HDBank

Committed to your best returns

35 YEARS OF HIGHEST RETURN



PIONEERING SUSTAINABILITY ELEVATING VIETNAM

ANNUAL REPORT 2024

35 YEARS

OF
HIGHEST
RETURN

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CREATING VALUE

FROM A SOLID FOUNDATION

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MESSAGE OF THE CHAIRMAN OF THE BOARD

We are also dedicated to promoting a green economy, financial inclusion, and rural development, aligning with Vietnam's net-zero carbon emissions target by 2050. I am confident that HDBank will not only achieve the ambitious goals set by our shareholders, customers, and business partners but will also continue to lead in corporate responsibility and sustainable banking.

Distinguished Shareholders, Business Partners, and Customers of HDBank,

The year 2024 presented a complex landscape of challenges and uncertainties. According to the World Bank, global economic growth was estimated at just 2.7%, below pre-pandemic levels. Prolonged geopolitical conflicts, trade tensions, and climate change concerns posed risks to global trade and economic recovery. Amid this environment, Vietnam demonstrated remarkable resilience, achieving strong GDP growth of over 7%, positioning itself among the fastest-growing economies globally. The banking sector played a crucial role in this success, with robust credit growth of 15% while inflation remained well-controlled at approximately 3.6%, below the target range of 4%-4.5%. Key macroeconomic balances and financial system stability were effectively maintained.

In this dynamic environment, HDBank delivered outstanding financial results, demonstrating resilience and strategic agility. Total assets surged to 697 trillion dong, a 15.8% year-over-year increase. Our lending portfolio expanded significantly, with gross loans to customers reaching 431 trillion dong, a remarkable 25.6% growth. Deposits also saw substantial growth of 23% year-over-year, reaching nearly 519 trillion dong. Total equity exceeded 56.7 trillion, up 22% from the previous year. Pre-tax profit climbed to 16.7 trillion dong, marking a strong 28.5% increase, while Return on Equity (ROE) reached an impressive 25.7%, underscoring our sustained profitability and efficiency. Our asset quality remained solid, with non-performing loans (NPLs) kept below 2%, while our Capital Adequacy Ratio (CAR), based on Basel II standards, improved significantly to 14.0% from 12.6% in 2023, and other key prudential ratios continued to lead the industry. This exceptional performance reflects our strategic foresight, operational excellence, and unwavering commitment to our stakeholders.

HDBank also delivered exceptional returns to shareholders, reinforcing our commitment to long-term value creation. Market capitalization surged to 89 trillion dong, marking a remarkable 52% year-over-year increase - our second consecutive year of strong growth, following a 46% rise in 2023. We maintained our consistent and generous dividend policy, with a total dividend payout of 30%, comprising a 10% cash dividend and a 20% stock dividend. Additionally, HDBank was once again included in Vietnam's most prestigious stock market indices, including the VN30 Index, VN Diamond Index, and Vietnam Sustainability Index (VNSI). Our corporate governance excellence was recognized through esteemed awards, including Best Listed Company with Best Corporate Governance Practices in 2024, Best Annual Report (Large-Cap Category), and Best Company in Organizing Shareholders' Meetings.

Beyond financial performance, 2024 marked a transformational milestone for HDBank as we inaugurated our Financial Group model following the successful receival of DongA Bank, reaffirming our financial strength and M&A expertise. This landmark transaction represents more than just expansion - it is the foundation for a new era of synergistic growth, innovation, and market leadership. The rebranding of DongA Bank into Vikki Digital Bank marked a pivotal step in our digital transformation journey. Additionally, 94% of retail transactions were conducted via digital platforms, and 80% of new customers were onboarded through digital channels. Digital transactions surged by 75% year-over-year, reaching 108 million. HDBank was also recognized for its leadership in financial inclusion, particularly in supporting farmers and women-owned SMEs through innovative digital financial solutions. In a pioneering move, we established the Sustainable Development Committee, dedicated to executing our ESG strategy and reinforcing our commitment to responsible banking.

I extend my deepest gratitude to the State Bank of Vietnam, our shareholders, business partners, and customers for your unwavering trust and support. Amid global and domestic headwinds, your confidence has been instrumental in our ability to achieve our 2024 business objectives.

As we enter 2025, we remain mindful of market challenges but are resolute in our commitment to executing our 2025-2030 growth strategy, transforming HDBank into a leading universal financial group. To achieve our ambitious goals, we will prioritize strategic investments in technology, talent development, and key partnerships. More importantly, we will continue to uphold our core values - customer-centricity, professionalism, efficiency, integrity, and responsibility - ensuring we remain the financial institution of choice for individuals and businesses across Vietnam.

We are also dedicated to promoting a green economy, financial inclusion, and rural development, aligning with Vietnam's net-zero carbon emissions target by 2050. I am confident that HDBank will not only achieve the ambitious goals set by our shareholders, customers, and business partners but will also continue to lead in corporate responsibility and sustainable banking.

The journey to becoming Vietnam's best bank requires strong partnerships. On behalf of the Board of Directors, I sincerely appreciate the continued trust and support of our esteemed shareholders, investors, and business partners. Your insights are invaluable, and we look forward to shaping HDBank's future success together..

Chairman of the Board HDBANK

KIM BYOUNGHO



MESSAGE OF THE CHIEF EXECUTIVE OFFICER

Dear valued Customers, Partners, Shareholders, and Investors!

On behalf of the Board of Management of HDBank, I would like to extend my sincere greetings and heartfelt appreciation for your valued partnership throughout 2024 and in the previous years.

