

10 NOTABLE EVENTS OF VIETCOMBANK IN 2022

There were big changes around the world in the post-Covid pandemic in 2022, sharing difficulties with customers and contributing to economic recovery, Vietcombank was a pioneer waiving and reducing loan interest rate and service fee.

Vietcombank, in the past year, made efforts and achieved notable results, maintaining its position as No 1 bank in terms of quality and operational performance: highest credit growth, No 1 bank in tax payment to the State Budget, pioneer in application of modern technology and digital transformation in banking industry, etc.

- 1**
- PIONEER WAIVING AND REDUCING LOAN INTEREST AND SERVICE FEE**
- Always comply with and acts responsibly guidance of the Government, State Bank of Vietnam, accompany and share difficulties with customers. Specifically:
 - First, since January 1st 2022, Vietcombank offers free money transfer services for all transactions inside or outside Vietcombank system. Additionally, Vietcombank also waives all account management fees.
 - Second, Vietcombank also pioneers implementing reduction of lending interest rate for customers. In the last 02 months of 2022, Vietcombank offered a 1% reduction in lending interest rate in Vietnam Dong for 175,000 customers worth VND 500,000 billion, accounting for 50% of Vietcombank's loan balance. This is the largest reduction of lending interest rate of Vietcombank in recent years. Cut 1% of lending interest rate in the last 02 months of 2022 a part of series of big action plans of Vietcombank to support is customers to overcome difficulties in the post-Covid 19. From 2020-2022, Vietcombank has implemented 9 lending interest rate cuts to support its customers.

APPLY 1% REDUCTION
in lending interest rate in Vietnam Dong for
175,000 customers
with a total credit scale of
VND **500,000** billion
the largest lending interest rate reduction in Vietcombank's existing loan balance in the past years.



2

HIGHEST CREDIT GROWTH WITHIN THE BANKING INDUSTRY & EFFECTIVE CREDIT CONTROL

- Closely follows up guidance of the Government and State Bank of Vietnam, Vietcombank applies a flexible and effective credit management measures toward sustainable credit growth and effective credit control, comply with credit growth limit of State Bank of Vietnam with effective transmission structure of credit.
- Vietcombank has the highest credit balance growth within the banking industry, maintaining a position as one of the largest banks in credit scale in the banking industry. Its credit balance scale exceeds VND 1 quadrillion, up 19% as of 2021. Outstanding debt increased by VND 200,000 billion as of 2021, providing important financial support for businesses, people and accelerating socio-economic recovery and development.
- Vietcombank continues to implementing its restructuring scheme effectively: providing credits to fields of business and production, developed industries, increasing ratio of assets in total outstanding loans, controlling proportion of mid-term and long-term credit at 45% ratio, ensuring compliance with ratio of short-term funds for mid-term and long-term loans.
- Regarding development orientation: continue to accelerate growth of key sectors, prioritize offering credit to 5 prioritized areas of the Government such as national key projects, energy, essential supplies, export business plan, supporting industry, agriculture, health, education, training, etc. Outstanding loans for prioritized areas continue to grow: supporting industry (27%), small and medium sized enterprises (22.1%), rural and agricultural development (20%).
- Strictly comply with regulations, guidance of State Bank of Vietnam, closely monitor credit, be cautious in selection of customers and investment projects in areas with potential risks such as real estate, securities, BOT and BT projects. Scale of corporate bonds, outstanding loans for investment, real estate business, outstanding loans for investment in BOT and BOT projects only takes a small proportion of 0.5-2% of total credit balance.
- Vietcombank has been always ranked the highest in the group of State-owned commercial banks according to credit institution rating system according to Circular 52/2018, improve financial criteria under 6 groups of criteria for rating financial institutions. The achieved results are thanked to Vietcomank's continuous compliance with regulations of State Bank of Vietnam on internal procedures and policies, ensure all credit evaluation and approval under close control, ensure minimum safety limits in accordance with requirements of State Bank of Vietnam.
- Vietcombank ensures credit growth closely associated with risk management measures, evaluate customers before issuing debt, strengthen inspection during and after giving loans to ensure quality of credit portfolio. Vietcombank is rated as top banks in credit portfolio quality with bad debt ration under 0.68%, loan loss coverage ratio reached 457%, the highest among commercial banks.

