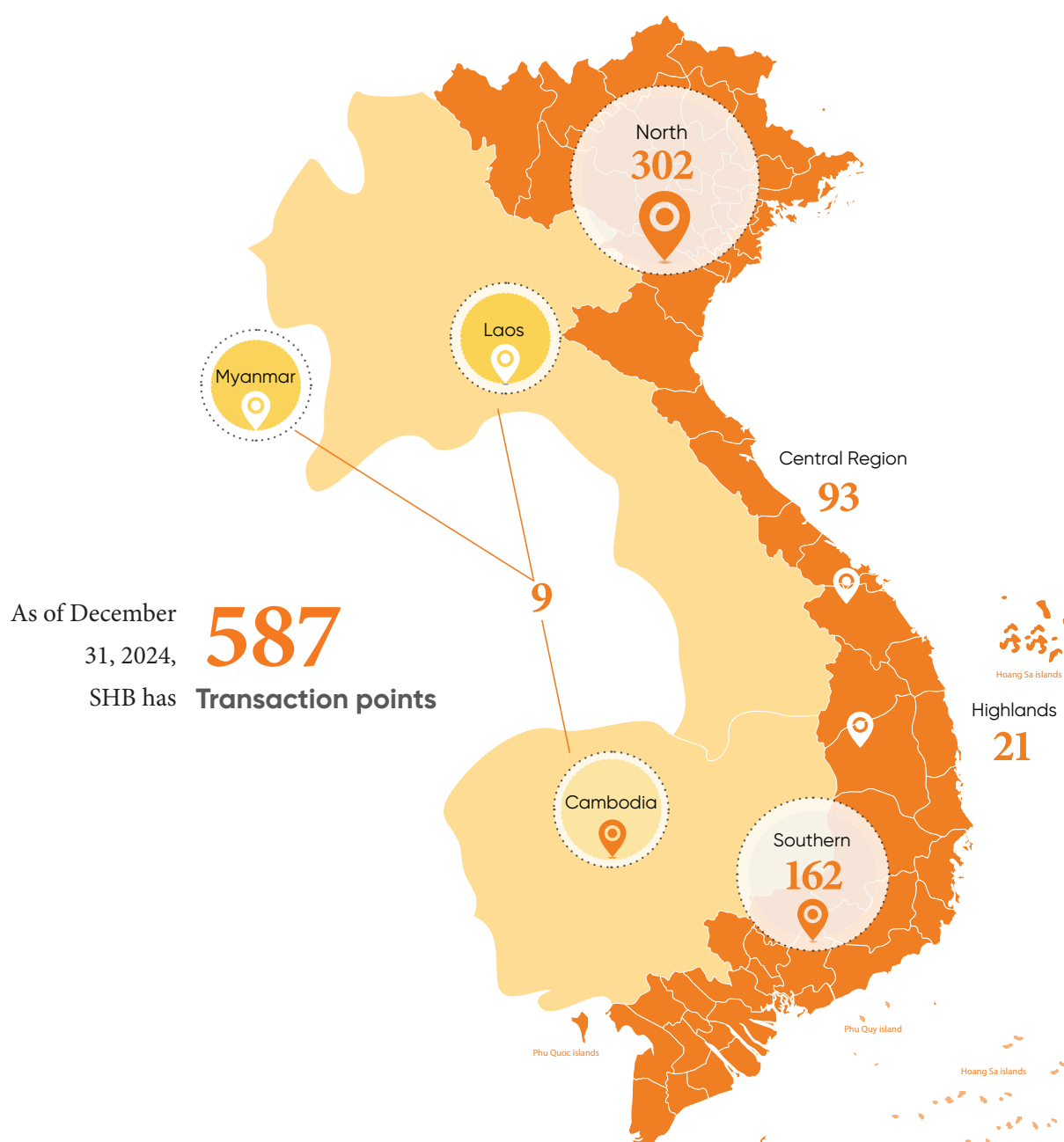
• SHB's next solutions

SHB is implementing its green growth action plan in a coordinated manner, from raising awareness among staff, partners, and customers about the importance of green credit growth to reforming bank regulations and procedures. SHB will continue to identify industries and segments with potential for green investment, while developing new financial products such as green bonds, convertible loans for businesses implementing CO₂ emission reduction plans, and consulting services for high carbon emission sectors to aid in their transition to greener operations.

To continue pursuing the goal of becoming a Green Bank, SHB will implement the following solutions: (i) The Green Bank Development Project Team will promote the implementation and ensure ESG goals and strategies on green credit; (ii) Develop “green product” programs through integrating ESG criteria into the Bank's products; (iii) Increase the application of technology and develop modern digital banking services, contributing to the development of green credit products; (iv) Diversify capital sources for green investment by mobilizing resources from international financial institutions and foreign sponsors; (v) Raise awareness and provide information for customers to better understand green credit and their benefits; (vi) Provide training to SHB staff to deepen their understanding of green credit, enhancing customer support.



Network of Transaction offices



LIST OF SHB BRANCHES

((As of December 31, 2024))

No.	NAMES OF UNITS UNDER THE BANK	ADDRESS	PHONE	FAX
	Headquarters	No. 77 Tran Hung Dao, Hoan Kiem District, Hanoi City.	(024) 3942 3388	(024) 3941 0944
	Business Center (Head-quarters)	No. 77 Tran Hung Dao, Hoan Kiem District, Hanoi City.	(024) 3942 3388	(024) 3941 0944
1	Hanoi Branch	No. 49 Ngo Quyen, Hang Bai Ward, Hoan Kiem District, Hanoi City.	(024) 6256 3666	(024) 6256 3616
2	Thang Long Branch	No. 91 Nguyen Chi Thanh, Lang Ha Ward, Dong Da District, Hanoi City.	(024) 6276 9189	(024) 6279 6167
3	Ba Dinh Branch	No. 21 Lang Ha, Thanh Cong Ward, Ba Dinh District, Hanoi City.	(024) 3846 0135	(024) 3726 3595
4	Capital Branch	No. 33 Trang Thi, Tran Hung Dao Ward, Hoan Kiem District, Hanoi City.	(024) 3928 9175	(024) 3928 9262
5	Dong Do Branch	Floors 1,2,3, 2A Dai Co Viet Building, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi City.	(024) 3943 2958	(024) 3943 2436
6	Hoan Kiem Branch	No. 40 Hang Giay Street, Dong Xuan Ward, Hoan Kiem District, Hanoi City.	(024) 3825 8926	(024) 3825 8745
7	West Hanoi Branch	Serviced Apartment No. 101, Lot C, Area D5, Nguyen Phong Sac, Dich Vong Hau Ward, Cau Giay District, Hanoi City.	(024) 6269 0 530	(024) 6269 0531
8	Ha Thanh Branch	No. 98 Hoang Quoc Viet Street, Nghia Do Ward, Cau Giay District, Hanoi City.	(024) 3755 2510	(024) 3756 3120
9	Van Phuc Branch	No. 355 – 357 Doi Can Street, Lieu Giai Ward, Ba Dinh District, Hanoi City.	(024) 3726 2025	(024) 3726 2236
10	Han Thuyen Branch	No. 11 Han Thuyen, Pham Dinh Ho Ward, Hai Ba Trung District, Hanoi City.	(024) 3624 8028	(024) 3624 8029
11	Kinh Do Branch	Floor 1, Building 17T1, Trung Hoa – Nhan Chinh Urban Area, Trung Hoa Ward, Cau Giay District, Hanoi City.	(024) 6281 5158	(024) 6281 5159
12	Ha Dong Branch	No. 16 – 18, Nguyen Khuyen Street, Van Quan Ward, Ha Dong District, Hanoi City.	(024) 3351 6688	(024) 3354 6513
13	Lao Cai Branch	Ly Cong Uan Street, Intersection 6, Kim Tan Ward, Lao Cai City, Lao Cai Province.	(0214) 3899 696	(0214) 3899 695
14	Lang Son Branch	No. 115 Le Loi Street, Vinh Trai Ward, Lang Son City, Lang Son Province.	(0205) 3898 222	(0205) 3898 212
15	Vinh Phuc Branch	No. 361 Me Linh Street, Lien Bao Ward, Vinh Yen City, Vinh Phuc Province.	(0211) 3710 145	(0211) 3710 146
16	Bac Ninh Branch	Floors 1 – 2 Viglacera Building, Crossroads 6, Dai Phuc Ward, Bac Ninh City, Bac Ninh Province.	(0222) 3874 636	(0222) 3874 959
17	Kinh Bac Branch	Ly Thai To Street, Dong Ngan Ward, Tu Son Town, Bac Ninh Province.	(0222) 3743 036	(0222) 3742 444

No.	NAMES OF UNITS UNDER THE BANK	ADDRESS	PHONE	FAX
18	SHB Hung Yen Branch	No. 1 – 3 Nguyen Binh Street, Ban Yen Nhan Ward, My Hao Town, Hung Yen Province.	(0221) 3742 688	(0221) 3742 886
19	Quang Ninh Branch	No. 18, 25/4 Street, Bach Dang Ward, Ha Long City, Quang Ninh Province.	(0203) 3723 855	(0203) 3723 866
20	Hai Phong Branch	DG Tower Building, No. 15 Tran Phu, Cau Dat Ward, Ngo Quyen District, Hai Phong City.	(0225) 3652 668	(0225) 3652 669
21	Thanh Hoa Branch	Thanh Hoa Commercial Center No. 27 – 29 Le Loi Street, Lam Son Ward, Thanh Hoa City, Thanh Hoa Province.	(0237) 3855 111	(0237) 3752 555
22	Nghe An Branch	Tecco Tower Apartment, No. 215 Le Loi Street, Le Loi Ward, Vinh City, Nghe An Province.	(0238) 3560 388	(0238) 3560 399
23	Hue Branch	No. 28 Ly Thuong Kiet Street, Vinh Ninh Ward, Hue City, Thua Thien Hue Province.	(0234) 3966 688	(0234) 3944 666
24	SHB Da Nang Branch	No. 6 Nguyen Van Linh, Nam Duong Ward, Hai Chau District, Da Nang City.	(0236) 3584 599	(0236) 3655 399
25	Quang Nam Branch	No. 409 Phan Boi Chau, Tan Thanh Ward, Tam Ky City, Quang Nam Province.	(0235) 3815 888	(0235) 3815 777
26	Khanh Hoa Branch	No. 175 – 177 Thong Nhat Street, Phuong Sai Ward, Nha Trang City, Khanh Hoa Province.	(0258) 3828 777	(0258) 3828 766
27	Lam Dong Branch	No. 135 – 145 Phan Dinh Phung, Ward 2, Da Lat City, Lam Dong Province.	(0263) 3512 251	(0263) 3512 000
28	Gia Lai Branch	No. 87 Hoang Van Thu, Dien Hong Ward, Pleiku City, Gia Lai Province.	(0269) 3828 333	(0269) 3828 499
29	Ho Chi Minh City Branch	No. 41 – 43 – 45 Pasteur, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City.	(028) 3821 1112	(028) 3823 0204
30	Saigon Branch	Lot H3, Hoang Dieu Street, Ward 6, District 4, Ho Chi Minh City.	(028) 3943 4 224	(028) 3943 4299
31	Phu Nhuan Branch	No. 127 Tran Huy Lieu, Ward 12, Phu Nhuan District, Ho Chi Minh City.	(028) 3997 1122	(028) 3997 1133
32	Binh Duong Branch	No. 481, Area 01, Phu Cuong Ward, Thu Dau Mot City, Binh Duong Province.	(0274) 3834 101	(0274) 3834 100
33	Dong Nai Branch	No. 10 – 11, Nguyen Ai Quoc Street, Quarter 8, Tan Phong Ward, Bien Hoa City, Dong Nai Province.	(0251) 8871 666	(0251) 8871 670
34	Vung Tau Branch	12G3 Commercial Center Area, Nguyen Thai Hoc Street, Ward 7, Vung Tau City, Ba Ria Vung Tau Province.	(0254) 3577 676	(0254) 3577 686
35	Binh Phuoc Branch	No. 147 Hung Vuong Street, Tan Binh Ward, Dong Xoai Town, Binh Phuoc Province.	(0271) 3838 123	(0271) 3838 126
36	Long An Branch	No. 135 – 137, Hung Vuong Street, Ward 2, Tan An City, Long An Province.	(0272) 3567 567	(0272) 3567 667
37	Can Tho Branch	No. 16 – 18, Hoa Binh Avenue, Tan An Ward, Ninh Kieu, Can Tho City.	(0292) 3838 389	(0292) 3839 987

VII. Network of transaction offices

No.	NAMES OF UNITS UNDER THE BANK	ADDRESS	PHONE	FAX
38	Kien Giang Branch	Lot C10 – 50 + 51, 3/2 Street, Vinh Lac Ward, Rach Gia City, Kien Giang Province.	(0297) 3947 303	(0297) 3947 313
39	An Giang Branch	No. 1293 Tran Hung Dao Street, My Binh Ward, Long Xuyen City, An Giang Province.	(0296) 3940 309	(0296) 3941 969
40	Saigon - Hanoi Bank Limited Cambodia	No. 107 Norodom Avenue, Boeng Reang Ward, Don Penh District, Phnom Penh, Cambodia.	+855 23 221 900	+855 23 224 151
41	Saigon – Hanoi Laos Bank Ltd	Group 01 Lanexang Street, Hatsady Village, Chanthabuly District, Vientiane Capital, Lao People's Democratic Republic.	+856 21 96 8888	+856 21 96 88 99
42	Thai Binh Branch	Viettel Thai Binh Building, No. 431 Tran Hung Dao Street, Tran Hung Dao Ward, Thai Binh City, Thai Binh Province.	(0227) 6278 555	(0227) 6252 626
43	Soc Trang Branch	No. 2 Tran Hung Dao, Ward 2, Soc Trang City, Soc Trang Province.	(0299) 3819 888	(0299) 3819 666
44	Ninh Binh Branch	No. 55 Tran Hung Dao Street, Dong Thanh Ward, Ninh Binh City, Ninh Binh Province.	(0229) 3888 542	(0229) 3888 543
45	Tuyen Quang Branch	No. 138 Nguyen Trai Street, Group 14, Tan Quang Ward, Tuyen Quang City, Tuyen Quang Province.	(0207) 3827 579	(0207) 3827 588
46	Thai Nguyen Branch	Minh Cau Market Commercial Center, No. 2, Minh Cau Street, Phan Dinh Phung Ward, Thai Nguyen City, Thai Nguyen Province.	(0208) 3655 588	(0208) 3756 866
47	Tien Giang Branch	No. 224A, Nam Ky Khoi Nghia, Ward 7, My Tho City, Tien Giang Province.	(0273) 3877 789	(0273) 3877 669
48	Dong Thap Branch	No. 168 – 170 Nguyen Hue, Ward 2, Cao Lanh City, Dong Thap Province.	(0277) 353 4488	(0277) 353 8788
49	Ca Mau Branch	No. 132A, Nguyen Tat Thanh Street, Ward 8, Ca Mau City, Ca Mau Province.	(0290) 3582 592	(0290) 3582 593
50	Quang Ngai Branch	No. 252 – 254 – 256 Hung Vuong Street, Tran Phu Ward, Quang Ngai City, Quang Ngai Province.	(0255) 3739 777	(0255) 3739 775
51	Ha Nam Branch	PG1 – 05, PG1 – 06 Vincom Shophouse Phu Ly, Bien Hoa Street, Minh Khai Ward, Phu Ly City, Ha Nam Province.	(0226) 2460 909	(0226) 2460 011
52	Ha Tinh Branch	No. 52 Phan Dinh Phung, Nam Ha Ward, Ha Tinh City, Ha Tinh Province.	(0239) 3737 666	(0239) 3668 877
53	Binh Dinh Branch	No. 85 Mai Xuan Thuong, Quy Nhon City, Binh Dinh Province.	(0256) 3636 688	
54	Dak Lak Branch	No. 90A Tran Phu, Thanh Cong Ward, Buon Ma Thuot City, Dak Lak Province.	(0262) 3697 979	(0262) 3576 879
55	Tay Ninh Branch	No. 409, April 30 Street, Quarter 1, Ward 1, Tay Ninh City, Tay Ninh Province.	(0276) 3898 999	(0276) 3898 988
56	Son La Branch	No. 02A, To Hieu Street, To Hieu Ward, Son La City, Son La Province.	(0212) 3856 666	(0212) 3830 888