In 2024, HDBank continues to build upon more than a decade of sustained growth, achieving outstanding results that mark a significant milestone in our five-year strategic plan (2021-2025). Notably, HDBank has been at the forefront of digital transformation, fostering a strong digital culture and advancing digital business initiatives. At the same time, we remain committed to effectively implementing our ESG strategy, driving sustainable economic growth while fulfilling our mission to provide tailored solutions and exceptional experiences for our customers - empowering individuals, businesses, and organizations to thrive in the new era of the nation's rise.

Thanks to the invaluable support of our valued customers, partners, shareholders, and investors, HDBank has successfully achieved the objectives set forth by the General Meeting of Shareholders for the past year.

In 2024, HDBank strengthened its market position and expanded its market share. Total assets grew by 15.8% compared to 2023, reaching nearly VND 700 trillion. The bank's total outstanding loan balance increased significantly by 23.8% to nearly VND 438 trillion. Reflecting growing market confidence and brand value, total deposits also rose by 15.7%, amounting to over VND 621 trillion.

In 2024, HDBank achieved its highest-ever profit, exceeding VND 16.7 trillion and marking a decade of continuous, sustainable growth. Key profitability indicators, such as ROE and ROA, remain among the market leaders, while prudential ratios continue to be strengthened, exceeding the regulatory requirements of the State Bank of Vietnam and aligning with international standards. Last year, HDBank issued VND 3 trillion in bonds to generate medium- and long-term capital for projects focused on environmental sustainability and green economic development. The issuance attracted significant interest from professional investors. The capital raised from these green bonds will be allocated to projects that meet the standards outlined in HDBank's Sustainable Finance Framework.

On the stock market, HDB shares continue to solidify its position in the VN30 index and, while also maintaining presence in the VNDiamond and VNSI indices. In 2024, HDB's share price experienced impressive growth of 57%, significantly outpacing the gains of the VN-Index and VN30. HDB's market capitalization increased from VND 58.7 trillion to VND 89.1 trillion, representing a 52% increase, placing HDBank among the Top 3 stocks with the strongest market capitalization growth within the VN30 index for 2024. Return on Equity (ROE) for 2024 reached 25.7%. To deliver the highest benefits to shareholders, HDBank completed its 2024 dividend payment plan at a rate of 30%, of which 10% was cash dividend. This further solidifies its position as one of the commercial banks maintaining a high and stable dividend payout ratio for many consecutive years.

In 2024, HDBank continued to increase our contributions to the State budget while actively engaging in social and community initiatives nationwide, fostering a spirit of compassion and inclusivity.

In line with the key strategic direction set at the 2024 Annual General Meeting of Shareholders, HDBank has accelerated investments and expanded our network in Tier-2 urban markets, as well as agricultural and rural areas. We have also advanced our digital banking initiatives, refined our portfolio of products, services, and financial solutions, and enhanced customer experience. These efforts have strengthened our market presence and established a solid foundation for the next phase of sustainable growth.



PROFIT BEFORE TAX

16,730 VND billion

28.5% compared to 2023



TOTAL ASSETS

697,366 VND billion

15.8% compared to 2023

In 2024, HDBank continues to build upon more than a decade of sustained growth, achieving outstanding results that mark a significant milestone in our five-year strategic plan (2021-2025). Notably, HDBank has been at the forefront of digital transformation, fostering a strong digital culture and advancing digital business initiatives. At the same time, we remain committed to effectively implementing our ESG strategy, driving sustainable economic growth.

Dear valued Customers, Partners, Shareholders, and Investors!

Despite the challenges ahead, Vietnam's economy in 2025 is expected to present promising opportunities for sustainable recovery and growth. With this outlook, HDBank remains confident in our ability to successfully achieve our set targets in the coming year:

Objective 1: Expand scale, achieve outstanding growth, and advance with strength
Objective 2: Accelerate ecosystem customer growth and expand distribution channels
Objective 3: Deliver innovative products and services
Objective 4: Enhance specialization, centralize business operations, and strengthen risk management and operational control
Objective 5: DOGE, Culture, and Leading Brand

As HDBank enters 2025, the year marking our 35th anniversary of growth and commitment to the economy and society, we remain dedicated to continuous innovation, creativity, flexibility, and effective adaptation. HDBank would like to extend our heartfelt gratitude to our valued customers, partners, shareholders, and investors for your trust, support, and unwavering companionship on this journey of remarkable success.

Thank you.

CHIEF EXECUTIVE OFFICER



PHAM QUOC THANH



VISION

To become a leading Financial Group with a commercial bank at its core which ranks among the best in Vietnam, which offers outstanding products and customer services through an international network, and which operates efficiently and is trusted by customers.

