



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.

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- 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.

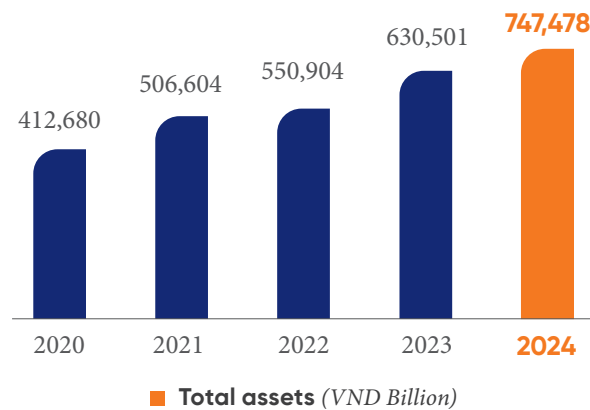
- Enhancing operational efficiency and human capital: SHB continues to drive financial and operational efficiency by focusing on high-quality human resource development and the standardization and digitalization of internal processes. Comprehensive digitalization across operations has helped maintain 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.

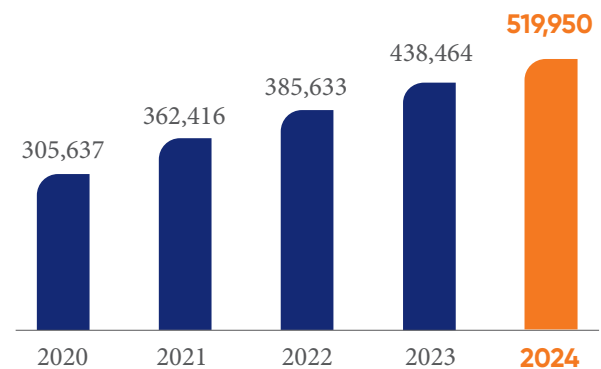


2.2. Credit extension overview

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

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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.

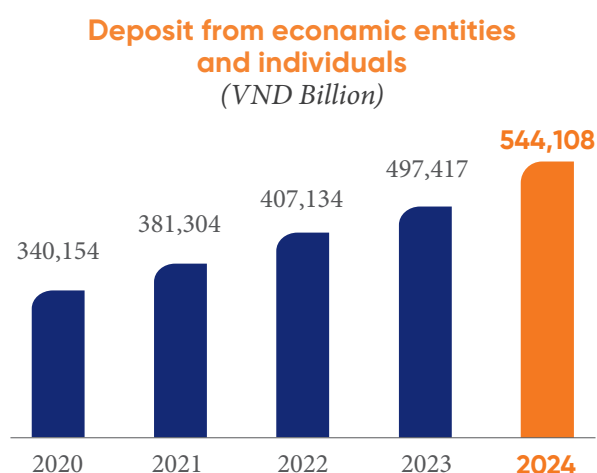
- SHB is also among the leading banks actively participating in international programs and mobilizing medium- and long-term capital from global development financial institutions (DFIs) such as the World Bank (WB), Asian Development Bank (ADB), and Japan International Cooperation Agency (JICA). These 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

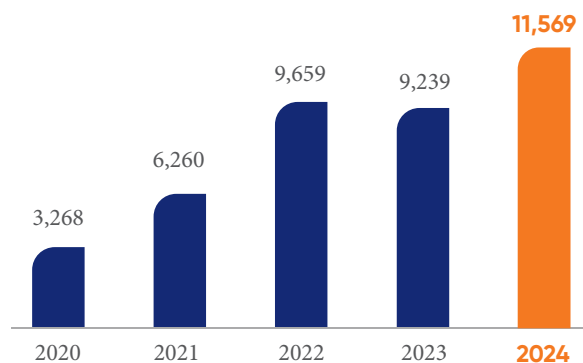
SHB maintained strong income growth and effectively optimized operating costs in 2024, supported by outstanding operational efficiency and continued investment in digital transformation and bank modernization initiatives

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%



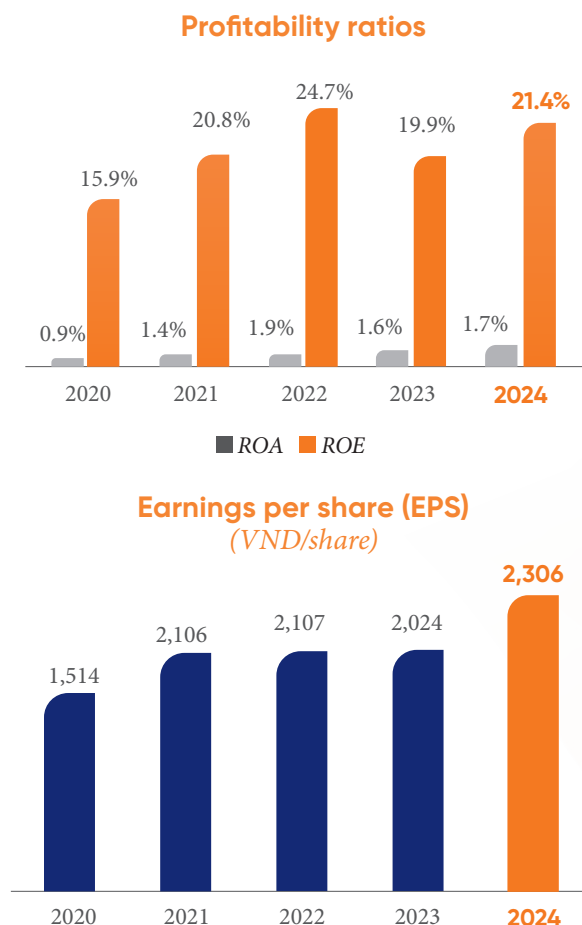
■ Pre-tax profit (VND Billion)

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.



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.



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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