No.	NAMES OF UNITS UNDER THE BANK	ADDRESS	PHONE	FAX
57	Nam Dinh Branch	No. CL14 - 24,25,26 Nam Dinh Textile Urban Area, Tran Phu Street, Tran Dang Ninh Ward, Nam Dinh City, Nam Dinh Province.	(0228) 3898 999	(0228) 3898 998
58	Hai Duong Branch	No. 1 Thong Nhat Street, Le Thanh Nghi Ward, Hai Duong City, Hai Duong Province.	(0220) 3830 688	(0220) 3860 979
59	Binh Thuan Branch	No. 211 – 213 – 215 Vo Van Kiet, Phu Thuy Ward, Phan Thiet City, Binh Thuan Province.	(0252) 3523 888	(0252) 3523 999
60	Vinh Long Branch	PG 01-05, PG 01-06 Shophouse Vincom Vinh Long Townhouse Area, Pham Thai Buong Street, Ward 4, Vinh Long City, Vinh Long Province.	(0270) 3888 383	
61	Ben Tre Branch	Floors 1 – 2, TTC Plaza Ben Tre Building, No. 8/2 Tran Quoc Tuan Street, Ward 4, Ben Tre City, Ben Tre Province.	(0275) 3646 666	
62	Quang Tri Branch	No. 112A National Highway 9, Quarter 7, Ward 1, Dong Ha City, Quang Tri Province.	(0233) 3639 999	
63	Quang Binh Branch	No. 118A Huu Nghi Street, Nam Ly Ward, Dong Hoi City, Quang Binh Province.	(0232) 3939 939	
64	Bac Giang Branch	No. 1B, Hung Vuong Street, Hoang Van Thu Ward, Bac Giang City, Bac Giang Province.	(0204) 3755 555	
65	Phu Tho Branch	No. 1606A Hung Vuong Street, Gia Cam Ward, Viet Tri City, Phu Tho Province.	(0210) 3816 888	



VIII

Financial Statement

SAI GON – HA NOI COMMERCIAL JOINT STOCK BANK
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2024

*(In accordance with Vietnamese Accounting Standards,
accounting regime applicable to credit institutions in Vietnam
and legal regulations relating to consolidated financial reporting)*

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Statement of the board of management

The Board of Management of Saigon – Hanoi Commercial Joint Stock Bank (the “Bank”) presents this report together with the Bank’s consolidated financial statements for the year ended 31 December 2024.

The members of the Board of Directors, Board of Supervisors, Board of Management and Chief Accountant of the Bank during the year and to the date of the consolidated financial statements are as follows:

Board of Directors

Mr. Do Quang Hien	Chairman
Mr. Do Duc Hai	Vice Chairman (resigned from the position of a Board Member on 25 April 2024 to focus on duties at the Executive Board in accordance with the Law on Credit Institutions 2024)
Mr. Do Quang Vinh	Vice Chairman
Mr. Thai Quoc Minh	Member
Ms. Ngo Thu Ha	Member
Mr. Pham Viet Dan	Member
Mr. Do Van Sinh	Independent Member
Mr. Haroon Anwar Sheikh	Independent Member (resigned on 25 April 2024)

Board of Supervisors

Mr. Pham Hoa Binh	Head of Board of Supervisors
Ms. Le Thanh Cam	Member
Mr. Vu Xuan Thuy Son	Member

Board of Management and Chief Accountant

Ms. Ngo Thu Ha	Chief Executive Officer
Mr. Le Dang Khoa	Deputy General Director
Mr. Nguyen Huy Tai	Deputy General Director
Ms. Ninh Thi Lan Phuong	Deputy General Director
Ms. Hoang Thi Mai Thao	Deputy General Director (resigned on 11 October 2024)
Mr. Do Duc Hai	Deputy General Director
Mr. Do Quang Vinh	Deputy General Director
Mr. Luu Danh Duc	Deputy General Director (resigned on 18 December 2024)
Ms. Ngo Thi Van	Chief Accountant

Statement of the board of management (Continued)

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 2024 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. 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 its 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 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,



Ngô Thu Hà

Chief Executive Officer

Hanoi, 31 March 2025

No.: /VN1A-HN-BC

Independent auditors' report

To: **The Shareholders**
 The Board of Directors and the Board of Management
 Saigon – Hanoi Commercial Joint Stock Bank

We have audited the accompanying consolidated financial statements of Sai Gon – Hanoi Commercial Joint Stock Bank (the “Bank”), prepared on 31 March 2025 as set out from page 05 to page 67, which comprise the consolidated statement of financial position as at 31 December 2024, 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 for the Consolidated Financial Statements

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.

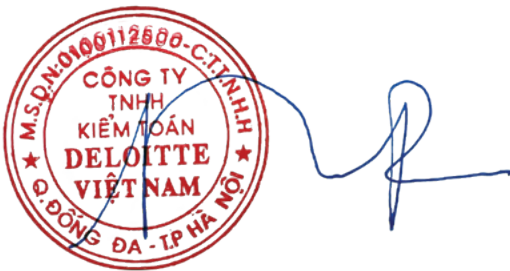
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatements of the consolidated financial statements, 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.

Statement of the board of management (Continued)

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 2024, 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 financial reporting.



Pham Tuan Linh
Deputy General Director
Audit Practising Registration Certificate
No. 3001-2024-001-



Nguyen Khuong Duy
Auditor
Audit Practising Registration Certificate
No. 5063-2025-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

31 March 2025
Hanoi, S.R. Vietnam

Consolidated statement of financial position

As at 31 December 2024

Unit: VND Million

NO.	ITEMS	Notes	Closing balance	Opening balance
A.	ASSETS			
I.	Cash	5	1,563,509	1,370,849
II.	Balances with the State Bank of Vietnam ("SBV")	6	27,436,936	54,763,646
III.	Placements with and loans to other credit institutions	7	117,348,823	63,548,928
1.	Placements with other credit institutions		92,635,563	54,825,905
2.	Loans to other credit institutions		24,713,260	8,841,433
3.	Provisions for credit losses of loans to other credit institutions	8	-	(118,410)
IV.	Trading securities	9	4,910,456	7,792,742
1.	Trading securities		4,949,608	7,853,152
2.	Provisions for impairment of trading securities		(39,152)	(60,410)
V.	Loans to customers		511,153,150	429,362,729
1.	Loans to customers	11	519,949,991	438,464,147
2.	Provisions for credit losses on loans to customers	12	(8,796,841)	(9,101,418)
VI.	Investment securities	13	32,335,975	32,063,660
1.	Available-for-sale investment securities	13.1	14,956,915	14,373,759
2.	Held-to-maturity investment securities	13.2	17,812,962	17,833,636
3.	Provisions for impairment of investment securities	13.4	(433,902)	(143,735)
VII.	Long-term investments	14	441,291	414,448
1	Investments in associates	14.1	370,014	343,172
2.	Other long-term investments	14.2	158,272	158,272
3.	Provisions for credit losses on long-term investments	14.3	(86,995)	(86,996)
VIII.	Fixed assets		5,328,025	5,229,416
1.	Tangible fixed assets	15	826,882	734,978
a.	Cost		1,580,969	1,528,503
b.	Accumulated depreciation		(754,087)	(793,525)
2.	Intangible assets	16	4,501,143	4,494,438
a.	Cost		4,863,891	4,825,929
b.	Accumulated amortisation		(362,748)	(331,491)
IX.	Other assets	17	46,959,904	35,954,267
1.	Other receivables		33,481,806	18,860,662
2.	Interest and fee receivables		12,221,898	13,949,182
3.	Other assets	17.3	1,380,412	3,230,825
4.	Provisions for impairment of other assets	17.4	(124,212)	(86,402)
TOTAL ASSETS			747,478,069	630,500,685

Consolidated statement of financial position (Continued)

As at 31 December 2024

Unit: VND Million

NO.	ITEMS	Notes	Closing balance	Opening balance
B.	LIABILITIES AND OWNERS' EQUITY			
I.	Borrowings from the Government and the SBV	18	1,242,864	1,333,658
1.	Borrowings from the Government and the SBV		1,242,864	1,333,658
II.	Deposits and borrowings from other credit institutions	19	134,090,990	70,766,294
1.	Deposits from other credit institutions		123,726,071	65,286,090
2.	Borrowings from other credit institutions		10,364,919	5,480,204
III.	Deposits from customers	20	499,896,571	447,503,426
IV.	Derivative and other financial liabilities	10	61,927	97,152
V.	Grants, trusted funds and borrowings where the Bank bears risks	21	1,429,650	1,611,235
VI.	Valuable papers issued	22	39,248,195	42,821,727
VII.	Other liabilities	23	13,440,528	16,268,913
1.	Interest and fee payables		10,591,116	14,025,631
2.	Deferred tax liabilities		22,049	36,030
3.	Other payables and liabilities		2,827,363	2,207,252
	TOTAL LIABILITIES		689,410,725	580,402,405
VIII.	Capital and reserves	25	58,067,344	50,098,280
1.	Contributed capital		38,073,428	37,638,324
a.	Charter capital		36,629,085	36,193,981
b.	Share premium		1,449,603	1,449,603
c.	Treasury shares		(5,260)	(5,260)
2.	The Bank's reserves		7,191,833	5,138,098
3.	Foreign exchange reserves		(530,940)	(689,038)
4.	Retained earnings		13,333,023	8,010,896
	TOTAL LIABILITIES AND OWNERS' EQUITY		747,478,069	630,500,685

Consolidated statement of financial position (Continued)

As at 31 December 2024

Unit: VND Million

OFF-BALANCE-SHEET ITEMS

NO.	ITEMS	Notes	Closing balance	Opening balance
1.	Credit guarantees	41	30,089	55,050
2.	Foreign currency commitments	41	13,754,686	15,454,640
	<i>Foreign currency purchase commitments</i>		848,566	805,070
	<i>Foreign currency sale commitments</i>		613,719	814,380
	<i>Cross currency swap contracts</i>		12,292,401	13,835,190
3.	Letters of credit	41	26,254,923	5,085,207
4.	Other guarantees	41	17,927,463	18,477,630
5.	Uncollected loan interest and fees	42	8,753,519	10,116,063
6.	Bad debts written-off	43	40,045,556	33,542,661
7.	Other assets and papers	44	2,433,457	2,530,168

Prepared by



Do Thanh Phuong
Head of General accounting
and Financial reporting De-
partment

Reviewed by



Ngo Thi Van
Chief Accountant

Approved by



Ngo Thu Ha
Chief Executive Director

29 March 2025

VII. Financial Statements

Consolidated income statement

For the year ended 31 December 2024

Unit: VND Million

NO.	ITEMS	Notes	Current year	Prior year
1.	Interest and similar income	26	50,487,346	57,589,391
2.	Interest and similar expenses	27	(29,255,227)	(38,304,038)
I.	Net interest income		21,232,119	19,285,353
3.	Income from services		1,569,532	912,654
4.	Expenses on services		(286,112)	(367,727)
II.	Net profit from services	28	1,283,420	544,927
III.	Net gain from trading foreign currencies	29	86,288	282,207
IV.	Net gain from trading securities	30.1	3,329	11,122
V.	Net (loss)/gain from investment securities	30.2	(218,061)	27,981
5.	Other income		1,341,801	501,021
6.	Other expenses		(186,133)	(67,385)
VI.	Net profit from other activities	31	1,155,668	433,636
VII.	Income from capital contribution, equity investments	32	29,502	743,171
VIII.	Operating expenses	33	(5,760,231)	(5,051,539)
IX.	Net operating profit before provision expenses for credit losses		17,812,034	16,276,858
X.	Provision expenses for credit losses	34	(6,242,792)	(7,037,837)
XI.	Profit before tax		11,569,242	9,239,021
7.	Current corporate income tax expense	35	(2,261,274)	(1,908,466)
8.	Deferred corporate income tax Expense/(Income)		13,981	(5,797)
XII.	Corporate income tax expense		(2,247,293)	(1,914,263)
XIII.	Profit after tax		9,321,949	7,324,758
XIV.	Net profit attributable to owners		9,321,949	7,324,758
XV.	Basic Earnings per share (VND)	36	2,306	1,821

Prepared by



Do Thanh Phuong
Head of General accounting
and Financial reporting De-
partment

Reviewed by



Ngo Thi Van
Chief Accountant

Approved by



Ngo Thu Ha
Chief Executive Director

29 March 2025

Consolidated cash flow statement

For the year ended 31 December 2024

Unit: VND Million

No.	ITEMS	Current year	Năm trước
CASH FLOW FROM OPERATING ACTIVITIES			
01.	Interest and similar income received	52,149,012	58,898,319
02.	Interest and similar expenses paid	(32,689,742)	(33,347,727)
03.	Income received from services	1,349,038	582,559
04.	Net cash from trading foreign currencies, and securities	140,465	425,519
05.	Other income	676,327	243,550
06.	Cash recovered from bad debts written off or compensated by provision for credit losses	478,098	190,201
07.	Payments to employees and for operating management	(5,591,149)	(4,945,722)
08.	Corporate income tax paid for the year	(1,858,625)	(2,437,226)
	Net cash from operating profit before changes in assets and working capital	14,653,424	19,609,473
	<i>Changes in operating assets</i>	(114,660,923)	(55,153,267)
09.	(Increase)/Decrease in placements with and loans to other credit institutions	(16,089,687)	1,709,924
10.	Decrease/(Increase) in trading securities	2,341,062	(7,004,389)
11.	Decrease in derivatives and other financial assets	-	269,772
12.	(Increase) in loans to customers	(81,485,844)	(52,830,933)
13.	(Decrease) in provisions for losses	(6,654,397)	(4,465,088)
14.	(Increase)/Decrease in other operating assets	(12,772,057)	7,167,447
	<i>Changes in operating liabilities</i>	111,956,624	76,314,211
15.	(Decrease) in borrowings from the Government and the SBV	(90,794)	(8,381,535)
16.	Increase/(Decrease) in deposits and borrowings from other credit institutions	63,324,696	(7,517,641)
17.	Increase in deposits from customers	52,393,145	85,827,834
18.	(Decrease)/Increase in valuable papers issued (excluding valuable papers charged to financial activities)	(3,573,532)	6,381,519
19.	(Decrease) in grants, trusted funds and borrowings where the Bank bears risks	(181,585)	(4,370)
20.	(Decrease)/Increase in derivatives and other financial liabilities	(35,225)	97,152
21.	Increase/(Decrease) in other operating liabilities	119,919	(88,748)
I.	Net cash generated by operating activities	11,949,125	40,770,417