MISSION

TO OUR CUSTOMERS

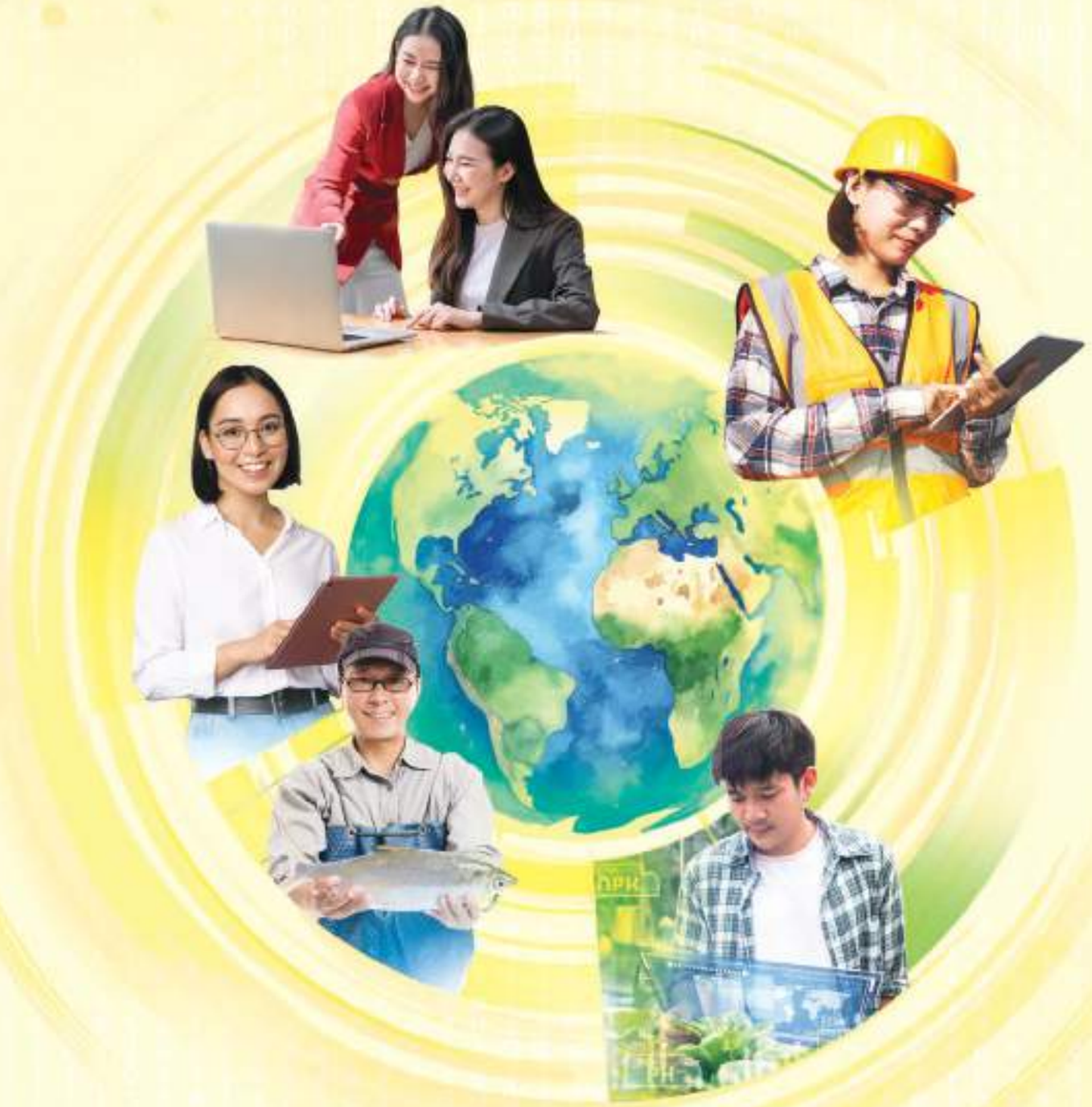
HDBank is committed to delivering the highest values to our customers by offering innovative and comprehensive financial solutions tailored to their diverse and evolving needs and driven by deep customer insights.

TO OUR EMPLOYEES

HDBank creates a professional, exciting and rewarding work environment where staff can learn, innovate and contribute towards their career development.

TO OUR PARTNERS

HDBank is committed to maximizing benefits for our shareholders and partners through robust and sustainable growth, effective corporate governance and stringent risk management.



CORE VALUES

INTEGRITY AND RESPONSIBILITY

HDBank is a trusted and earnest business collective with bold thoughts, daring initiatives and a strong sense of responsibility.

CUSTOMER ORIENTATION

HDBank places customers at the core of our operation and strives to exceed their expectations.

CONSISTENCY AND FLEXIBILITY

HDBank demonstrates a comprehensive understanding of our objectives and consistently works towards their achievement. In actions, we are always dynamic and flexible to achieve our goals.

EFFICIENCY AND INNOVATION

HDBank is committed to continuous learning, innovation, and self-improvement to ensure operational efficiency and exceptional customer service.

PROFESSIONALISM AND TEAMWORKING

HDBank embraces professional work conduct and ethics which encourages friendly sharing and cooperation with colleagues and partners on the grounds of mutual trust and respect.

BOARD OF DIRECTORS

From left to right

MR.
PHAM QUOC THANH
Board Member,
Chief Executive Officer

MR.
LUU DUC KHANH
Vice Chairman

MR.
NGUYEN HUU DANG
Vice Chairman

MDM.
NGUYEN THI PHUONG THAO
Permanent Vice Chairwoman

MR.
KIM BYOUNGHO
Chairman,
Independent Board Member

MR.
NGUYEN THANH DO
Vice Chairman

MR.
LE MANH DUNG
Independent Board Member



MR. KIM BYOUNGHO

Chairman, Independent Board Member

Mr. Kim Byoungho has nearly 40 years of experience in the finance and banking sector. He had served as the Chief Financial Officer and Chief Executive Officer of Hana Bank - the second-largest bank in Korea - as well as Vice Chairman of the Board of Directors of Hana Financial Group. Over nearly three decades, he played a pivotal role in driving Hana Bank's comprehensive innovation and strong growth, elevating it to become one of Korea's largest banks and promoting it to international stature.

At Hana Financial Group, he led the acquisition of Seoul Bank in 2002, a milestone that positioned Hana Bank among Korea's largest financial institutions. In 2012, he directly oversaw Hana Bank's acquisition of more than 51% of Korea Exchange Bank (KEB) capital from Lone Star Fund (USA), a transaction completed in 2015. This strategic move increased Hana Bank's total assets to over USD 240 billion, making it the leading Korean bank in terms of international reach, with 137 branches across 24 countries. Additionally, he played a key role in directing Hana Bank's successful international projects in markets such as Indonesia, China, USA, and Vietnam.

Mr. Kim Byoungho joined HDBank as an independent member of the Board of Directors on April 26, 2022, and was elected Chairman of the Board of Directors on April 29, 2022.