>VND 1 quadrillion
CREDIT GROWTH SCALE
Up 19% compared to 2021

45%
RATIO OF MID-TERM & LONG-TERM CREDIT
Ensure compliance with short-term funds for mid-term and long-term loans

457%
LOAN LOSS COVERAGE RATIO
The highest among commercial banks



3

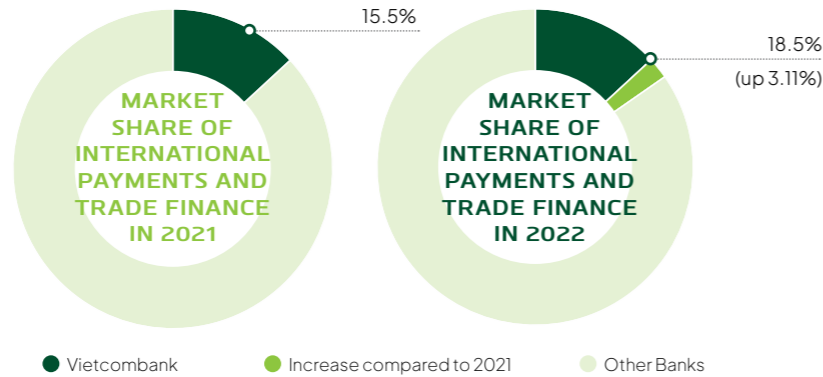
MAINTAIN NO.1 POSITION IN INTERNATIONAL PAYMENT & TRADE FINANCE WITH HIGHER MARKET SHARE

- Uphold its available advantages of diverse, specialized products and services, technology is a backbone of international payment and trade finance, Vietcombank continues maintaining its leading position in the banking system in turnover and market share of international payment and trade finance and achieving impressive business performance in 2022 including:
 - International payment and trade finance revenue reached USD 135 billion, up 31.8% compared to 2021.
 - International payment and trade finance market share reached 18.5%, up 3.11% compared to 2021 and maintained the leading position in terms of market share.

USD **135** billion
INTERNATIONAL PAYMENT AND TRADE FINANCE VOLUME
 increased by 31.8% compared to 2021

18.5%
INTERNATIONAL PAYMENT AND TRADE FINANCE MARKET SHARE
 Up 3.11% as of 2021, maintain market leadership

Chart of international payment and trade finance market share



4

PIONEER APPLYING MODERN TECHNOLOGY, CONNECT PAYMENT SERVICES, CASHLESS CIVILIZED SOCIALIZATION

- A leading bank** in public service payment in Vietnam:
 - Vietcombank* is chosen by the Government to provide online payment services for public services on the National Public Service Portal. Vietcombank has applied modern technology in public payment services, allowing customers to use VCB Digibank, QR code, contactless payment, etc. to strengthen public service payment of ministries, departments, localities through National Public Service Portal.
 - Vietcombank* also pioneers supplying seaport toll collection service: successfully implementing infrastructure toll collection system with Ho Chi Minh Port Authority, support enterprises to shorten time of transaction, ensure quick and convenient customs clearance of goods.
 - Vietcombank* also pioneers providing e-payments through building a bilateral e-payment with Vietnam Social Security. During the Covid-19 pandemic, Vietcombank has provided querying services on beneficiaries of social security to ensure financial support for laborers in accurate and timely manner, ensure their lives during complicated developments of Covid-19 pandemic.
- Pioneer implementing e-invoice** in accordance with guidance of General Department of Taxation:
 - Successful implement e-invoice system and apply in the whole system since April 2022 – 3 months earlier than regulations, Vietcombank pioneers applying e-invoice in accordance with guidance of General Department of Taxation which is highly appreciated by management agencies and customers. Conversion from paper to e-invoice marks an important pace toward digital transformation of Vietcombank.
- The only bank** to provide tax collection services for foreign suppliers in Vietnam.
 - Officially launched since April 2022, Vietcombank has coordinated with General Department of Taxation to support foreign suppliers in Vietnam to pay a total tax value of nearly VND 2,000 billion. Tax payments of foreign suppliers are mainly made in EUR and USD which bring a big supply of foreign currencies for Vietnam.
- One of the world's first banks** successfully implemented payment pre-validation at all transaction points and VCB digibank. This is an innovative solution that drives instant and frictionless transactions and payments worldwide of SWIFT, deliver seamless payment experience to customers.