VII. Financial Statements

Consolidated cash flow statement (continued)

For the year ended 31 December 2024

Unit: VND Million

No.	ITEMS	Current year	Năm trước
CASH FLOWS FROM INVESTING ACTIVITIES			
01.	Acquisition of fixed assets	(210,732)	(240,841)
02.	Proceeds from sales, disposals of fixed assets	2,474	1,780
03.	Expenses on sales, disposal of fixed assets	(1,232)	(1,895)
04.	Proceeds from investments in other entities	-	825,440
05.	Dividends and profit received from long-term investments and capital contribution	29,502	4,958
II.	Net cash generated by/ (used in) investing activities	(179,988)	589,442
CASH FLOWS FROM FINANCING ACTIVITIES			
01.	Proceeds from share issue	435,104	-
02.	Dividends paid to shareholders and profit distribution	(1,746,493)	(165)
III.	Net cash (used in) financing activities	(1,311,389)	(165)
IV.	Net increase in cash and cash equivalents	10,457,748	41,359,694
V.	Cash and cash equivalents at the beginning of the year	110,859,786	69,500,092
VI.	Cash and cash equivalents at the end of the year (Note 37)	121,317,534	110,859,786

Prepared by



Do Thanh Phuong
Head of General accounting
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Reviewed by



Ngo Thi Van
Chief Accountant

Approved by



Ngo Thu Ha
Chief Executive Director

31 March 2025

Notes to the consolidated financial statements

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. General information

Establishment and Operation

Saigon - Hanoi Commercial Joint Stock Bank (“the Bank”) is a commercial joint stock bank incorporated and registered in Vietnam.

The Bank was established pursuant to the Banking License No. 0041/NH-GP issued by the State Bank of Vietnam (“hereby referred as SBV”) on 13 November 1993 with the original name of Nhon Ai Rural Commercial Joint Stock Bank. The Bank was renamed as Saigon – Hanoi Commercial Joint Stock Bank under Decision No 1764/QD-NHNN dated 11 September 2009. The Bank successfully merged Hanoi Building Commercial Joint Stock Bank (“HBB”) and Vinaconex – Viettel Finance Joint Stock Company (“VVF”) into its operation in 2012 and 2017, respectively, which was in line with the Restructuring plan of the banking system in Vietnam. Currently, the Bank operates under the Establishment and Operation License No. 115/GP-NHNN dated 30 November 2018, issued by the State Bank of Vietnam which has been amended several times and the most recent adjustment is according to Decision No. 1669/QD-NHNN dated 07 September 2023, and Enterprise Registration Certificate No. 1800278630 dated 10 December 1993 by the Hanoi Authority of Planning and Investment which was amended for the 35th time on 2 July 2024. The Bank’s term of operation is 99 years since 13 November 1993.

The Bank was established to carry out banking activities under its Establishment and Operation License and Enterprise Registration Certificate, including demand deposits, term deposits, savings deposits and other types of deposits; credit granting; opening current accounts for customers; supply of domestic payment services; opening accounts; organizing internal payment; participating in the national interbank payment system; cash management services, banking and financial consultancy; services of managing, asset maintainances, leasing cabinets, safe boxes; providing advisory services on business finance, merger and acquisition, disposal, consolidation and investment; participating in bidding for Treasury bills, purchase and sale of negotiable instruments, Government bonds, Treasury bills, State Bank of Vietnam bills and other valuable papers on the monetary market; buying and selling Government bonds and corporate bonds; providing money brokerage services; issuing certificates of deposit, promissory notes, treasury bills and bonds to mobilize domestic and foreign capital according to the provisions of the Law on Credit Institutions, the Law on Securities, the Government’s Law and guidance; borrowing capital from the State Bank of Vietnam in the form of refinancing; lending and borrowing capital from domestic and foreign credit institutions and financial institutions; capital contribution and sale; acting as trustor, trustee and agent in banking-related activities, insurance business and asset management according to the regulations of the State Bank of Vietnam; trading and providing foreign exchange services on the domestic and international market within the scope prescribed by the State Bank of Vietnam; supplying commodity derivative products; providing securities depository and gold trading services; debt purchasing activities; e-wallet services; investment in Government futures contracts.

Charter capital

As at 31 December 2024, the Bank’s charter capital was VND 36,629,085 million.

Operating network

The Head Office of the Bank is located at No. 77 Tran Hung Dao Street, Tran Hung Dao Ward, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2024, the Bank had one (1) Head Office, sixty-three (63) domestic branches and two hundred and thirty (230) transaction offices.

Notes to the consolidated financial statements (Continued)

Employees

The total number of officers and employees of the Bank as of 31 December 2024 was 6,651 (as at 31 December 2023 was 6,246).

Subsidiaries

As at 31 December 2024, the Bank has three (03) subsidiaries as follows:

No.	Name	Established in accordance	Lĩnh vực hoạt động chính	Tỷ lệ sở hữu của Ngân hàng
1	SHB Debt management and Asset Development One Sole Member Company Limited ("SHB AMC")	0103811666 dated 04 May 2009 by Hanoi Authority for Planning and Investment and the 5th Amendment dated 25 June 2019	Debt and Asset management	100,00%
2	Saigon – Hanoi Bank Laos One Member Company Limited ("SHB Laos")	554/2018/VC-SHB.LAO dated 08 July 2015 by Bank of the Lao PDR and the 3rd Amendment dated 22 May 2024	Finance/ Banking	100,00%
3	Saigon – Hanoi Bank Cambodia Plc. Limited ("SHB Cambodia")	Banking License No. B35 dated 31 October 2016 issued by the National Bank of Cambodia and Registration Certificate No. MOC-6193635 dated on 13 March 2017 by Cambodia's Ministry of Commerce	Finance/ Banking	100,00%

Associates

As at 31 December 2024, the Bank has one (01) associate as follows:

No.	Name	Established in accordance with Decision/License No.	Business sector	Proportion of ownership
1	SHBank Finance Company Limited ("SHB FC")	21/GP-NHNN dated 25 April 2023 by the SBV and Registration Certificate No. 0107779290 dated 28 March 2017 by Hanoi Authority for Planning and Investment and the 9th amendment dated 18 January 2024	Consumer lending	50,00%

Resolution No. 29/NQ-HDQT dated 25 August 2021 issued by the Bank's Board of Directors approving the Bank's transfer of its 100% ownership in SHBank Finance Company Limited, a subsidiary of the Bank. The capital transfer is divided into two phases. The Bank has completed the procedures for transferring 50% of charter capital to Bank of Ayudhya Public Company Limited ("Krungsri") of Thailand – a member of MUFG Group (Japan). After 3 years of joint ownership of SHB FC, the Bank will transfer the remaining 50% of charter capital to Krungsri and Krungsri will become the sole owner of SHB FC. On 25 April 2023, SBV approved the License for Establishment and Operation of SHBank Finance Company Limited No. 21/GP-NHNN (replacing the License No. 71/GP-NHNN for Establishment and Operation of SHBank Finance Company Limited issued by the SBV dated on 11 November 2021) with an operation period of 50 years and the charter capital is VND

1,000,000 million. On 09 June 2023, the Hanoi Authority for Planning and Investment issued the Enterprise Registration Certificate No. 0107779290 which was amended the 7th time, acknowledging that the list of capital contributors of SHB FC includes the Bank and Krungsri with the equal capital contribution ratio of 50%. SHB FC have been agreed to be transferred to Krungsri, as such, Krungsri has the right to appoint key management positions at SHB FC, through which exercising its right to control over SHB FC. Currently, the Bank assesses that it still has a significant influence on SHB FC's financial policing and operations. Therefore, the Bank recognizes its remaining investment in SHB FC as investment in associate as at 31 December 2024.

Resolution No. 27/2024/NQ-HĐQT dated 04 November 2024 of the Board of Directors accepts and approves the Bank's transfer, as the owner of 50% of the charter capital of SHBank Finance Company Limited, of the remaining charter capital of the Bank in the SHB FC. As at the date of issuance of the financial statements, the transaction is still in progress.

2. Accounting convention and accounting 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 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 financial position, the results of operations and cash flows of the Bank. Regarding the number of shares, the Bank presented the items in units as shown in Note 25.3 and Note 36.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices which are generally accepted in countries and jurisdictions other than Vietnam.

Accounting year

The Bank's financial year begins on 01 January and ends on 31 December.

3. Application of new guidelines

Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024

On 18 January 2024, the National Assembly issued the Law on Credit Institutions No.32/2024/QH15 ("Credit Institutions Law 2024") regulating the establishment, organization, operation, and early intervention, special control, reorganization, dissolution, bankruptcy of credit institutions; handling of bad debts and collateral for bad debts of credit institutions. The Law on Credit Institutions in 2024 takes effect from 01 July 2024, replacing the Law on Credit Institutions No. 47/2010/QH12 dated 16 June 2010 and the Law No. 17/2017/QH14 dated 20 November 2017 amending and supplementing a number of articles of the Law on Credit Institutions, except for certain provisions effective from 01 January 2025.

Thuyết minh báo cáo tài chính hợp nhất (tiếp theo)

Circular No. 06/2024/TT-NHNN dated 18 June 2024

On 18 June 2024, the State Bank (“SBV”) issued Circular No. 06/2024/TT-NHNN (“Circular 06”) amending and supplementing a number of articles of Circular No. 02/2023/TT-NHNN (“Circular 02”) dated 23 April 2023 of the State Bank of Vietnam regulating credit institutions on debt rescheduling and retention of debt category to assist business in difficulties. Accordingly, Circular 06 stipulating the restructuring of debt repayment terms for customers according to the provisions of this Circular has been implemented from the effective date of this Circular until 31 December 2024. Circular 06 takes effect from 18 June 2024.

Circular No. 21/2024/TT-NHNN dated 28 June 2024

On 28 June 2024, the State Bank of Vietnam issued Circular No. 21/2024/TT-NHNN (“Circular 21”) regulating letter of credit (L/C) operations and other business activities of credit institutions related to letters of credit. Circular 21 takes effect from 01 July 2024, including regulations on credit risk classification, provisioning levels and methods, and the use of provisions to handle credit risks of commitments and assets in credit granting for L/C operation, in performing the outright purchase without recourse of the set of documents presented under L/C, and in entrusting the issuance of L/C according to legal regulations on asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of banks and foreign bank branches.

Circular No. 31/2024/TT-NHNN dated 30 June 2024

On 30 June 2024, the State Bank of Vietnam issued Circular No. 31/2024/TT-NHNN (“Circular 31”) regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches. Circular 31 replaces Circular No. 11/2021/TT-NHNN dated 30 July 2021 (“Circular 11”) of the State Bank of Vietnam regulating asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches. Circular 31 takes effect from 01 July 2024.

Decree No. 86/2024/ND-CP dated 11 July 2024

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP (“Decree 86”) regulating the risk provisioning levels and methods, and the use of provisions to handling risks in the operations of credit institutions, foreign bank branches and cases where credit institutions are required to derecognize interest receivables that had been recorded. Decree 86 takes effect from 11 July 2024.

Key changes of Circular 31 and Decree 86 that have a material impact on the Bank’s consolidated financial statements in the future include the following:

Regarding the classification of assets with credit risk, Circular 31 supplements requirements for debts arising from L/C operations, and removes requirements for purchases of promissory notes and bills of credit domestically issued by credit institutions, foreign bank branches;

- Regarding methods and principles of debt classification, Circular 31 amends and supplements requirements relating to the following: the principles of classification of entrusted amounts to issue letters of credit; the debts that a credit institution accepting mandatory transfer sells to a credit institution undergoing mandatory transfer according to a mandatory transfer plan approved by a competent authority, but proceeds from selling debts have not been fully recovered; the payment amount for purchase or for entrustment to purchase unlisted bonds whose terms can be extended in accordance with the law; discounting negotiable instruments and other valuable papers; debts arising from L/C operations; loans

and deposits of a supporting credit institution at a special-control credit institution; loans, guarantees, deposits of credit institutions accepting mandatory transfer and other credit institutions at commercial banks undergoing mandatory transfer; debts that have their repayment terms restructured;

- For debts whose interest are exempted or reduced in according to the State Bank's regulations on restructuring debt repayment terms, exempting or reducing interest and fees, maintaining the debt group to support customers affected by Covid-19 are allowed to be reclassified into lower risk debt groups (including group 1) when fully meeting the conditions as prescribed in Circular 31;
- The deductible value of collateral shall be considered as zero for specific cases stipulated in Decree 86; and
- Other debts arising between credit institutions and foreign bank branches in Vietnam from activities governed by Decree 86 are not subject to Totaling.

Decision No.1510/QD-TTg and Circular No. 53/2024/TT-NHNN dated 04 December 2024

On 04 December 2024, the Prime Minister issued Decision No.1510/QD-TTg ("Decision 1510") on the classification of assets, the risk provisioning levels and methods, and the use of provisions to handle risk related to loans of borrowers in difficulties due to the impact and damage of Storm No.3. On the same date, State Bank of Vietnam (SBV) issued Circular No. 53/2024/TT-NHNN ("Circular 53") stipulating the restructuring of loan repayment terms for borrowers in difficulties due to the impact of Storm No. 3 and flooding, landslides in the aftermath of Storm No. 3. Circular 53 takes effect from 04 December 2024.

Key provisions of Circular 53 that have an impact on the Bank's consolidated financial statements for the current year include the following:

- Regulations on the conditions of loans eligible for restructuring, including the outstanding principal and/or interest that are restructured in terms of repayment deadlines, and the permission to maintain the debt group and classification after restructuring debt repayment terms; and
- Regulations for the restructuring of debt repayment terms for eligible customers under Circular 53 which will be implemented from the effective date of this Circular until 31 December 2025, with no limitation on the number of times repayment terms to be restructured.

The Board of Management has applied the Law on Credit Institutions in 2024, Decree 86, Decision 1510 and the aforementioned Circulars in the Bank's consolidated financial reporting for the year ended 31 December 2024.