Experience in Banking: near 40 years

Experience at HDBank: 3 years

Education: Master of Business Administration (MBA) - University of California (Berkeley, USA), Bachelor of Arts in English Literature (major) & Business Administration (minor) - Seoul National University (South Korea), Member of the American Institute of Certified Public Accountants (CPA).



MDM. NGUYEN THI PHUONG THAO

Permanent Vice Chairwoman

Mdm. Nguyen Thi Phuong Thao has extensive experience in economic activities both inside and outside Vietnam across various sectors, particularly in finance and banking. She has been involved in managing foreign banks and has played a key role in founding and leading several banks in Vietnam. As the Permanent Vice Chairwoman of the Board of Directors of HDBank, she has introduced numerous innovations, contributing to the bank's long-term growth and sustainability. Beyond her business achievements, Mdm. Thao is actively engaged in educational, social, and charitable initiatives aimed at fostering community cohesion.

Mdm. Nguyen Thi Phuong Thao has been a member of HDBank's Board of Directors since June 30, 2005. She has led key programs and reforms, steadily positioning HDBank as a leader in the banking sector.

Experience in Banking: nearly 30 years

Experience at HDBank: 22 years

Education: Doctorate in Economic Cybernetics from Mendeleev Institute, Bachelor of Credit and Finance from the Moscow Institute of Commerce, Bachelor of Labor Economic Management from the Plekhanov Russian University of Economics, Founding Fellow of the Institute for System Programming of the Russian Academy of Sciences.



MR. LUU DUC KHANH

Vice Chairman

As a senior expert in Finance and Banking, Mr. Luu Duc Khanh had held key leadership positions at renowned banks such as HSBC, Techcombank, and ABBANK, where he played a vital role in driving their success in the Vietnamese market.

Since joining HDBank's Board of Directors on July 3, 2009, he has introduced various strategic visions that paved the way for business activities, risk management, and technology to transform HDBank into a modern bank that meets international standards.

Experience in Banking: over 30 years

Experience at HDBank: 17 years

Education: Master of Business Administration (MBA) - University of New England (Australia), Bachelor of Electronics and Semiconductor Equipment - Lviv Polytechnic National University (Ukraine), Bachelor of Economics - University of Economics Ho Chi Minh City.



MR. NGUYEN THANH DO

Vice Chairman

Mr. Nguyen Thanh Do has extensive experience in the financial management and external affairs. He used to serve as Deputy Director, Director of External Finance Department - Ministry of Finance, and Director of the Department of Debt Management and External Finance - Ministry of Finance.

He joined the Board of Directors of HDBank on April 21, 2017 and has made effective contributions to the development strategy planning of HDBank.

Experience in Finance - Banking: nearly 40 years

Experience at HDBank: 11 years

Education: Doctorate in Banking and Finance - Moscow Financial University (Russian Federation).



MR. NGUYEN HUU DANG

Vice Chairman

With years of expertise in banking, Mr. Nguyen Huu Dang often provides novel directions that yield practical results for the development of HDBank.

As he worked at the State Bank of Dong Thap Province, the Industrial and Commercial Bank, he has extensive experience in the banking sector and has dedicated more than 20 years to HDBank.

Since joining HDBank's Board of Directors on December 31, 2010, he has introduced strategic initiatives that have delivered practical results, contributing to the bank's continued growth and development.

Experience in Banking: over 30 years

Experience at HDBank: 26 years

Education: Master of Business Administration (MBA) - GRIGGS University (USA), Bachelor of Economics - University of Economics Ho Chi Minh City.



MR. LE MANH DUNG

Independent Board Member

Mr. Le Manh Dung has nearly 30 years of experience in the investment and banking sectors. Currently, he is the Chief Representative in Vietnam for DEG - Deutsche Investitions - und Entwicklungsgesellschaft mbH, Europe's largest development finance institution, which is part of the KfW Group owned by the German Federal Government.

In this role, Mr. Dung directly develops and implements DEG's investment strategy in the Vietnamese market, contributing to the development of the private sector by providing long-term financing and technical assistance. This includes promoting ESG (Environmental, Social, Governance) sustainability standards and modern corporate governance.

He joined HDBank's Board of Directors as an independent member on April 26, 2022.

Experience in Banking: nearly 30 years

Experience at HDBank: 3 years

Education: Master of Business Administration - French Vietnamese School of Management (CFVG), jointly awarded by the National Economics University and the Paris Chamber of Commerce and Industry, Bachelor of Banking Accounting - Banking Academy.



MR. PHAM QUOC THANH

Board Member, Chief Executive Officer

Mr. Pham Quoc Thanh has over 30 years of experience in the banking sector, with extensive expertise in risk management, corporate banking, and business operations. Throughout his career, he has held senior leadership positions at HSBC, ACB, ABBank, and Techcombank.

He joined HDBank as Deputy Chief Executive Officer in March 2013 and was later appointed Chief Executive Officer in April 2020. He has played a key role in driving HDBank's breakthrough growth strategy, particularly in corporate banking, Green Credit program, chain finance, ecosystem expansion, and digital transformation.

Since April 26, 2023, he has been a member of HDBank's Board of Directors and currently serves as both a Board Member and Chief Executive Officer.

Experience in Banking: over 30 years

Experience at HDBank: 12 years

Education: Bachelor of Economics - Ho Chi Minh University of Banking, Bachelor of English Language - Hanoi University of Foreign Studies.