SUPPORT FOREIGN SUPPLIERS IN VIETNAM TO PAY VND 2,000 BILLION TO THE STATE BUDGET
 Offer a big supply of foreign currency in Vietnam



5

SUCCESSFULLY TRANSFORM SALES AND SERVICES MODEL

56.9%

RATIO OF CROSSING SELLING SUCCESS OF CONSULTANTS

Up 46.4% compared to cross selling results before implementation of sales and services model

4.97/5 points

CSAT score

Close to the maximum average

- Successfully pilot sales and services model at 30 branches of the whole system with approach of customer as core value and foundation of its business. With customer centric approach, sales and services model focus on following contents:
 - This model separates sales services and customer services, provide better experience with support from coordinators and customer satisfaction earned from professional selling style in a glamorous and luxurious space
 - Branches chosen for implementation of this model create good effects, improve brand awareness and experience for customers.
- Key performance indicators of sales and services model in 30 branches record outstanding results during implementation period as follows:
 - The ratio of cross selling success of consultants at counters gains high performance of 56.9%, up 46.4% as of results of tellers/customer care advisors before the mode is implemented.
 - Ratio of customers introduced by customer service specialists to consultants: many branches achieve an average ratio of 10% higher than the benchmark as recommended by consultants.
 - Average waiting time of customers is much improved, reduced by 20% before implementation of digital transformation. This reflects the role of coordinators and effective cooperation between consultants and customer service specialists.
 - Customer satisfaction score (CSAT) via QR Code system at customer counter: record positive feedbacks from customers through service greetings and dedicated guide of coordinators. CSAT index is close to the maximum average of 4.97/5 points.



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NO 1 BANK IN TAX PAYMENT TO STATE BUDGET

- With outstanding business performance, Vietcombank always makes big contributions to the State Budget. Since 2015, Vietcombank is always ranked on top 10 of largest tax payers and the largest corporate income tax payer in the banking industry in Vietnam.
- This recognizes Vietcombank's important contributions to the State Budget and outstanding business results of Vietcombank, affirming leading position among largest tax payers to the State Budget in many consecutive years.



7

VIETCOMBANK DESERVE TO BE A LEADING CREDIT ORGANIZATION TO FINANCE BIG PROJECTS

- Arrange and provide financial assistance for big projects, national key projects, contribute to the national development in 2022:
 - **Petrolimex:** proactively sign with Petrolimex to supply a line of credit worth nearly VND 20,000 billion in 2022 for Petrolimex to import petroleum to meet essential needs of people and for business and production activities.
 - **Long Thanh project:** arrange domestic and foreign capital for Long Project, Component 3 under "Long Thanh International Airport Project, Phase 1" of ACV worth USD 2.5 billion, total investment capital of the project is VND 99,000 billion.
 - **Hoa Phat Group:** provide financial support worth VND 35,000 billion to Hoa Phat Dung Quat 2 Iron and Steel Production Complex with total investment capital of VND 70,000 billion.
- Sign comprehensive cooperation agreements with Corporations, Groups, strengthen comprehensive cooperation with customers, promote sustainable development of parties, specifically:
 - **Energy:** sign comprehensive cooperation agreement and commitment to offering credit and banking services to promote development of local energy industry with Petrovietnam, Petrolimex and Trung Nam Group.
 - **Logistics:** sign comprehensive cooperation agreement with ACV and Hateco.
 - **Post & Telecommunications and Digital Transformation:** Sign comprehensive cooperation agreement and commitment to strengthening access to products of parties and promoting digital transformation cooperation with VNPT and VNPost.
 - Sign cooperation agreement with Eximbank Thailand to support bilateral trade and investment on the framework of APEC Summit 2022 held in Thailand with participation of President Nguyen Xuan Phuc.