New guidance in issue but not yet effective

Law No. 56/2024/QH15 dated 29 November 2024

On 29 November 2024, the National Assembly of Vietnam issued Law No. 56/2024/QH15 ("Law 56") amending Law on Securities, Law on Accounting, Law on Independent Audit, Law on State budget, Law on Management and Use of Public Property, Law on Tax Administration, Law on Personal Income Tax, Law on National Reserves and Law on Penalties for Administrative Violations. Law 56 takes effect from 01 January 2025, except for certain provisions effective from 01 April 2025 and 01 January 2026.

The Board of Management assesses that the adoption of the Law 56 may not have any material impact on the comparative figures of the Bank's consolidated financial statements in future periods.

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 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 operating 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 2024. 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 the consolidated financial statements.

In the year, the Bank divested part of capital invested in a subsidiary. After the divestment, the Bank lost control and this subsidiary became an affiliated company of the Bank. Therefore, investments in associates are presented using the equity method. The results of the divestment are recorded in the consolidated income statement according to current accounting regulations.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the initial 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

Upon 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 Associates

An associate is an entity over which the Bank has significant influence but not a subsidiary or joint venture of the Bank. Significant influence is the power to participate in the financial and operating policy decisions of the investee without the power to control or joint control over those policies.

The operating results, assets and liabilities of associates are consolidated in the consolidated financial statements using the equity method of accounting. Under this method, an equity investment is initially recorded at cost and is subsequently adjusted to reflect by post-acquisition changes in the Bank's share of the net assets of the associates. The associate losses exceeding the Bank's capital contribution to that associate (including any long-term contributions, in substance, form part of the Bank's net investment in the associate) are not recorded.

In the situation that a Bank's subsidiary has conducted transactions with its associate, unrealised profits and losses resulting from these transactions should be eliminated from the consolidated financial statements proportionately to the extent of the Bank's contribution in the associate.

Foreign currencies

According to the Bank's accounting system, all the transactions are recorded at the original currencies. At the date of the consolidated financial statements, 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 statement of financial position date, if the difference between this rate and the weighted average exchange rate of buying and selling of the same day is less than 1% (see details of exchange rates applied on 31 December 2024 at Note 54). In case the buying and selling spot exchange rate at the close of business of the statement of financial position date is greater than or equal to 1% compared with the weighted average of buying and selling spot exchange rate of the same day, the Bank uses the weighted average buying and selling spot exchange rates of the statement of financial position 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. At the end of the year, exchange rate differences arising from revaluation of assets and liabilities denominated in foreign currencies into VND are recorded in the consolidated income statement.

The reporting currency of SHB Cambodia is the US Dollar. The reporting currency of the SHB Laos is the Lao Kip ("LAK"). For the purposes of consolidation under the equity method for the investment in associated companies in the consolidated financial statements of the Bank and its subsidiaries, assets and liabilities are converted into VND at the average exchange rate of buying and selling spot transfers at the end of the working day on the statement of financial position date, capital accounts are converted into VND at the exchange rate of the date on which the capital contribution transaction arises. Items in the consolidated income statement and cash flow statement are converted at the actual exchange rate at the time the transaction arises. Exchange rate differences arising from the conversion of the report to VND are recorded in the item "Foreign exchange differences" on the consolidated financial position and transferred to the consolidated income statement at the time of the investment disposal.

Cash and cash equivalents

Cash and cash equivalents comprise cash, current accounts at the SBV, current accounts and time deposits for term of three months or less from the deposit date.

Placements with and loans to other credit institutions

Placements with and loans to other credit institutions are presented at their principal amounts outstanding 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 the Circular 31 and Decree 86. Accordingly, the Bank makes specific provisions for deposits (except for current deposits at other domestic credit institutions and foreign bank branches, and placements with Vietnam Bank for Social Policies following the regulations of the SBV on maintaining the 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 (except for current deposits) at overseas 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 in lines “Interest and fee receivables” or “Interest and fee payables” in the consolidated statement of financial position. The difference is subsequently allocated to “Net gain/(loss) from trading foreign currency trading” item using straight-line method over the term of the contract.

As at the date of the consolidated financial statements, commitments of foreign currency forward contracts are revaluated and exchange differences arising from the revaluation of foreign currency denominated balances of forward contracts in the consolidated statement of financial position and in the consolidated income statement.

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

Loan classification and provision for credit losses

In accordance with Circular 31 and Decree 86, the Bank is required to apply loan classification and credit risk provisioning to the 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 include payments made on behalf of customers under transactions of guarantee and letters of credit (L/C) (except for payments made on behalf of customers under transactions of Usance Payable at Sight (UPAS) L/C that allow the beneficiary to be paid immediately or before the L/C due date, and those under transactions of L/C reimbursement as agreed with customers using the reimbursing bank’s funds from the date the reimbursing bank pays the beneficiary; transactions of L/C payment negotiation) and other payments made on behalf of customers 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 at other domestic credit institutions and foreign bank branches, and deposits at Vietnam Bank for Social Policies following regulations of the SBV on maintaining the 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 (except for current deposits) at overseas credit institutions;

- Debt sale and purchase according to the State Bank's regulations except for bad debt buying and selling transactions conducted between credit institutions or foreign bank branches and Vietnam Asset Management Company (VAMC);
- Repos of Government bonds in the stock market following the law on issuance, registration, depository, listing and trading of Government debt securities in the stock market;
- Purchase of certificates of deposit issued by other credit institutions and foreign bank branches;
- Transactions of Usance Payable at Sight (UPAS) L/C that allow the beneficiary to be paid immediately or before the L/C due date, and those under transactions of L/C reimbursement as agreed with customers using the reimbursing bank's funds from the date the reimbursing bank pays the beneficiary; transactions of L/C payment negotiation; and
- Non-recourse discounting L/C, except the case L/C is issued by the Bank.

Accordingly, customers' loans are determined to be the highest of risk group as classified under Article 10 of Circular 31 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 maintains the same debt group for a number of loans in accordance with the regulations of:

- Circular No. 10/2015/TT-NHNN dated 22 July 2015 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. 02/2023/TT-NHNN ("Circular 02") dated 23 April 2023, Circular No. 06/2024/TT-NHNN ("Circular 06") dated 18 June 2024 and Circular No. 53/2024/TT-NHNN (Circular 53") dated 04 December 2024 of the SBV providing instructions for credit institutions and foreign bank branches on debt rescheduling and debt category maintaining to assist borrowers in difficulty and documents of the SBV on debt classification and risk provisioning.
- Circular No. B7.020.001.SRNN dated 27 March 2020, and Document No. B7.020.1748 Chh.Tor dated 18 November 2020; Circular No. B7-021-002-CL dated 24 June 2021, of the National Bank of Cambodia on loan classification for customers affected by the Covid-19 pandemic; Document No. "Thor 7-020-055 Chhor.Tor" dated 6 January 2020, and Document No. "B7.021.2098 Chhor.Tor" dated 7 December 2021, of the Director General of the Banking Supervision Department of the National Bank of Cambodia on loan classification for certain customers, Circular No. B7.024.001.SRNN dated August 29, 2024, regarding the restructuring of credit.
- Decision No. 238/BOL dated 26 March 2020, of the Bank of the Lao People's Democratic Republic on loan classification for customers affected by the Covid-19 pandemic; Notification No. 172/BOL dated 15 May 2017, of the Governor of the Central Bank of Laos and other documents of the Central Bank of Laos on loan classification for certain customers

Loans are classified by risk level into the following groups: Standard, Special mention, Substandard, Doubtful and Loss. Loans classified as either Substandard, Doubtful or Loss are considered bad debts. Loan classification and provision for credit losses will be made at the end of each month and recognized in the following month. Provision for credit losses as at 31 December is recognized in the separate income statement for that year.

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The specific provision at the year-end date is calculated by subtracting the discounted value of collateral from the remaining loan balance multiplied by the specific provision rate based on the loan classification result at the year-end. The specific provision rate for each debt group as prescribed in Decree 86 is prescribed as follows:

Group	Type	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 02. Accordingly, 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 Decree 86, a Total 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 credit institutions encounter potential financial difficulties due to the deterioration in loan quality. Accordingly, the Bank is required to make and maintain a Total at 0.75% of the total outstanding loan balances which are classified into groups 1 to 4, excluding deposits at domestic credit institutions and foreign bank branches in Vietnam as prescribed by law and deposits at overseas credit institutions; loans and forward purchase of valuable papers among credit institutions and foreign bank branches in Vietnam; purchases of certificates of deposit or bonds issued locally by other credit institutions and foreign bank branches; and repurchase agreements of Government bonds on the stock market in accordance with the legal regulations on issuance, registration, depository listing and trading of government debt instruments in the stock market and other debts arising between credit in institutions and foreign bank branches in Vietnam in accordance with the provisions of law.

Overseas subsidiaries classify loans and make credit risk provisions in accordance with the laws of their respective countries.

Write-off of bad debts

Provision is recorded as an expense on consolidated income statement and used to write – off bad debts. In accordance with Decree 86, 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

Ngân 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 of Circular 31. 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 Decree 31.

Investments

Trading securities

Trading securities are debt and equity securities that the Bank and/or its subsidiaries acquire outright with the intention of selling them in the short term to profit from price fluctuations. Trading securities are initially recognized at cost on the trade date and continue to be recorded at cost during the holding period. Interest received in cash during the holding period is recognized in the consolidated income statement on a cash basis. Dividends received during the holding period are recognized in the consolidated income statement on a cash basis or when a legal entitlement to the dividend is established.

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 31 (as described in the summary of significant accounting policies for “Provision for credit losses”) are made in accordance with Decree 86. Provisions for impairment of securities that are not stipulated in the scope of Circular 31 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 (AFS) securities include debt and equity securities in which the Bank and/or its subsidiaries hold less than 11% of the voting rights for investment purposes and are ready for sale. These securities are not frequently traded but can be sold at any time if deemed beneficial. Additionally, the Bank and/or its subsidiaries are neither founding shareholders, strategic partners, nor do they have significant influence over the financial and operational policy-making of the investee through formal agreements on appointing personnel to the Board of Directors or Executive 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 amortisation (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 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 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 31 (as described in the summary of significant accounting policies for “Provision for credit losses”) are made in accordance with Decree 86. Provisions for impairment of securities that are not stipulated in the scope of Circular 31 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”.

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Held-to-maturity investment securities

Held-to-maturity (HTM) investment securities are debt securities that the Bank and/or its subsidiaries acquire outright for investment purposes to earn interest and have both the intent and ability to hold until maturity. These securities have a determinable value and a specific maturity date. If such securities are sold before maturity, they will be reclassified as trading securities or available-for-sale securities. Held-to-maturity investment securities are accounted for similarly to available-for-sale debt investment securities.

Periodically, held-to-maturity securities are subject to impairment review. Provisions for securities that are fallen within the scope of Circular 31 (as described in the summary of significant accounting policies for “Provision for credit losses”) are made in accordance with Decree 86. Provisions for impairment of securities that are not fallen within the scope of Circular 31 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 has 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 the Bank's capital investments in other enterprises at which the Bank either owns less than 11% of the voting rights or 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 investments

Provision for impairment of investments in subsidiaries, joint ventures, associates and other long-term investments is made when the investee is operating at loss in accordance with prevailing accounting regulations.

Provision for impairment of long-term investments is 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 investments in securities and other investments on the contract execution date (trade date accounting). These investments are initially recorded at cost. After initial recognition, investments in securities and other investments are accounted for in accordance with the accounting policies outlined in the preceding sections.

Derecognition

Investments in securities and other investments are derecognized when the rights to receive cash flows from the investments end or when the Bank and/or its subsidiaries transfers to the buyer the significant risks and rewards associated with the ownership of the investments.

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 fee, other rights and obligations are following the terms of the signed contracts. The assets that are held under custody services are not considered as assets of the Bank and/or its subsidiaries and therefore, they are not recognized in the consolidated financial statements of the Bank.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed asset comprises all the Bank and/or its subsidiaries' purchase price plus any directly attributable costs of bringing the asset to the working condition for its intended use.

Expenditures for additions, improvements and renewals 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 the Bank and/or its subsidiaries' expenditures paid to acquire the asset until it is put into use.

Expenditures for improvements and renewals are capitalized. Costs related to intangible fixed assets incurred after the initial recognition are measured reliably, increasing the economic benefits of intangible fixed assets compared to the initial activity, which is reflected in the increase in the cost of the asset. Other expenditures are charged to the consolidated income statement when incurred. 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.

Leases

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.

A lease is classified as an operating lease when the lessor retains most of the benefits and bears the risk of ownership of the property. Operating leases are not recognized on the consolidated financial position statement. Lease payable is recorded on a straight-line method in the "Operating Expenses" item during the lease term.

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Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful lives of the assets.

Assets	Estimated useful lives (Years)
Buildings and structures	(Years)
Machinery and equipment	03 - 05
Motor vehicles	06 - 10
Office equipment	03 - 07
Other tangible fixed assets	04 - 07
Computer software	03 - 08
Other intangible assets	04 - 10

The cost of the land use rights is not amortized if it is granted by the Government of Vietnam for an indefinite term. The cost of the land use rights with definite term is amortized over the granted term from 30 - 46 years.

Prepayments

Prepayments include actual expenses that have arisen but are related to the results of production and business activities of many accounting periods. Prepayments comprise prepaid office rentals and other prepaid expenses.

Office rentals represent the amounts which have been paid in advance. Prepaid office rental is charged to the consolidated income statement using the straight-line method over the rental period.

Other prepayments include repair, maintenance costs for assets, costs of tools and supplies issued for consumption, which are expected to provide future economic benefits to the Bank and/or its subsidiaries. These expenses are capitalized as prepayments and are allocated to the consolidated income statement using the straight-line method over the period of one year or more, but not exceeding three years 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 overdue receivables are applied in accordance with the prevailing accounting regulations.

Other provisions

Other provisions are recognized when the Bank has a present obligation due to a past event, and it is probable that the Bank will be required to settle that obligation. Other provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the 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:

- Charter capital supplementary reserve: 5% of profit after tax but not exceeding the Bank's charter capital;
- Financial reserve fund: 10% of profit after tax;
- Other reserves, if any, will be approved by the shareholders at the Annual General Shareholders' Meeting;
- The bonus and welfare fund shall be established according to the decision of the General Shareholders' Meeting.

The reserve funds at subsidiaries shall be made according to the Bank's policy, except for the following banks, which is in accordance with relevant laws:

- Saigon – Hanoi Bank Laos Limited (“SHB Laos”): regulatory reserves, development investment and other fund under the amended Enterprise Law No. 46/NA dated 26 December 2013 and the amended Law on Commercial Banking in 2018 issued update by the Lao National Assembly on 07 December 2018 with the following ratios:
 - + Regulatory reserve: 10% of profit after tax, maximum not exceeding 50% of charter capital of the Bank;
 - + Development investment and other funds: according to the decision of the Board of Directors of SHB Laos.
- Saigon-Hanoi Bank Cambodia Limited (“SHB Cambodia”): there are no regulations on the appropriation of compulsory reserve funds and subject to owner's approval.

