



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

Employee policies	156
Community responsibility	164
Environmental impact report	168

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.

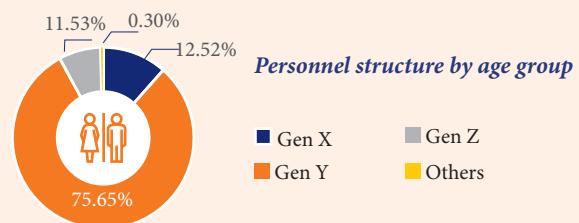
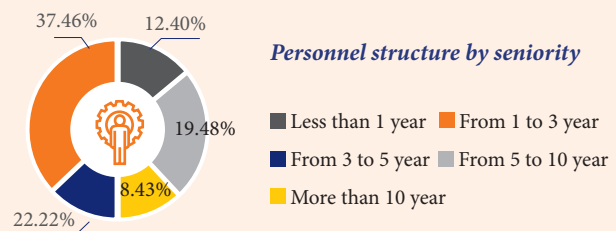
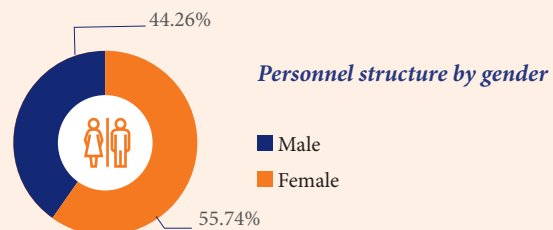
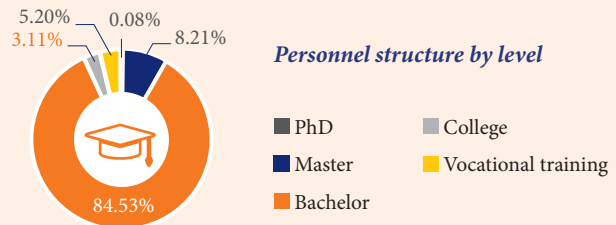
1. Employee related policies

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

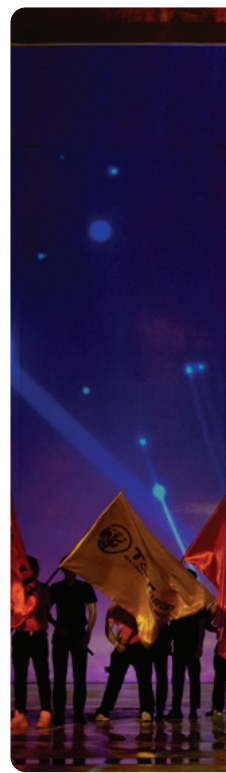
19 leadership skills courses

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.





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.