CHANGES OF MEMBERS OF THE BOARD OF DIRECTORS IN 2024: N/A

BOARD OF SUPERVISORS



From left to right

MS.
DUONG THI THU
Member

MR.
DAO DUY TUONG
Chief of the Board of Supervisors

MS.
BUI THI KIEU OANH
Member

MR.
NGUYEN LE HIEU
Member



MR. DAO DUY TUONG

Chief of the Board of Supervisors

Mr. Dao Duy Tuong has over 20 years of experience in finance and accounting, having held key positions such as Chief Accountant at Enterprise 347, Song Hong Company - Ministry of National Defense, Phu An Infrastructure Development and Construction Investment Joint Stock Company, and Song Viet Investment Joint Stock Company. He also served as Deputy General Director in charge of Finance at Nha Be Import-Export Joint Stock Company.

Since joining HDBank's Board of Supervisors on December 3, 2010, he has played an important role in overseeing all activities, ensuring proper safety and performance indicators in accordance with the requirements of HDBank and the State Bank of Vietnam.

Experience in Finance - Banking: over 20 years

Experience at HDBank: 15 years

Education: Bachelor of Accounting - National Economics University



MS. DUONG THI THU

Member

Ms. Duong Thi Thu used to work as a lecturer at Hong Duc University and a Credit Officer at Sacombank. Having been with HDBank since 2006, she has held several positions including Internal Auditor, Head of Regional Internal Audit and Deputy Head of Internal Audit. After nearly 20 years of working at HDBank, she has shown her dedication and made significant contributions to the sustainable development of HDBank.

She joined the HDBank's Board of Supervisors on June 13, 2020.

Experience in Banking: 20 years

Experience at HDBank: 19 years

Education: Bachelor of Accounting - Academy of Finance.



MS. BUI THI KIEU OANH

Member

Ms. Bui Thi Kieu Oanh has extensive experience in the banking sector, having held key positions at various credit institutions, including Head of the Retail Banking Division at Dai A Commercial Joint Stock Bank, Director of Techcombank - Cho Lon Branch, Deputy Director in charge of the Retail Banking Division at Vietnam Thuong Tin Commercial Joint Stock Bank (Vietbank), and Deputy Head of Internal Audit at HDBank.

She joined the HDBank's Board of Supervisors on April 26, 2022.

Experience in Banking: over 20 years

Experience at HDBank: 5 years

Education: Bachelor of Economics majoring in Banking and Finance - Thang Long University, Hanoi.



MR. NGUYEN LE HIEU

Member

Mr. Nguyen Le Hieu has nearly 17 years of experience in the Banking sector, holding various roles such as Relationship Management, Credit Appraisal, Credit Risk Model Development, Business Unit Director, and Regional Head of Internal Audit at credit institutions such as Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank), Asia Commercial Joint Stock Bank (ACB), Nam A Commercial Joint Stock Bank (NamABank), and Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank).

He joined the HDBank's Board of Supervisors on April 26, 2022.

Experience in Banking: nearly 17 years

Experience at HDBank: 7 years

Education: Master in the Vietnam - Netherlands Master's Program in Development Economics (MDE), Master of Science (Professional) in Data Science and Artificial Intelligence Applications - Asian Institute of Technology (AIT), Bachelor of Economics - University of Economics Ho Chi Minh. He holds the Certified Management Accountant (CMA) designation and is a Member of the Institute of Management Accountants (IMA) (USA)

CHANGES OF MEMBERS OF THE BOARD OF SUPERVISORS IN 2024: N/A

BOARD OF MANAGEMENT



Back row, from left to right

MR.
TRAN THAI HOA
Deputy CEO

MR.
TRAN XUAN HUY
Deputy CEO cum Chief of BOD Office

MR.
NGUYEN CANH VINH
Deputy CEO

MR.
NGUYEN VAN HAO
Deputy CEO

MR.
TRAN HOAI NAM
Deputy CEO

Front row, from left to right

MR.
LE THANH TUNG
Deputy CEO

MS.
TRAN THU HUONG
Director of Operations Division

MR.
PHAM QUOC THANH
Board Member, CEO

Back row, from left to right

MR.
TRAN HOAI PHUONG
Director of Commercial Banking Division

MR.
NGUYEN DANG THANH
Deputy CEO

MR.
PHAM VAN DAU
Chief Financial Officer cum Corporate Governance Officer

MR.
TRAN QUOC ANH
Director of Retail Banking Division

MR.
HUYNH TRUNG MINH
Director of Bancassurance Division

Front row, from left to right

MS.
HO DANG HOANG QUYEN
Chief Accountant

MR.
NGUYEN MINH DUC
Deputy CEO

MR.
HOANG DUC LONG
Director of Treasury Division



MR. PHAM QUOC THANH

Board Member, Chief Executive Officer

Mr. Pham Quoc Thanh has over 30 years of experience in the banking sector, with extensive expertise in risk management, corporate banking, and business operations. Throughout his career, he has held senior leadership positions at HSBC, ACB, ABBank, and Techcombank.

He joined HDBank as Deputy Chief Executive Officer in March 2013 and was later appointed Chief Executive Officer in April 2020. He has played a key role in driving HDBank's breakthrough growth strategy, particularly in corporate banking, Green Credit program, value chain finance, ecosystem expansion, and digital transformation.

Since April 26, 2023, he has been a member of HDBank's Board of Directors and currently serves as both a Board Member and Chief Executive Officer.

Experience in Banking: over 30 years

Experience at HDBank: 12 years

Education: Bachelor of Economics - Ho Chi Minh University of Banking, Bachelor of English Language - Hanoi University of Foreign Studies.



MR. LE THANH TUNG

Deputy Chief Executive Officer

Mr. Le Thanh Tung has been working for HDBank for nearly 30 years in multiple positions including Branch Director and Regional Director. With his leadership and business acumen, he has managed and developed business operations of regional branches and transaction offices, thus facilitating HDBank's recent impressive expansion and growth.