Revenue and expenses

Interest income/expense and similar items

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 31, accrued interest income on loans restructured and maintained as Standard loan group (group 1) as prescribed in Circular 02, Circular 06, Circular 53 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.

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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 31 and classified from upper group 2 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.

Income from service charges and commissions

Income from service charges and commissions is recognized when service is rendered.

Income from guarantee and L/C commitment activities

Income from guarantee and L/C commitment activities is recognized on the accrual and allocation basis

Income from securities trading

Income from securities trading is determined based on the difference in 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 accrued income not yet collected

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 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. Upon actual receipt of these receivables, the Bank recognizes them in "Other income" in the consolidated income statement.

Taxation

Corporate income tax expense represents the sum of the current income tax and deferred tax.

The current income tax 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 periods (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 occur 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 profit or loss, 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

Retired employees of the Bank and subsidiaries will receive retirement benefits from Social Insurance, an agency under the Government. The Bank must pay social insurance premiums for each employee equal to 30% of the basic monthly salary, salary allowances and other supplements.

Severance allowance

According to Article 46 of Labour Law No 45/2019/QH14 which is effective on 1 January 2021, the Bank and its subsidiaries in Vietnam are responsible for paying a severance allowance equal to half of the month's salary for each working year for employees who have worked regularly for full 12 months or more to terminate the labor contract in accordance with the provisions of law (in Clauses 1, 2, 3, 4, 6, 7, 9 and 10 Article 34 of the Labor Law), except for cases where they are eligible for pension in accordance with the law on social insurance and the case specified at Point e, Clause 1, Article 36 of the Labor Law 2019. The working time for calculating severance allowance is the total time the employee has actually worked for the employer minus the time the employee has participated in unemployment insurance in accordance with the law on unemployment insurance and the working time has been paid severance allowance by the employer, job-loss benefits. The salary for calculating severance allowance is the average salary of 06 preceding months according to the labor contract before the employee quits.

Unemployment insurance

According to the Circular No. 28/2015/TT-BLĐTBXH dated 31 July 2015 of the Ministry of Labor - War Invalids and Social Affairs guiding the implementation of Article 52 of the Employment Law 2013 and Decree No. 28/2015/NĐ-CP of the Government dated 12 March 2015 regulating the implementation of the Law on unemployment insurance, from 01 January 2009, the Bank is obliged to pay unemployment insurance to eligible employees at 2% of their salary fund allocated for unemployment insurance.

Related parties

The parties are 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);

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- 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 Supervisors, and Board of Management 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).

Offsetting

Financial assets and 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.

5. Cash

	Closing balance VND Million	Opening balance VND Million
Cash in VND	1,263,714	1,116,039
Cash in foreign currencies	299,795	254,810
	1,563,509	1,370,849

6. Balances with the state bank of vietnam (“sbv”)

	Closing balance VND Million	Opening balance VND Million
Current account at the SBV		
- In VND	25,850,244	48,007,054
- In foreign currencies	1,586,692	6,756,592
	27,436,936	54,763,646

Balances with the SBV are for the purpose of payment and compulsory reserves as required by the SBV, the National Bank of Cambodia and the Central Bank of Laos.

7. Placements with and loans to other credit institutions

	Closing balance VND Million	Opening balance VND Million
Placements with other credit institutions		
Demand deposits	12,693,973	11,894,463
- In VND	12,022,685	9,967,425
- In foreign currencies	671,288	1,927,038
Term deposits	79,941,590	42,931,442
- In VND	73,459,669	42,810,000
- In foreign currencies	6,481,921	121,442
	92,635,563	54,825,905
Loans to other credit institutions		
- In VND	24,713,260	8,841,433
- Provisions for credit losses	-	(118,410)
	24,713,260	8,723,023
Placements with and loans to other credit institutions	117,348,823	63,548,928

Analysis of placements with other credit institutions (except for current deposits at other domestic credit institutions and foreign bank branches, and placements with Vietnam Bank for Social Policies following the regulations of the SBV on maintaining the balance of deposits at Vietnam Bank for Social Policies of state credit institutions under Circular 31) and loans to other credit institutions by quality is as follows:

	Closing balance VND Million	Opening balance VND Million
Standard loans	104,654,850	52,031,337
Loss loans	-	118,410
	104,654,850	52,149,747

8. Provision for credit losses on placements with and loans to other credit institutions

	General provision VND Million	Specific provision VND Million	Total VND Million
Balance as at 01 Jan 2023	-	99,794	99,794
Provision charged in 2023	-	18,616	18,616
Balance as at 31 Dec 2023	-	118,410	118,410
Provision revised in 2024	-	(118,410)	(118,410)
Balance as at 31 Dec 2024	-	-	-

9. Trading securities

	Closing balance VND Million	Opening balance VND Million
Debt securities	4,945,728	7,849,272
Securities issued by local business entities	4,945,728	7,849,272
Equity securities	3,880	3,880
Equity securities issued by local business entities	3,880	3,880
	4,949,608	7,853,152
Provisions for impairment of trading securities	(39,152)	(60,410)
Provisions for impairment	(2,059)	(1,540)
Total	(37,093)	(58,870)
	4,910,456	7,792,742

Listing status of trading securities is as follows:

	Closing balance VND Million	Opening balance VND Million
Debt securities	4,945,728	7,849,272
Unlisted	4,945,728	7,849,272
Equity securities	3,880	3,880
Listed	2,965	2,965
Unlisted	915	915
	4,949,608	7,853,152

Analysis of trading securities by quality classified as credit risk assets:

	Closing balance VND Million	Opening balance VND Million
Standard	4,945,728	7,849,272
	4,945,728	7,849,272

10. Derivatives and other financial assets/(liabilities)

Details of derivatives as at 31 December 2024 are as follows:

	Total contract value (at ex- change rate at the effective date of the contract)	Net book value (at exchange rate as at the reporting date)		
		Assets	Liabilities	Net amount
		VND mil- lion	VND million	VND million
As at 31/12/2024				
Currency derivative financial in- struments				
- Forward contracts	591,388	591,388	(612,972)	(21,584)
- Swap contracts	12,292,401	5,752,627	(5,778,970)	(26,343)
Other derivative financial instruments				
- Interest rate swap				
Giao dịch hoán đổi lãi suất	2,534,000	1,260,000	(1,274,000)	(14,000)
	15,417,789	7,604,015	(7,665,942)	(61,927)
As at 31/12/2023				
- Forward contracts	706,520	706,525	(715,608)	(9,083)
- Swap contracts	13,233,556	1,133,159	(1,221,228)	(88,069)
	13,940,076	1,839,684	(1,936,836)	(97,152)

11. Loans to customers

	Closing balance VND Million	Opening balance VND Million
Loans to local business entities and individuals	519,927,231	438,396,964
Payments made on behalf of customers	22,760	67,183
	519,949,991	438,464,147

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Analysis of loan portfolio by quality

	Closing balance VND million	Opening balance VND million
Standard loans	499,504,873	416,692,179
Special-mentioned loans	5,380,404	8,532,749
Sub-standard loans	1,969,398	761,107
Doubtful loans	2,052,495	2,493,596
Loss loans	11,042,821	9,984,516
	519,949,991	438,464,147

Analysis of loans portfolio by original term

	Closing balance VND million	Opening balance VND million
Short-term loans (Up to 1 year)	204,689,879	184,512,736
Medium-term loans (From 1 to 5 years)	124,733,647	97,604,740
Long-term loans (Above 5 years)	190,526,465	156,346,671
	519,949,991	438,464,147

Analysis of loans portfolio by type of customers and businesses

	Closing balance VND million	Opening balance VND million
State-owned enterprises	1,334,812	1,961,411
Other limited companies	167,549,748	126,648,535
Joint stock company with more than 50% of the State's share holding (The state as a majority shareholder)	4,268,833	9,769,747
Other joint stock companies	261,101,750	213,556,250
Partnership companies	1,846	27,646
Private companies	1,774,117	5,996,418
Foreign invested enterprises	36,382	63,057
Cooperatives, cooperative unions	47,862	30,406
Household businesses, individuals	83,834,641	80,410,677
	519,949,991	438,464,147

Analysis of loans portfolio by industry

	Closing balance VND million	Opening balance VND million
Agriculture, forestry and aquaculture	9,928,660	24,197,149
Mining and quarrying	1,156,368	1,369,635
Manufacturing and processing	35,290,977	43,942,645
Electricity, fuel gas and hot water	20,414,795	21,424,673
Water supplying, garbage and sewage treatment and management	631,534	402,832
Construction	59,708,529	69,713,722
Wholesale and retail trade, repair of motor vehicles, motor cycles	145,776,795	123,776,536
Transport, warehouse	20,305,290	13,133,856
Hospitality services	12,181,267	2,890,657
Information and communications	148,159	106,645
Financial, banking and insurance	743,778	204,929
Real estate	127,568,519	73,269,016
Profession, science and technology	177,614	249,798
Administrative activities and supporting service	9,299,433	6,536,248
State management, security and national defense party, union, social guaranteed	390,456	206,654
Education and training	145,439	190,989
Health care and social work	164,704	60,083
Recreational, culture, sporting activities	484,660	144,495
Other service activities	65,747,797	48,949,416
Households	9,685,217	7,694,169
	519,949,991	438,464,147

12. Provisions for credit losses on loans to customers

Movements in provisions for credit losses on loans to customers for the year ended 31 December 2024 are as follows:

	General provision VND million	Specific provision VND million	Total VND million
Opening balance	3,211,595	5,889,823	9,101,418
Provision made for the year	595,353	5,730,017	6,325,370
Provision used to write off bad debts	-	(6,654,308)	(6,654,308)
Other adjustments	5,030	19,331	24,361
Closing balance	3,811,978	4,984,863	8,796,841

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Movements in provisions for credit losses on loans to customers for the year ended 31 December 2023 are as follows:

	General provision VND million	Specific provision VND million	Total VND million
Opening balance	2,843,216	4,214,556	7,057,772
Provision made for the year	409,411	6,632,383	7,041,794
Provision utilised for the year	-	(4,432,650)	(4,432,650)
Impact of SHB FC Divestment	(43,797)	(533,615)	(577,412)
Other adjustments	2,765	9,149	11,914
Closing balance	3,211,595	5,889,823	9,101,418

13. Investment securities

13.1. Available-for-sale investment securities

	Closing balance VND million	Opening balance VND million
Debt securities	14,928,258	14,344,306
Government bonds	5,461,583	5,465,909
Debt securities issued by other domestic credit institutions	905,159	-
Debt securities issued by domestic business entities	8,561,516	8,878,397
Equity securities	28,657	29,453
Equity securities issued by other domestic credit institutions	-	796
Equity securities issued by domestic business entities	28,657	28,657
Provisions for impairment of available-for-sale investment securities	(65,327)	(66,071)
Provisions for impairment	(384)	(297)
General provision	(64,010)	(65,774)
Specific provision	(933)	-
	14,891,588	14,307,688

13.2. Held-to-maturity investment securities

	Closing balance VND million	Opening balance VND million
Debt securities	17,812,962	17,833,636
Government bonds	16,430,881	16,807,100
Debt securities issued by other domestic credit institutions	855,545	500,000
Debt securities issued by domestic business entities	526,536	526,536
Provisions for credit losses on held-to-maturity investment securities	(368,575)	(77,664)
General provision	-	(3,949)
Specific provision	(368,575)	(73,715)
	17,444,387	17,755,972

13.3. Quality analysis of securities classified as credit risk assets

	Closing balance VND million	Opening balance VND million
Standard	10,033,868	9,378,397
Special-mentioned	288,352	-
Sub-standard	-	526,536
Loss	526,536	-
	10,848,756	9,904,933

13.4. Biến động dự phòng chứng khoán Investment

Biến động số dư dự phòng rủi ro chứng khoán Investment For the year ended 31 December 2024 như sau:

	Provision for available-for-sale investment securities			Provision for held-to-maturity investment securities		Total
	General provi- sion	Specific provi- sion	Provisions for impair- ment	General provi- sion	Specific provision	
	VND million	VND million	VND mil- lion	VND million	VND million	VND million
Opening balance	65,774	-	297	3,949	73,715	143,735
Provision (reversed)/made for the year	(1,764)	933	87	(3,949)	294,860	290,167
Closing balance	64,010	933	384	-	368,575	433,902

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Movements in provision for credit losses on investment securities for the year ended 31 December 2023 are as followed:

	Provision for available-for-sale investment securities		Provision for held-to-maturity investment securities		Total
	General provision	Provisions for impairment	General provision	Specific provision	
	VND million	VND million	VND million	VND million	VND million
Opening balance	93,094	559	3,949	-	97,602
Provision made for the year	(27,320)	(262)	-	73,715	46,133
Closing balance	65,774	297	3,949	73,715	143,735

14. Capital contribution, long-term investments

	Closing balance VND million	Opening balance VND million
Investments in associates (14.1)	370,014	343,172
Other long-term investments (14.2)	158,272	158,272
Provisions for impairment of long-term investments (14.3)	(86,995)	(86,996)
	441,291	414,448

14,1 Investments in associates

	Closing balance			Opening balance		
	Cost in original currency	Cost equivalent	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	%
SHBank Finance Company Limited	336,604	370,014	50	336,604	343,172	50
		370,014			343,172	

14,2 Other long-term investments

	Closing balance VND million	Opening balance VND million
Investments in economic entities	114,258	114,258
Investments in financial institutions	44,014	44,014
	158,272	158,272

14,3 Provisions for impairment of long-term investments

	Closing balance VND million	Opening balance VND million
Opening balance	86,996	111,573
(Reversed) provision for the year	(1)	(24,577)
Closing balance	86,995	86,996

15. Tangible fixed assets

Movements in tangible fixed assets for the year ended 31 December 2024:

	Build- ing, struc- tures VND million	Machinery, equipment VND mil- lion	Motor vehicles VND mil- lion	Office equip- men VND million	Others VND million	Total VND mil- lion
Cost						
Opening balance	667,181	240,766	203,722	414,738	2,096	1,528,503
Acquisitions during the year	41,922	37,166	30,445	62,941	175	172,649
Foreign exchange difference	1,273	181	42	273	(6)	1,763
Disposals	(4,377)	(64,376)	(19,980)	(33,150)	-	(121,883)
Other increases/(decreases)	614	416	834	(377)	(1,550)	(63)
Closing balance	706,613	214,153	215,063	444,425	715	1,580,969
Accumulated depreciation						
Opening balance	207,917	208,214	141,041	235,777	576	793,525
Depreciation charged for the year	21,768	4,475	12,960	40,433	248	79,884
Foreign exchange difference	1,095	163	22	251	(6)	1,525
Disposals	(3,963)	(64,329)	(19,612)	(32,930)	-	(120,834)
Other increases/(decreases)	186	28	233	(83)	(377)	(13)
Closing balance	227,003	148,551	134,644	243,448	441	754,087
Net book value						
Opening balance	459,264	32,552	62,681	178,961	1,520	734,978
Closing balance	479,610	65,602	80,419	200,977	274	826,882