8

DIGITAL TRANSFORMATION IS A TOP PRIORITY

- Follow the honorable award of outstanding digital banking transformation bank in 2020*, Vietcombank continues to make breakthroughs and high determination to successfully implement digital transformation programs:
 - Ensure successful projects go-live as follows:
 - **Implement Treasure-Front Area system:** a flexible and closely knit financial technology solution for foreign exchange and money markets. This offers modern financial products in the market.
 - **Participate in Asset-Liability Management – Funding transfer Pricing (ALM-FTP):** providing methods of risk measurement and management, internal capital management, improving balance sheet.
- Recruit senior -level employees, foreign experts with expertise and rich experience in digital transformation to implement more than 300 initiatives and 4 pillars including Digital, Data, Technology and Transformation.



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TRANSFORM ORGANIZATIONAL MODEL, DEVELOPMENT OF HUMAN RESOURCE & WORKING MODE

- Vietcombank has reinforced its models of sales, retail, IT and digital transformation, newly establishing operation division. This is considered as an indispensable condition to improve service quality and customer experience, optimize the resources by adoption of industry 4.0 technologies and focus on sales.
- Build an Agile work culture and transform an agile operating model, making it a part of Vietcombank culture which is flexible and adaptable to quick market changes.
- Strengthen training activities; focus on IT and digital transformation training programs; implement training courses at Vietcombank's branches in accordance with its training map; provide regular and intensive training courses for management officers under various forms of person to person, online or E-learning.



With leading quality, operational efficiency and sustainable development orientation, Vietcombank has affirmed its leading position and superior prestige through awards granted by local and international organizations.

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AFFIRM LEADING POSITION AND SUPERIOR PRESTIGE BY BIG AWARDS GRANTED BY LOCAL AND INTERNATIONAL ORGANIZATIONS

- **International awards:** Maintain its high position in the rankings of prestigious organizations.
- Take the lead in the bank industry in brand identity index, according to Nielsen
- Top 10 prestigious commercial banks in 2022
- Top 25 leading financial brands in 2021 by Forbes
- Top 50 public companies in 2022
- The only representative of Vietnam among the Forbes' Top 1,000 The World's Largest Public Companies
- Named as Vietnam's best bank in 6th consecutive years by Asian Banker
- Maintaining the leading position for 7th consecutive years as the bank with the best working environment in Vietnam
- S&P Ratings (S&P) announced an upgrade the Vietcombank's credit rating to the top of the banking industry in Vietnam.
- Fitch Ratings has upgraded Vietcombank's credit rating to BB from BB- with positive outlook.



• **National awards:**

- The only bank awarded Vietnam National brand in 8th consecutive year
- Top 10 strongest brands in Vietnam in the 9th consecutive year
- Top 50 Vietnam's best public companies in 2022 in 10th consecutive year by Forbes Vietnam
- Take the lead in top 10 most profitable enterprises in the banking industry in Vietnam
- Digital banking service VCB Digibiz was granted Sao Khue Award 2022 by Vietnam Software and IT services (VINASA)
- Named as "Typical enterprise for employees" in 3rd consecutive year awarded by Vietnam General Confederation of Labor, Ministry of Labor – War Invalids and Social Affairs, Vietnam Chamber of Commerce and Industry
- Many other awards and titles from Ministries/Departments, organizations/units