Before joining HDBank, he had years of experience working as an employee and manager at financial institutions and banks and is the current Secretary of HDBank Party Committee.

He joined the HDBank's Board of Management on September 16, 2009.

Experience in Banking: nearly 30 years

Experience at HDBank: 27 years

Education: Master of Business Administration and Bachelor of Law.



MR. TRAN HOAI NAM

Deputy Chief Executive Officer

Mr. Tran Hoai Nam has years of experience in finance and banking, notably in corporate and institutional banking. He is considered as an energetic leader with many initiatives. Currently, he is in charge of HDBank's corporate and institutional banking, and the development of HDBank partnership with both domestic and international major and reputable organizations. Before joining HDBank, he held key leadership positions at renowned organizations such as the Ministry of Science and Technology, Citibank, and VIB.

He joined the HDBank's Board of Management on February 27, 2012.

Experience in Banking: nearly 29 years

Experience at HDBank: 13 years

Education: Master's degree from Asian Institute of Technology (AIT), Bachelor's degree from Hanoi University of Technology.



MR. NGUYEN MINH DUC

Deputy Chief Executive Officer

Mr. Nguyen Minh Duc has over 30 years of experience in managing and operating financial and credit institutions. Since joining HDBank in 2009, he has made significant contributions to the bank's success, particularly in risk management and compliance control. His efforts have helped position HDBank among the leading banks in asset quality, with a robust risk management system that ensures full compliance with regulatory requirements while progressively adopting international standards.

He previously served as a lecturer at the Faculty of Economics, Maritime University, and has held senior positions at several banks in Vietnam.

He joined the HDBank's Board of Management on December 30, 2013.

Experience in Banking: over 30 years

Experience at HDBank: 16 years

Education: Master of Economics and Bachelor of Law.



MR. NGUYEN VAN HAO

Deputy Chief Executive Officer

Mr. Nguyen Van Hao has nearly 30 years of experience in the banking and finance sector, holding key management and executive positions. He has served as Head of The Bank of Tokyo-Mitsubishi UFJ in Vietnam, Chief Financial Officer of PG Bank, and Member of the Board of Directors cum Chief Executive Officer of Viet A Commercial Joint Stock Bank.

He joined the HDBank's Board of Management on October 2, 2020.

Experience in Banking: nearly 30 years

Experience at HDBank: 5 years

Education: Master of Economics from the National Economics University.



MR. NGUYEN CANH VINH

Deputy Chief Executive Officer

Mr. Nguyen Canh Vinh began his distinguished career as a lecturer at Hanoi University of Civil Engineering before transitioning to the finance and banking sector, where he has spent nearly 30 years. Throughout his career, he has held senior leadership roles across various business units, rising to the positions of Deputy Chief Executive Officer and Chief Executive Officer at leading banks in Vietnam, including 21 years at Techcombank. Since joining HDBank in late 2022, he has quickly integrated into the organization and made significant contributions during a critical phase of HDBank's accelerated development strategy.

He joined the HDBank's Board of Management on November 1, 2022.

Experience in Banking: nearly 30 years

Experience at HDBank: 3 years

Education: Bachelor of Engineering from Hanoi University of Civil Engineering, Bachelor of Economics from National Economics University, and Master of Business Administration from La Trobe University.



MR. NGUYEN DANG THANH

Deputy Chief Executive Officer

Mr. Nguyen Dang Thanh has many years of experience and has held numerous leadership positions in the finance, banking, digital transformation, and residential project development sectors.

Prior to joining HDBank, he held senior management positions at other organizations: Deputy CEO of Sacombank, Deputy CEO of Techcombank, CEO of VietBank, CEO of Indochina Corporation, CEO of Hoa Lam Corporation, and Chairman of the Board cum CEO of TTCLand.

He joined the HDBank's Board of Management on July 9, 2020.

Experience in Banking: nearly 25 years

Experience at HDBank: 5 years

Education: Bachelor of Currency Business from the University of Economics Ho Chi Minh City.



MR. TRAN THAI HOA

Deputy Chief Executive Officer

Mr. Tran Thai Hoa has extensive experience in finance and banking, with 30 years of working in various banks. Before joining HDBank, he spent 17 years at the State Bank of Ho Chi Minh City and held leadership positions at VietABank, including Head of Department and Deputy Chief Executive Officer.

He joined the HDBank's Board of Management on May 27, 2015.

Experience in Banking: 30 years

Experience at HDBank: 10 years

Education: Bachelor's degree from the Ho Chi Minh University of Banking.



MR. TRAN XUAN HUY

Deputy Chief Executive Officer cum Chief of BOD Office

Mr. Tran Xuan Huy has over 25 years of experience in the Finance - Banking sector, having served in managerial and senior leadership roles in Boards of Management, Boards of Directors, and a strategic consultant at financial institutions such as Sacombank, VIB, ABBank, and SHB.

He has been responsible for leading and driving strategic projects, strengthening the foundation, core capabilities, and competitive advantages of HDBank.

He joined the HDBank's Board of Management on October 16, 2023.

Experience in Banking: 25 years

Experience at HDBank: 9 years

Education: Bachelor of Banking and Finance from the Ho Chi Minh University of Banking, Bachelor of English from Ho Chi Minh City University of Education.



MR. PHAM VAN DAU

Chief Financial Officer cum Corporate Governance Officer

Mr. Pham Van Dau has nearly 30 years of experience in the finance and banking sector, with deep expertise in credit, accounting, finance, capital management, and strategic planning. Playing a key role in HDBank's financial operations, he ensures the effective utilization of capital while developing detailed plans to support the bank's growth.

He has served as Chief Financial Officer at HDBank since September 16, 2009.

He assumed the role of Corporate Governance Officer on May 26, 2023.