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Other information about tangible fixed assets:

	Closing balance VND million	Opening balance VND million
Cost of tangible fixed assets fully depreciated but still in use	291,384	383,538

16. Intangible fixed assets

Movements in intangible fixed assets for the year ended 31 December 2024:

	Land use rights VND million	Computer software VND million	Others VND million	Total VND million
Cost				
Opening balance	4,360,370	442,555	23,004	4,825,929
Acquisitions during the year	-	38,083	-	38,083
Foreign exchange reserves		(34)	(42)	(76)
Other decreases	-	-	(45)	(45)
Closing balance	4,360,370	480,604	22,917	4,863,891
Accumulated amortisation				
Opening balance	6,754	305,734	19,003	331,491
Depreciation charged for the year	158	30,218	1,002	31,378
Foreign exchange reserves	-	(34)	(42)	(76)
Other decreases	-	-	(45)	(45)
Closing balance	6,912	335,918	19,918	362,748
Net book value				
Opening balance	4,353,616	136,821	4,001	4,494,438
Closing balance	4,353,458	144,686	2,999	4,501,143

Other information about intangible fixed assets:

Khoản mục	Closing balance VND million	Opening balance VND million
Cost of intangible fixed assets fully depreciated but still in use	234,418	219,994

17. Other assets

	Closing balance VND million	Opening balance VND million
Purchase of fixed assets and construction in progress	944,094	961,372
Receivables	32,537,712	17,899,290
<i>In which:</i>		
- Receivables from usance payable at sight letters of credit	6,534,129	10,104,025
- Receivables from sales of bonds	-	2,476,541
- Receivables from sales of debts	3,410,381	3,834,755
- Receivables related to the non-recourse discounting L/C issued by the Bank	20,591,524	-
- Other receivables	2,001,678	1,483,969
Interest and fee receivables	12,221,898	13,949,182
Other assets (17.2)	1,380,412	3,230,825
Provisions for impairment of other assets on balance sheet (17.3)	(124,212)	(86,402)
	46,959,904	35,954,267

17.1. Quality of other asset classified as credit risk assets

	Closing balance VND million	Opening balance VND million
Standard loans (i)	9,936,260	6,308,296
Loss loans	8,250	3,000
	9,944,510	6,311,296

- (i) The year-end balance includes receivables from the issuance of deferred payment letters of credit (L/C UPAS), with an agreement clause stating that the beneficiary will be paid immediately an amount of 6,534,129 million VND due to the impact of the application of Circular 31 and Decree 86 which were effective in 2024.

17.2. Purchase of fixed assets and construction in progress

	Closing balance VND million	Opening balance VND million
Purchase of fixed assets and construction in progress	944,094	961,372
<i>In which: Large construction works</i>		
- Constructions in the Northern area	169,927	140,929
- Constructions in the Southern area	200,070	200,070
	944,094	961,372

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17.3. Other assets

	Closing balance VND million	Opening balance VND million
Foreclosed assets awaiting resolution	702,290	1,052,516
Awaiting-allocation expenses	579,177	748,270
Other assets	98,945	1,430,039
	1,380,412	3,230,825

17.4. Risk provisions for other assets

	Closing balance VND million	Opening balance VND million
Provisions for credit risk	85,994	50,312
- General provision	77,744	47,312
- Specific provision	8,250	3,000
Provisions for impairment of other assets	38,218	36,090
	124,212	86,402

Movements in provisions for impairment of other assets:

	General provision VND million	Specific provision VND million	Provision for bad debt VND million	Total VND million
Opening balance	47,312	3,000	36,090	86,402
Provision (reversed)/made for the year	30,432	5,250	2,217	37,899
Use of provisions during the year	-	-	(89)	(89)
Closing balance	77,744	8,250	38,218	124,212

18. Borrowings from the government and the sbv

	Closing balance VND million	Opening balance VND million
Borrowings from the SBV	1,242,864	1,333,658
Loans under credit contracts	1,242,864	1,333,658
	1,242,864	1,333,658

19. Deposits and borrowings from other credit institutions

Deposits from other credit institutions

	Closing balance VND million	Opening balance VND million
Demand deposits	25,515,684	12,261,777
- In VND	25,513,651	12,260,916
- In foreign currencies	2,033	861
Term deposits	98,210,387	53,024,313
- In VND	86,946,505	41,375,198
- In foreign currencies	11,263,882	11,649,115
	123,726,071	65,286,090

Borrowings from other credit institutions

	Closing balance VND million	Opening balance VND million
- In VND	1,237,743	852,369
- In foreign currencies	9,127,176	4,627,835
	10,364,919	5,480,204

20. Deposits from customers

	Closing balance VND million	Opening balance VND million
Demand deposits	37,158,355	43,074,214
- Demand deposits in VND	34,670,912	40,876,084
- Demand deposits in foreign currencies	2,487,443	2,198,130
Term deposits	460,850,837	402,524,549
- Term deposits in VND	451,873,649	394,742,416
- Term deposits in foreign currencies	8,977,188	7,782,133
Deposits for specific pupose	1,312	1,672
- Deposits for specific purpose in VND	1,005	1,398
- Deposits for specific purpose in foreign currencies	307	274
Margin deposits	1,886,067	1,902,991
- Margin deposits in VND	1,857,784	1,861,696
- Margin deposits in foreign currencies	28,283	41,295
	499,896,571	447,503,426

Customers deposit portfolio by type of customers and type of business

	Closing balance VND million	Opening balance VND million
Economic entities	112,242,619	104,196,216
Individuals	350,283,508	313,020,762
Others	37,370,444	30,286,448
	499,896,571	447,503,426

21. Grants, trusted funds and borrowings where the bank bears risks

	Closing balance VND million	Opening balance VND million
Grants, trusted fund and borrowings in VND	613,745	705,880
Grants, trusted fund and borrowings in foreign currencies	815,905	905,355
	1,429,650	1,611,235

22. Valuable papers issued

	Closing balance VND million	Opening balance VND million
Valuable papers in VND	39,248,195	42,821,727
Par value	39,248,195	42,821,727
	39,248,195	42,821,727

Details of the term of issued valuable papers:

Valuable papers	Bonds VND million	Certificate of deposit VND million	Total VND million
Closing balance			
Terms under 12 months	-	12,500,000	12,500,000
- VND	-	12,500,000	12,500,000
Terms from 12 months to under 5 years	4,000,000	12	4,000,012
- VND	4,000,000	12	4,000,012
Terms over 5 years	2,448,100	20,300,083	22,748,183
- VND	2,448,100	20,300,083	22,748,183
	6,448,100	32,800,095	39,248,195
Opening balance			
Terms under 12 months	-	19,310,000	19,310,000
- VND	-	19,310,000	19,310,000
Terms from 12 months to under 5 years	-	126	126
- VND	-	126	126
Terms over 5 years	2,448,100	21,063,501	23,511,601
- VND	2,448,100	21,063,501	23,511,601
	2,448,100	40,373,627	42,821,727

23. Other payables and liabilities

	Closing balance VND million	Opening balance VND million
Interest and fee payables	10,591,116	14,025,631
Deferred tax liabilities	22,049	36,030
Other payables and liabilities	2,827,363	2,207,252
In which:		
Internal payables	282,839	106,511
External payables	2,348,479	1,956,066
- Taxes and other payables to State Budget (Note 24)	1,715,669	1,257,723
- Payables on payment intermediaries and other liabilities	541,961	580,834
- Other payables	90,849	117,509
Bonus and welfare funds	196,045	144,675
	13,440,528	16,268,913

24. The bank's obligations to the state budget

	Opening balance VND million	Movement in the year		Closing balance VND million
		Payable VND million	Paid VND million	
Value added tax	13,719	131,838	94,347	51,210
Corporate income tax	1,217,757	2,261,274	1,858,625	1,620,406
Other taxes	26,247	531,067	513,261	44,053
	1,257,723	2,924,178	2,466,232	1,715,669

25. Capital and reserves

25.1. Statement of changes in equity

	Charter capita	Share premium	Treasury shares	Invest- ment and devel- opment fund	Finan- cial reserve	Capital supplemen- tary reserve	Other reserve	Foreign ex- change reserves	Retained earnings	Total
	VND mil- lion	VND million	VND million	VND million	VND million	VND million	VND million	VND mil- lion	VND million	VND mil- lion
Opening balance	36,193,981	1,449,603	(5,260)	48,172	3,384,369	1,704,535	1,022	(689,038)	8,010,896	50,098,280
Dividends payment (Note 25.4)	-	-	-	-	-	-	-	-	(1,831,206)	(1,831,206)
Capital increase (i)	435,104	-	-	-	-	-	-	-	-	435,104
Profit after tax for the year	-	-	-	-	-	-	-	-	9,321,949	9,321,949
Appropriation to reserves during the year (ii)	-	-	-	-	-	-	219,602	-	(292,803)	(73,201)
Temporary appro- priation to reserves during the year	-	-	-	-	913,204	913,204	-	-	(1,826,408)	-
Foreign exchange difference	-	-	-	3,939	(125)	3,911	-	158,098	-	165,823
Others	-	-	-	-	-	-	-	-	(49,405)	(49,405)
Closing balance	36,629,085	1,449,603	(5,260)	52,111	4,297,448	2,621,650	220,624	(530,940)	13,333,023	58,067,344

- i. The Bank has issued shares under the employee stock ownership plan in accordance with Resolution No. 01/NQ-ĐHĐCĐ of the 31st Annual General Meeting of Shareholders on 11 April 2023, and the Board of Directors' Resolutions No. 12.1/NQ-HĐQT dated 12 May 2023, No. 24/NQ-HĐQT dated 04 October 2023, No. 04/NQ-HĐQT 30 January 2024, and No. 05/NQ-HĐQT dated 21 February 2024. Accordingly, the number of issued shares was 43,510,429, with total proceeds of VND

435,104.29 million. On 9 July 2024, the Bank completed the additional listing of these shares.

According to Resolution No. 01/NQ-ĐHĐCĐ of the Annual General Meeting of Shareholders in 2024, dated 25 April 2024, approved the increase in charter capital through the issuance of shares to pay dividends for 2023 to existing shareholders. On 30 December 2024, the State Bank of Vietnam approved the Bank's charter capital increase by a maximum of VND 4,028,653,590,000 from retained earnings, following the capital increase plan approved by the Bank's 2024 Annual General Meeting of Shareholders and the Board of Directors. As of the date of this financial statement, the Bank is in the process of completing the necessary procedures to issue shares in accordance with legal regulations. According to Resolution No. 02/2025/NQ-HĐQT of the Board of Directors, dated 13 February 2025, the final registration date for the implementation of the 2023 dividend payment in the form of shares with a distribution ratio of 11% per share has been approved. According to Report No. 989/2025/CV-SHB dated 10 March 2025 regarding the results of the stock issuance for the 2023 dividend payment, the Bank has successfully distributed 402,838,460 shares. According to Official Letter No. 3218/VSDC-ĐKCP.NV dated 25 March 2025 from the Vietnam Securities Depository and Clearing Corporation, the number of shares increased by the Bank is 402,838,460 shares, and the start date for receiving the deposited shares is 27 March 2025.

- ii Appropriation to reserves/funds during the year in accordance with Resolution No. 01/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 25 April 2024, and Proposal No. 01/TTr-HĐQT dated 29 March 2024 of the Board of Directors on the profit distribution plan and the establishment of reserves/ funds for 2023. Other reserves have been fully appropriated in the audited consolidated financial statements for the fiscal year ended 31 December 2023.

25.2 Details of the Bank's capital

	Closing balance Ordinary shares VND million	Opening balance Ordinary shares VND million
Contributed capital	36,629,085	36,193,981
Share premium	1,449,603	1,449,603
Treasury shares	(5,260)	(5,260)
	38,073,428	37,638,324

25.3 Details of the Bank's shares

	Closing balance	Opening balance
Issued share capital (units)	3,662,908,542	3,619,398,113
Shares sold to the public (units)	3,662,908,542	3,619,398,113
- Ordinary shares (unit)	3,662,908,542	3,619,398,113
- Preferred shares (unit)	-	-
Shares to be bought back (unit)		
- Ordinary shares (units)	496,186	496,186
- Preferred shares (units)	496,186	496,186
Outstanding shares (units)	-	-
- Ordinary shares (units)		
- Preference shares (units)	3,662,412,356	3,618,901,927
Par value	3,662,412,356	3,618,901,927
- Share ưu đãi (đơn vị)	-	-
Mệnh giá	10,000	10,000

25.4 Dividends

According to Resolution No. 01/NQ-ĐHĐCĐ of the 2024 Annual General Meeting of Shareholders dated 25 April 2024, and Resolution No. 19/2024/NQ-HĐQT of the Board of Directors dated 01 July 2024, the Bank will distribute the 2023 dividends to shareholders in cash at a rate of 5%. The final registration date to determine the list of shareholders entitled to receive dividends was 19 July 2024. On 06 August 2024, the Bank completed the payment of the 2023 cash dividends to shareholders, totaling VND 1,831,206 million.

26. Interest and similar income

	Current year VND million	Prior year VND million
Interest from deposits	1.949.939	1.445.481
Interest from loans to customers	45.652.671	52.238.878
Interest from debt securities	2.576.106	3.600.744
Income from guarantee services	201.526	191.982
Other income from credit activities	107.104	112.306
	50.487.346	57.589.391

27. Interest and similar expenses

	Current year VND million	Prior year VND million
Interest expense on deposits	25.891.636	33.550.170
Interest expense on borrowings	906.750	1.119.236
Interest expense on valuable papers issued	2.421.893	3.137.595
Expense on other credit activities	34.948	497.037
	29.255.227	38.304.038

28. Net gains from services

	Current year VND million	Prior year VND million
Gain from services	1.569.532	912.654
- Income from remittance services	1.142.935	349.677
- Income from trust and agency services	90.099	127.073
- Income from property preservation, cabinet rental services	178.709	273.375
- Others	157.789	162.529
Expense on services	(286.112)	(367.727)
- Expense for remittance services	(77.980)	(129.062)
- Post and telecommunications	(68.888)	(75.948)
- Expense for treasury services	(56.358)	(45.464)
- Others	(82.886)	(117.253)
Net gain from services	1.283.420	544.927

29. Net gains from trading foreign currency

	Current year VND million	Prior year VND million
Income from trading foreign currencies	1.745.054	3.039.266
- Income from spot trading foreign currencies	1.529.492	2.442.366
- Income from trading currency derivative financial instruments	215.562	596.900
Expenses for trading foreign currencies	(1.658.766)	(2.757.059)
- Expenses for spot trading foreign currencies	(1.412.155)	(2.279.584)
- Expenses for trading currency derivative financial instruments	(246.611)	(477.475)
Lãi thuần từ hoạt động kinh doanh ngoại hối	86.288	282.207

30. Net gain/(loss) from trading securities and investment securities

30.1 Net gain from trading securities

	Current year VND million	Prior year VND million
Income from trading securities held for trading	9,739	69,198
Expense for trading securities held for trading	(27,669)	-
Provision reversed/(made) for impairment of securities held for trading	21,259	(58,076)
Net gain from securities held for trading	3,329	11,122

30.2 Net gain/(loss) from investment securities

	Current year VND million	Prior year VND million
Income from trading investment securities	121,101	183,664
Expense for trading investment securities	(48,995)	(109,550)
Provision (made) for impairment of investment securities	(290,167)	(46,133)
	(218,061)	27,981

31. Net gain from other activities

	Current year VND million	Prior year VND million
Other income	1,341,801	501,021
Income from recovery of bad debts	478,098	190,201
Other income	863,703	310,820
Other expenses	(186,133)	(67,385)
Expense from trading other derivatives	(2,505)	(6,848)
Expense from social activities	(135,926)	(16,837)
Other expenses	(47,702)	(43,700)
Net profit from other activities	1,155,668	433,636

32. Income from capital contribution and equity investments in other entities

	Current year VND million	Prior year VND million
Dividends received in cash from capital contribution, equity investments	-	4,958
- <i>From equity available for sales</i>	-	4,958
From capital contribution and long-term investments	2,660	731,645
Share from net profit under equity method of investments in joint ventures	26,842	6,568
	29,502	743,171

33. Operating expenses

	Current year VND million	Prior year VND million
Taxes, fees, and charges	88,996	67,742
Staff cost	3,177,593	2,945,499
Expenses for fixed assets	623,876	579,886
<i>In which:</i>		
- <i>Depreciation and amortisation expenses</i>	111,262	105,365
Expenses for operating management	1,368,120	1,035,554
Insurance premium for customers' deposits	499,430	428,201
Provision (reversed)/charged for provisions (excluding provisions for credit losses and provisions of securities)	2,216	(5,343)
	5,760,231	5,051,539

34. Provision expenses for credit risks

	Current year VND million	Prior year VND million
Provision reversed for credit losses of loans to credit institutions (Note 8)	(118,410)	18,616
Provision expense for credit losses of loans to customers (Note 12)	6,325,370	7,041,794
Provision (reversed)/made for other assets (Note 17.4)	35,832	(22,573)
	6,242,792	7,037,837

35. Current corporate income tax (“cit”) expense

	Current year VND million	Prior year VND million
Profit before tax	11,569,242	9,239,021
Adjustments for:		
- Non-taxable dividend income and profits received	-	(4,958)
- (Profit)/loss before tax of subsidiaries	(270,293)	(77,474)
- Adjustment of profit due to consolidated financial statements	26,324	(19,531)
- Others	38,531	43,503
Taxable income of the Holding Bank	11,363,804	9,180,561
Income tax rate	20%	20%
CIT expense of the Holding Bank based on local taxable income	2,272,761	1,836,112
Adjust the direct deduction of previous year's income tax expenses to the current year's income tax expenses	(66,366)	-
Adjustment of the previous year's income tax expense to the current year's income tax expense	820	2,428
CIT expense based on the taxable income	2,207,215	1,838,540
CIT expense of subsidiaries	54,059	69,926
CIT expense based on the taxable income	2,261,274	1,908,466
Current tax expense	2,261,274	1,908,466
Deferred corporate income tax (expense)/benefit	13,981	(5,797)
Total CIT payables	2,247,293	1,914,263

36. Basic earnings per share

Profit for calculation of basic earnings per share

	Current year VND million	Prior year VND million
Profit after corporate income tax	9,321,949	7,324,758
Profit for the year attributable to equity holder	9,321,949	7,324,758

Number of ordinary shares for calculation of basic earnings

According to VAS 30 – Earnings per share, the Bank retroactively adjusts “Basic earnings per share” for all financial years if the number of ordinary shares in circulation increases due to capitalization, issuance of bonus shares, stock splitting or decreases due to stock pooling, including changes occurring after the end of the financial year but before the date of the consolidated financial statements. As a result, basic earnings per share for the year ended 31 December 2023 are restated because of the following events:

- According to Resolution No. 02/2025/NQ-HĐQT dated 13 February 2025, Board of Directors of the Bank decided to issue shares to pay dividends at the rate of 11% from profits after tax in 2023 and the last registration date was on 27 February 2025. On 10 March 2025, the Bank completed the issuance of an additional 402,838,460 shares.

Details of common shares for calculation of basic earnings as follows:

	Current year Share	Prior year (Restated) Share
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	4,042,601,552	4,021,740,387
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	4,042,601,552	4,021,740,387

Basic earnings per share

	Current year VND	Prior year (Restated) VND
Earnings per share	2,306	1,821

The basic earnings per share for the year ended 31 December 2023 are restated as followed:

	Current year	Prior year (Restated)
Profit for the year attributable to common shareholders (VND Million)	7,324,758	7,324,758
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (Share)	3,618,901,927	4,021,740,387
Basic earnings per share (VND)	2,024	1,821

37. Cash and cash equivalents

	Closing balance VND million	Opening balance VND million
Cash	1,563,509	1,370,849
Balances with the SBV	27,436,936	54,763,646
Current deposits at other credit institutions	12,693,973	11,894,463
Deposits at other credit institutions with terms not exceeding 3 months	79,623,116	42,830,828
	121,317,534	110,859,786

38. Employee's income

	Current year	Prior year
I. Total average number of employees during the year (person)	6,751	7,567
II. Employees' income (VND Million)		
1. Total income	2,364,608	2,088,908
2. Average monthly income per employee	29,19	23,01

39. Assets, valuable papers as mortgages, pledges and discounts, rediscounts

39.1. Assets, valuable papers received as mortgages, pledges and discounts, rediscounts

	Closing balance VND million	Opening balance VND million
Real estate	505,961,513	518,813,814
Movable assets	54,604,667	43,664,138
Valuable papers	70,565,431	55,063,096
Other assets	558,118,365	462,899,433
	1,189,249,976	1,080,440,481

39.2. Assets, valuable papers used as mortgages, pledges and discounts, rediscounts

	Closing balance VND million	Opening balance VND million
Investment securities	48,968,109	10,000
	48,968,109	10,000

40. Trust, entrust and agency activities for credit institutions

40.1. Trust activities

	Closing balance VND million	Opening balance VND million
Undue loan	3,443,762	4,379,989
Interest from credit granting activities under the trust agreement	303	241
	3,444,065	4,380,230

40.2. Trusted and agency activities

	Closing balance VND million	Opening balance VND million
Loan from risk-free trusted fund operations	4,616,410	5,585,952
	4,616,410	5,585,952

41. Other off-balance sheet activities for which the bank is subject to significant risks

	Closing balance VND million	Opening balance VND million
Contingent liabilities		
Credit guarantees	30,089	55,050
Commitments		
Foreign exchange transactions commitments	13,754,686	15,454,640
<i>Buying foreign currency commitments</i>	848,566	805,070
<i>Selling foreign currency commitments</i>	613,719	814,380
<i>Cross currency swap contracts</i>	12,292,401	13,835,190
Letters of credit	26,254,923	5,085,207
Other guarantees	17,927,463	18,477,630
	57,967,161	39,072,527

42. Uncollected loan interest and fees

	Closing balance VND million	Opening balance VND million
Uncollected loan interests	8,116,949	9,479,493
Uncollected interest from securities	636,328	636,328
Uncollected fees	242	242
	8,753,519	10,116,063

43. Bad debts written-off

	Closing balance VND million	Opening balance VND million
Principals of written off bad debts under observation	20,621,704	17,017,207
Interests of written off bad debts under observation	19,391,414	16,488,280
Other written off bad debts	32,438	37,174
	40,045,556	33,542,661

44. Assets and other documents

	Closing balance VND million	Opening balance VND million
Precious metals, gemstone in custody	29,392	29,879
Other assets in custody	2,202,395	2,298,517
Outsourced assets	(*)	(*)
Other preserved valuable papers	201,670	201,772
	2,433,457	2,530,168

(*) The Bank cannot value outsourced assets.

45. Related party transactions and balances

List of related parties which have significant balances and transactions during the year

Related party	Relationship
SHB Finance Company Limited ("SHB FC")	Associate (from 09 June 2023) and subsidiary (until 08 June 2023)
T&T Group Joint Stock Company	Major shareholder
Saigon - Hanoi Insurance Corporation	Shared key management members
Saigon - Hanoi Securities Joint Stock Company	Shared key management members

Details of significant transactions with related parties during the year ended 31 December 2024 are as follows:

	Closing balance VND million	Opening balance VND million
SHB FC		
- Interest expenses on deposits	100,983	199,330
- Other expenses	(2,530)	(6,095)

Details of stock purchases under the employee stock option program of internal shareholders in the fiscal year ending 31 December 2024 are as follows:

		Current year VND million	Prior year VND million
Do Quang Hien	Chairman of the Board of Directors	2,475	-
Do Quang Vinh	Vice Chairman cum Deputy General Director	2,106	-
Ngo Thu Ha	Member of Board of Directors cum Chief Executive Officer	2,196	-
Thai Quoc Minh	Member of Board of Directors	1,767	-
Pham Viet Dan	Member of Board of Directors	1,407	-
Do Van Sinh	Independent Member of BOD	1,407	-
Pham Hoa Binh	Head of Board of Supervisors	200	-
Le Thanh Cam	Member of Board of Supervisors	800	-
Vu Xuan Thuy Son	Member of Board of Supervisors	800	-
Le Dang Khoa	Deputy General Director	1,763	-
Nguyen Huy Tai	Deputy General Director	1,763	-
Ninh Thi Lan Phuong	Deputy General Director	1,763	-
Hoang Thi Mai Thao	Deputy General Director	1,763	-
Do Duc Hai	Deputy General Director	1,777	-
Luu Danh Duc	Deputy General Director	1,743	-
Ngo Thi Van	Chief Accountant	300	-

VII. Financial Statements

Details of significant balances with related parties during the year ended 31 December 2024 are as follows:

	Receivables/(Payables)	
	Closing balance	Opening balance
	VND million	VND million
SHB FC		
- Contributed capital	500.000	500.000
- Demand and term deposits received	(50.840)	(175.015)
- Demand and term deposits	1.975.000	1.970.000
- Accrued interest payables on deposits	(1)	(18)
- Accrued interest receivables on deposits	10.023	7.100
T&T Group Joint Stock Company		
- Capital contribution received	(2.873.885)	(3.618.885)
- Demand deposits received	(679.940)	(769.387)
- Accrued interest payables on deposits	(777)	(240)
Saigon- Hanoi Insurance Corporation		
- Contributed capital	42.857	42.857
- Demand deposits received	(1.055.828)	(1.121.995)
- Accrued interest payables on deposits	(62.211)	(14.572)
Saigon - Hanoi Securities Joint Stock Company		
- Demand deposits received	(734.215)	(2.982.979)
- Loans	400.000	-
- Accrued interest receivables on loans	1.037	-

Details of salaries and allowances of the members of the Board of Directors, Board of Supervisors and Board of Management are as follows:

	Current year VND million	Prior year VND million
Board of Directors	11.719	14.011
Mr. Do Quang Hien	4.200	4.200
Mr. Thai Quoc Minh	2.640	2.640
Mr. Pham Viet Dan	2.361	1.585
Mr. Do Van Sinh	2.364	2.364
Mr. Haroon Anwar Sheikh (Resigned on 25 April 2024)	154	2.186
Mr. Vo Duc Tien (Resigned on 11 April 2023)	-	1.036
Board of Supervisors	4.620	4.620
Board of Managements and Chief Accountant	28.373	22.307

46. Geographical structure of assets, liabilities and off-balance-sheet items as at 31 december 2024

	Total loan balance VND million	Total deposits VND million	Credit com- mitments VND million	Deveritives (Difference between Debit - Credit) VND million	Trading and investment securities (Difference between Debit - Credit) VND million
Domestic	530.825.916	610.407.416	43.890.542	(61.927)	37.719.485
Overseas	13.837.335	13.215.226	321.933	-	-
	544.663.251	623.622.642	44.212.475	(61.927)	37.719.485

47. 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

ITEMS	Credit VND million	Investment VND million	Services VND million	Treasury VND million	Total VND million
Business segment income					
Interest and similar income	45.961.301	2.576.106	-	1.949.939	50.487.346
Income from services	-	-	1.569.532	-	1.569.532
Net gain from trading foreign currencies	-	86.288	-	-	86.288
Net gain from trading securities	-	3.329	-	-	3.329
(Loss) from investment securities	-	(218.061)	-	-	(218.061)
Other income	-	-	1.155.668	-	1.155.668
Income from capital contribution, share purchase	-	29.502	-	-	29.502
At 31.12.2024					
Assets	572.096.478	38.530.035	14.992.244	121.859.312	747.478.069
1. Segment assets	547.983.584	38.402.934	184.965	121.605.110	708.176.593
2. Allocated assets	24.112.894	127.101	14.807.279	254.202	39.301.476
Liabilities	(2.951.067)	(9.024)	(1.102.214)	(685.348.420)	(689.410.725)
1. Segment liabilities	(1.239.017)	-	(50.877)	(685.330.372)	(686.620.266)
2. Allocated liabilities	(1.712.050)	(9.024)	(1.051.337)	(18.048)	(2.790.459)

Geographical segment report

ITEMS	Northern VND million	Southern VND million	Central VND million	Overseas VND million	Total VND million
Business segment income					
Interest and similar income	16.725.382	2.649.969	1.135.599	721.169	21.232.119
Income from services	891.748	368.970	22.413	289	1.283.420
Income from trading foreign currencies	46.517	32.419	6.913	439	86.288
Net gain/(loss) from trading securities	3.329	-	-	-	3.329
Net gain/(loss) from investment securities	(221.542)	3.472	9	-	(218.061)
Other income	888.994	76.695	189.119	860	1.155.668
Income from capital contribution, share purchase	29.502	-	-	-	29.502
Operating expenses	(4.376.042)	(821.443)	(397.603)	(165.143)	(5.760.231)
Net profit from operating expenses before provision	13.987.888	2.310.082	956.450	557.614	17.812.034
Provision expenses for credit losses	(4.690.674)	(864.207)	(390.201)	(297.710)	(6.242.792)
Profit before tax	9.297.214	1.445.875	566.249	259.904	11.569.242

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ITEMS	Northern VND million	Southern VND million	Central VND million	Overseas VND million	Total VND million
Assets					
Cash	979.779	376.774	149.400	57.556	1.563.509
Balances with the State Bank of Vietnam ("SBV")	26.266.437	18.007	4.463	1.148.029	27.436.936
Placements with and loans to other credit institutions	115.955.312	2.398	1.514	1.389.599	117.348.823
Loans to customers	394.514.209	84.590.912	19.069.546	12.978.483	511.153.150
Financial investment	37.687.722	-	-	-	37.687.722
Fixed assets	5.210.816	78.443	34.141	4.625	5.328.025
Other assets	10.004.841	18.556.610	17.014.940	1.383.513	46.959.904
TOTAL ASSETS	590.619.116	103.623.144	36.274.004	16.961.805	747.478.069
Liabilities					
Deposits and borrowings from the Government and the SBV and other credit institutions	125.956.339	422	91	9.377.002	135.333.854
Deposits from customers	356.715.429	101.101.798	38.241.120	3.838.224	499.896.571
Other mobilization	32.880.518	4.165.540	3.693.714	-	40.739.772
Other liabilities	8.768.326	1.909.508	772.829	1.989.865	13.440.528
TOTAL LIABILITIES	524.320.612	107.177.268	42.707.754	15.205.091	689.410.725

48. Risk management policies related to financial instruments

The Bank's vision is to become a diversified financial group. Therefore, the use of financial instruments, including funding from customers (in terms of deposit products and valuable papers issued) and investments in high quality financial assets have become key activities to help the Bank gains necessary interest rate gaps. From risk management perspective, the Bank is required to maintain the structure of assets, liabilities, and equity (including balance sheet items and off-balance sheet items) for the purpose of ensuring safety and mitigating risks in banking activities. In addition, the Bank has invested in securities or granted credit facilities to other banks. The risks related to currency and interest rates have been managed through applying position limits to restrict over-concentration and simultaneously participating in activities with balancing impact to minimize risks. By holding various assets being high-quality financial instruments, the structure of the Bank's consolidated statement of financial position helps shield the Bank from significant risks during its business processes and ensures liquidity. In addition, the Bank has also been involved in many hedging transactions related to financial instruments such as foreign currency swaps for the purpose of managing interest rate risk.