Experience in Banking: nearly 30 years

Experience at HDBank: 26 years

Education: Master of Economics.



MR. HUYNH TRUNG MINH

Director of Bancassurance Division

Mr. Huynh Trung Minh has nearly 30 years of experience in the insurance and finance sector. Before assuming the role of Director of Bancassurance Division at HDBank, he had worked as Head of Business Department at Prudential Vietnam Assurance Private Limited, Regional Director at ANZ Bank Vietnam, Southern Director at VIB Bank, and Deputy Director of Retail Banking Division at HDBank.

He took on the role of Director of the Bancassurance Division at HDBank on January 27, 2021.

Experience in Insurance and Banking: nearly 30 years

Experience in Insurance and Banking: nearly 30 years

Experience at HDBank: 10 years

Education: Bachelor of Economics from Maritime University, Master of Banking and Finance from the University of Applied Sciences and Arts Northwestern Switzerland.



MR. HOANG DUC LONG

Director of Treasury Division

Mr. Hoang Duc Long has been with HDBank for nearly 25 years and has held various positions in the Treasury Division. He has made great contributions to the management and implementation of the capital and currency business, reaping many years of good business performance for HDBank, enhancing HDBank's image and reputation in the finance market. He plays a key role in advising the Board of Management and the Asset-Liability Committee (ALCO) in balance sheet management, capital optimization and capital use, liquidity management, currency business expansion and capital market operations.

Experience in Banking: nearly 30 years

Experience at HDBank: 24 years

Education: Master of Banking and Finance - University of Economics Ho Chi Minh City.



MR. TRAN HOAI PHUONG

Director of Commercial Banking Division

Joining HDBank in 2019, Mr. Tran Hoai Phuong is now the Head of Commercial Banking Division and a member of the Board of Management. He had accumulated more than 30 years of experience serving in leadership positions or Board of Management at major international financial institutions such as Standard Chartered, Citi and BNP Paribas. He had also served as Deputy CEO at several local banks including Techcombank, TPBank and OCB. He is particularly well-versed in building solutions and developing relationships with large corporations, multinational corporations, import-export financing, and supply chain financing platforms

He assumed the role of Director of the Commercial Banking Division at HDBank on December 31, 2020.

Experience in Banking: over 30 years

Experience at HDBank: 6 years

Education: Bachelor of Foreign Trade - University of Economics Ho Chi Minh City (1989 - 1994), 1 year studying abroad on the Maîtrise program in International Economics at Université Aix-Marseille II (1994).



MR. TRAN QUOC ANH

Director of Retail Banking Division

Mr. Tran Quoc Anh has 30 years of experience in the banking sector. In particular, he has considerable expertise in and passion for modern retail banking. Before joining HDBank, he spent many years at ACB, holding various important positions in the Retail Banking Division such as Product Director, Credit Center Director, and Deputy Head of Credit Department at the headquarters.

He took on the role of Director of the Retail Banking Division at HDBank on May 7, 2015.

Experience in Banking: 30 years

Experience at HDBank: 11 years

Education: Bachelor of Banking from the Ho Chi Minh University of Banking.



MS. HO DANG HOANG QUYEN

Chief Accountant

With nearly 30 years of experience, Ms. Ho Dang Hoang Quyen is considered one of the top experts in finance and accounting for banking institutions. She has been dedicated over 27 years to HDBank, holding positions such as teller, accounting specialist, control officer, Branch Deputy Director, Head of Accounting - Finance Department, and Chief Accountant. These roles have helped her gain a thorough understanding of the bank's operational areas, enabling her to contribute to the establishment of accounting systems and appropriate financial and accounting policies, accurately reflecting the bank's operational situation.

She assumed the role of Chief Accountant at HDBank on July 7, 2011.

Experience in Banking: nearly 30 years

Experience at HDBank: 27 years

Education: Master of Economics.



MS. TRAN THU HUONG

Director of Operations Division

Ms. Tran Thu Huong has over 22 years of experience in the banking sector across various fields at credit institutions, including nearly 15 years of dedication to HDBank. She was entrusted with leading the Operations Division, leading innovation efforts to align with international standards and enhance efficiency. Her strategy focuses on integrating technology and automation into operational processes while strengthening the capabilities of the operations team and customer service staff to support HDBank's strong growth trajectory.

She has served as Director of the Operations Division at HDBank since August 28, 2020.