In the process of credit risk management, the Bank has adopted the Credit Handbook which provides in detail the lending policies and procedures as well as implementation guidance on standardization of the Bank's credit activities. Liquidity risk is limited by holding appropriate amounts of cash and cash equivalents as Nostro accounts (current placements at other credit institutions), term deposits at the SBV and other credit institutions and valuable papers. The safety ratio with risk factors taken into account are also used to manage liquidity risk. The Bank has regularly assessed interest rate gaps, compared to the gaps of domestic markets and international markets to make timely adjustments. In addition, the application of internal risk management processes has become more efficient owing to the development of the Centralised Capital Management System and Centralised Payment System in which all capital and payment transactions of the Bank are executed by the Head Office. Such centralisation has also helped the Bank to monitor capital movements more effectively and reduce any possible errors and unnecessarily complicated procedures.

49. Currency risk

Currency risk arises when the value of a financial instrument fluctuates due to changes in foreign exchange rates. The Bank was incorporated and operated in Vietnam, with Vietnamese Dong as its reporting currency. The major currency in which the Bank transacts is Vietnamese Dong. The Bank's loans and advances were mainly denominated in Vietnamese Dong and United States Dollar. However, some of the Bank's other assets are in currencies other than Vietnamese Dong and United States Dollar. The Bank's management has set limits on positions by currency based on the internal risk assessment system of the Bank and regulations of the SBV. Positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

VII. Financial Statements

The book values of the Bank's foreign currency denominated monetary assets and monetary liabilities as at 31 December 2024 are as follows:

ITEMS	EUR equivalent VND million	USD equivalent VND million	Other currencies equivalent VND million	Tổng VND million
Assets				
Cash	30.908	261.251	7.636	299.795
Balances with the State Bank	6.887	1.434.413	145.392	1.586.692
Placements with and loans to other credit institutions (*)	39.645	6.808.435	305.129	7.153.209
Derivative financial instruments and other financial assets	-	3.869.731	-	3.869.731
Loans to customers (*)	554.995	13.725.317	1.826.262	16.106.574
Fixed assets	-	4.240	1.779	6.019
Other assets (*)	50	5.268.907	103.848	5.372.805
Total assets	632.485	31.372.294	2.390.046	34.394.825
Liabilities and owners' equity				
Deposits and borrowings from other credit institutions	-	20.033.383	359.708	20.393.091
Deposits from customers	75.199	10.313.138	1.104.782	11.493.119
Derivatives financial instruments and other financial liabilities	-	-	31.839	31.839
Grants, trusted funds and borrowings where the Bank bears risks	554.995	260.910	-	815.905
Other liabilities (*)	1.136	520.942	62.833	584.911
Capital and reserves	-	570.412	737.039	1.307.451
Total liabilities and owners' equity	631.330	31.698.785	2.296.201	34.626.316
On balance sheet currency position	1.155	(326.491)	93.845	(231.491)
Off-balance-sheet currency position	-	251.678	3.124	254.802
On and off-balance-sheet currency position	1.155	(74.813)	96.969	23.311

(*) Excluding provision.

50. Interest rate risk

The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature at different times or in different amounts. Some assets have indefinite maturities or interest rate sensitivities and are not readily matched with specific liabilities.

The Bank adopts an interest risk measurement method for all assets – liabilities items with respect to interest income. The Bank also establishes and applies a limit system and decision authority at each level based on results of risk measurement for each category.

The following tables show the Bank's assets and liabilities categorized by the contractual re-pricing or maturity date and the interest rates at the end of the consolidated financial reporting.

Time limit for repricing of interest rates is the remaining period from the date of the consolidated financial reporting to the most recent repricing of interest rates of assets and equity items.

The table below shows the Bank's exposure to interest rate risk as at 31 December 2024:

	Overdue			Current					Total VND million	
	Non - interest bearing VND million	Over 3 months VND million	Within 3 months VND million	Within 1 month VND million	From 1 to 3 months VND million	From 3 to 6 months VND million	From 6 to 12 months VND million	From 1 to 5 years VND million		
Assets										
Cash	1.563.509	-	-	-	-	-	-	-	-	1.563.509
Balances with the State Bank	27.436.936	-	-	-	-	-	-	-	-	27.436.936
Placements with and loans to oth- er credit institu- tions (*)	-	-	-	95.952.680	20.971.973	229.320	115.482	79.368	-	117.348.823
Trading securi- ties (*)	3.880	-	-	-	314.072	2.427.066	-	2.204.590	-	4.949.608
Loans to custom- ers (*)	-	15.065.075	5.380.247	128.860.381	295.400.459	26.001.522	21.982.582	20.176.927	7.082.798	519.949.991
Investment secu- rities (*)	28.658	526.536	-	1.849.227	255.545	7.304.705	1.505.159	3.642.485	17.657.562	32.769.877
Capital contribu- tion, long-term investments (*)	528.286	-	-	-	-	-	-	-	-	528.286
Fixed assets	5.328.025	-	-	-	-	-	-	-	-	5.328.025
Other assets (*)	37.108.419	39.438	3.402.131	795.511	2.149.235	2.938.990	650.392	-	-	47.084.116
Total assets	71.997.713	15.631.049	8.782.378	227.457.799	319.091.284	38.901.603	24.253.615	26.103.370	24.740.360	756.959.171
Liabilities										
Borrowings from the Government and the SBV	-	-	-	-	10.077	-	1.232.787	-	-	1.242.864
Deposits and borrowings from other credit insti- tutions	-	-	-	106.112.370	21.485.112	4.301.592	1.703.434	467.440	21.042	134.090.990

	Overdue			Current						
	Non - interest bearing VND million	Over 3 months VND million	Within 3 months VND million	Within 1 month VND million	From 1 to 3 months VND million	From 3 to 6 months VND million	From 6 to 12 months VND million	From 1 to 5 years VND million	Over 5 years VND million	Total VND million
Deposits from customers	-	-	-	120.123.781	105.468.656	134.031.591	115.180.277	25.075.372	16.894	499.896.571
Derivative financial instruments and other financial liabilities	61.927	-	-	-	-	-	-	-	-	61.927
Grants, trusted funds and borrowings where the Bank bears risks	-	-	-	220.371	31.268	47.794	119.586	576.687	433.944	1.429.650
Valuable papers issued	-	-	-	2.355.138	4.577.426	14.425.646	13.889.972	4.000.013	-	39.248.195
Other liabilities (*)	13.440.528	-	-	-	-	-	-	-	-	13.440.528
Total liabilities	13.502.455	-	-	228.811.660	131.572.539	152.806.623	132.126.056	30.119.512	471.880	689.410.725
Balance sheet net interest gap	58.495.258	15.631.049	8.782.378	(1.353.861)	187.518.745	(113.905.020)	(107.872.441)	(4.016.142)	24.268.480	67.548.446
Off-balance sheet commitments affecting to sensitivity with assets and liabilities' interest rate	264	-	-	-	-	-	-	-	-	264
Total net interest rate gap	58.495.522	15.631.049	8.782.378	(1.353.861)	187.518.745	(113.905.020)	(107.872.441)	(4.016.142)	24.268.480	67.548.710

(*) Excluding provision.

51. Liquidity risk

Liquidity risk arises during the general funding of the Bank’s activities and in the management of currency positions. It includes both the risk of being unable to fund assets at appropriate maturities and rates and the risks of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Bank adopts a risk measurement method that is suitable for its operation scale and the availability of the information system, ensuring meeting the requirements for the risk mitigation. It includes indicators related to cash flows, ability of capital mobilization, and ability of asset liquidity of the Bank. The Bank also establishes and applies a limit system and decision authority at each level based on results of risk measurement for each category.

The following table provides an analysis of the assets and liabilities of the Bank in terms of relevant maturity groupings based on the remaining period from the balance sheet date to repayment date. In practice, the actual maturity of assets or liabilities may differ from contractual terms based on the appendix to the contracts which may exist.

The table below shows the Bank's exposure to liquidity risk as at 31 December 2024:

	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
	VND million	VND million	VND million	VND million	VND million	VND million
Assets						
Cash	-	-	1,563,509	-	-	1,563,509
Balances with the State Bank	-	-	27,436,936	-	-	27,436,936
Placements with and loans to other credit institutions (*)	-	-	95,952,680	20,971,973	344,802	117,348,823
Trading securities (*)	-	-	-	-	4,949,608	4,949,608
Loans to customers (*)	15,065,075	5,380,247	30,552,410	54,145,715	129,843,657	519,949,991
Investment securities (*)	526,536	-	1,849,227	255,545	1,505,159	32,769,877
Capital contribution, long-term investments (*)	-	-	-	-	-	528,286
Fixed assets	-	-	1,685,614	76	3,290	5,328,025
Other assets (*)	39,438	3,402,131	37,314,277	2,221,142	3,886,704	47,084,116
Total assets	15,631,049	8,782,378	196,354,653	77,594,451	140,533,220	756,959,171
Liabilities						
Borrowings from the Government and the SBV	-	-	-	10,077	1,232,787	1,242,864
Deposits and borrowings from other credit institutions	-	-	105,093,171	19,828,912	6,217,350	134,090,990
Deposits from customers	-	-	97,814,633	85,657,540	180,543,336	499,896,571
Derivative financial instruments and other financial assets	-	-	12,526	19,792	15,609	61,927
Grants, trusted funds and borrowings at risk of the credit institution	-	-	220,372	31,268	167,379	1,429,650
Valuable papers issued	-	-	506	-	12,733,869	39,248,195
Other liabilities (*)	-	-	13,440,528	-	-	13,440,528
Total liabilities	-	-	216,581,736	105,547,589	200,910,330	689,410,725
Net liquidity difference	15,631,049	8,782,378	(20,227,083)	(27,953,138)	(60,377,110)	67,548,446

(*) Excluding provisions.

52. Credit risk

Credit risk is the possibility that the Bank may incur losses because its customers do not perform or fail to perform their contractual obligations. The Bank controls and manages credit risk by setting credit limits based on the risk tolerance level that the Bank specifies for individual customers and each industry and setting up the medium and long-term credit limit suitable for the structure of mobilization.

The Bank has established a credit quality review process to provide early identification of possible changes in financial position, repayment ability of debtors based on qualitative and quantitative factors. Credit limit for each customer is determined by the use of the credit scoring system, in which each customer is classified at a certain risk level. Customer's risk level is updated regularly. The Bank controls and manages credit risk by establishing an authorization limit for each branch based on its credit portfolio quality, management capability and geographical potentiality.

The Bank has developed a number of customer policies in order to select good customers and have suitable and consistent policies applicable to each customer. The Bank has developed a diversified range of products to meet customers' demands and established credit appraisal and approval procedures at branches and the Head Office for consistent implementation in the Bank's entire system to mitigate operational risks. In addition, in order to strengthen secured methods for loans and minimize operational risks, the Bank has also issued detailed guidance on guarantees for loans.

Overdue and unimpaired financial assets

Overdue and unimpaired financial assets of the Bank mainly include loans classified from Group 2 to Group 5 and overdue receivables which have full collaterals, including real estate, valuable papers and other types of collaterals in accordance with Circular 31.

As at 31 December 2024, overdue and unimpaired financial assets are as follows:

	Overdue			
	10-90 days	91-180 days	181-360 days	Over 360 days
	VND million	VND million	VND million	VND million
Loans to customers	380.302	100.584	124.875	1.317.608

Credit quality for assets with credit risk is fallen within the debt classification scope of Circular 31

Detailed analysis of credit quality for assets with credit risk in accordance with Circular 31 of the Bank is described below:

Summary of debt groups according to Circular 31	Closing balance VND Million	Opening balance VND Million
Standard loans	629,075,579	492,259,480
Special-mentioned loans	5,668,756	8,532,749
Sub-standard loans	1,969,398	1,287,643
Doubtful loans	2,052,495	2,496,596
Loss loans	11,577,607	10,102,926
Total debt under Circular 31	650,343,835	514,679,394
Bad debt	15,599,500	13,887,165
Bad debt ratio	2.40%	2.70%

53. Operating lease commitments

	Closing balance VND million	Opening balance VND million
Within 1 year	113.145	245.563
From 2 years to 5 years inclusive	977.155	532.735
After 5 years	94.723	63.696
	1.185.023	841.994

54. Exchange rates of some foreign currencies at the end of the year

	Closing balance VND	Opening balance VND
USD	25.480	24.338
EUR	26.530	26.848
GBP	32.013	30.974
CHF	28.219	28.792
JPY	163,00	172,00
SGD	18.759	18.412
AUD	15.862	16.597
HKD	3.283	3.105
CAD	17.737	18.331
LAK	1,164	1,1809
THB	744,45	663,49

55. Events after reporting date

In addition to the share issuance event to pay dividends in 2023 presented in Note 24.1. According to Official Letter No. 1000/2025/CV-SHB dated 10 March 2025, the Bank has successfully issued 23,506,190 bonds with the code SHBC7Y202401, a face value of VND 100,000 per bond, a term of 7 years, and a floating interest rate based on the bond issuance plan for SHB's public offering in 2024, which was approved by the Board of Directors in Resolution No. 14/2024/NQ-HĐQT dated 06 June 2024 and Resolution No. 21/2024/NQ-HĐQT dated 23 September 2024.

Prepared by



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31 March 2025

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Hanoi, April 2025



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