Experience in Banking: over 22 years

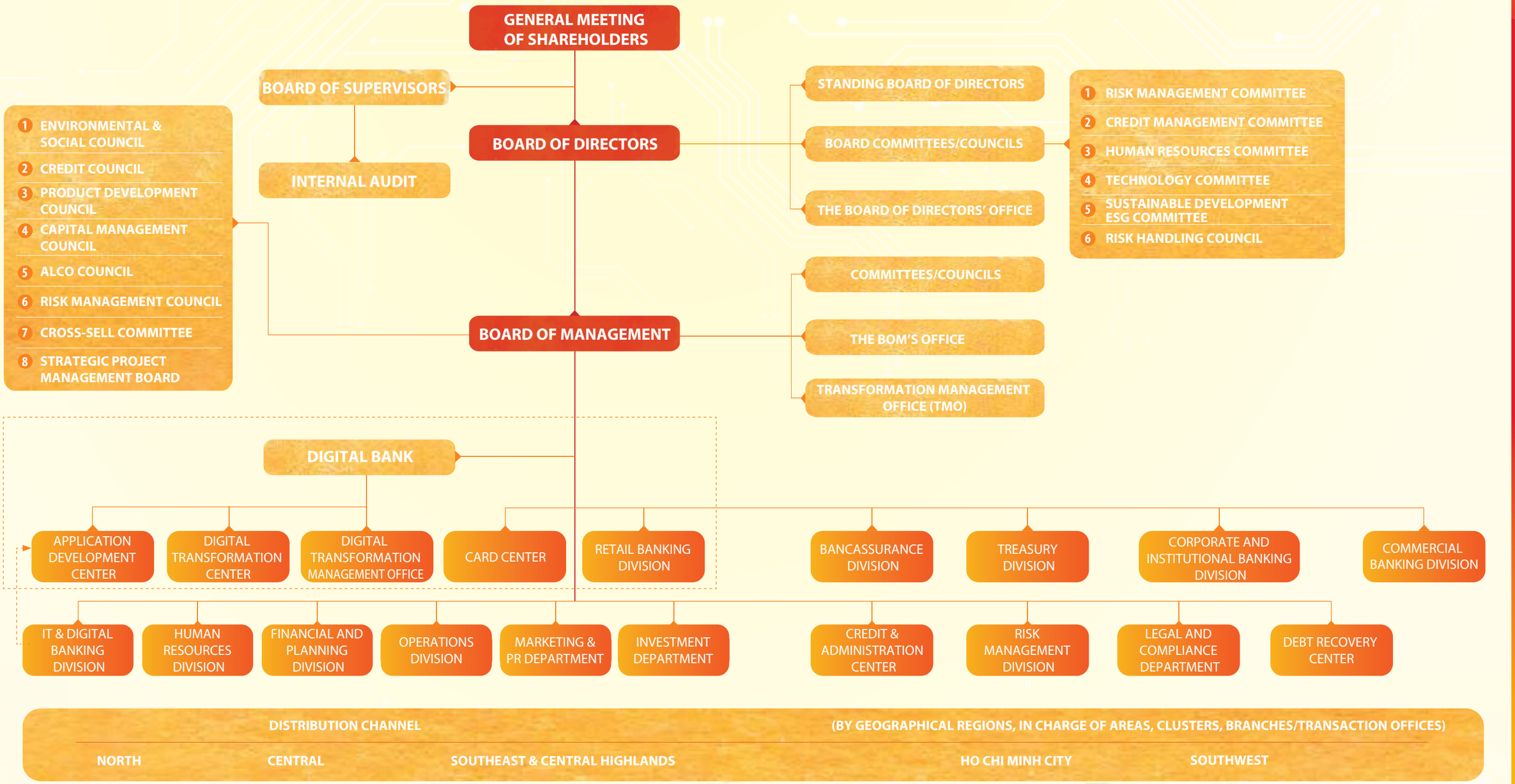
Experience at HDBank: 15 years

Education: Bachelor of Banking from the Ho Chi Minh University of Banking.

Changes of Members of the Board of Management in 2024:

TIME	CHANGES
December 16, 2024	The HDBank's Board of Directors has approved the resignation of Mr. Le Thanh Trung from his position as Deputy Chief Executive Officer, following his personal request.

ORGANIZATIONAL STRUCTURE



10 KEY HIGHLIGHTS

CELEBRATING 35 YEARS OF GROWTH, ACHIEVING NEW HEIGHTS IN 2024

1. CONSISTENTLY DRIVING SUSTAINABLE DEVELOPMENT AS A MARKET LEADER

HDBank has now become one of Vietnam's top-tier commercial banks, underpinned by a digital culture rooted in four key principles: customer centricity, data-driven approach, innovation, and partnership.

Building upon a solid foundation of 35 years of sustainable development, notably a decade of innovation (2014-2024), HDBank has achieved remarkable results. Our profit before tax has surged nearly 26 times, marking an average annual growth rate of 39.0%. Total assets have increased sixfold, with an average annual growth rate of 21.5%, and our charter capital has more than tripled.

As of the end of 2024, HDBank's total assets reached VND 697,366 billion, marking an increase of 15.8% year-over-year. Profit before tax reached VND 16,730 billion, a 28.5% increase from 2023, while ROA and ROE stood at 2.0% and 25.7%, respectively, consistently placing HDBank within the top-performing banks in the sector. Consolidated NPL ratio (according to Circular No. 31) was controlled at 1.48%. Moreover, capital adequacy ratio (CAR) under Basel II was recorded at 14.0%, the highest in the market.

As of the end of 2024, HDBank's customer base reached over 20 million, spanning both retail and corporate segments. Our network includes more than 370 banking transaction points, over 26,000 financial transaction points nationwide, and a market-leading and modern digital bank.

HDB shares closed at VND 25,500 per share on December 31, 2024, marking a 56.9% increase from the beginning of the year. Despite market fluctuations, HDB shares significantly outperformed the market level, growing at 3 times the VN30 Index increase and 4.7 times the VN-Index increase. HDBank has continued to solidify our standing in Vietnam's financial market by maintaining our position in top-tier indexes such as VN30, VN-Diamond, and VNSI. Notably, HDBank was honored to be included in the 2024 VNCG50 index, which recognizes the 50 listed companies with best corporate governance practices.

2. PIONEERING COMMERCIAL BANK RESTRUCTURING STRATEGY

As of February 14, 2025, DongA Bank has been rebranded as Vikki Digital Bank, a wholly-owned subsidiary of HDBank. This transformation occurred almost a month after DongA Bank's mandatory transfer to HDBank under the "Restructuring of Credit Institutions" scheme. This strategic step aims to resolve existing issues and foster a healthier banking environment, in line with the directives of the Party and the Government.

This significant milestone in the digital era signals the beginning of a new chapter of stable and sustainable development for Vikki Bank. Furthermore, it marks another key moment for our commercial bank in our restructuring process, driving toward sustainable, modern, and healthy development. By utilizing the most advanced technologies and its widespread network, Vikki Bank delivers a modern, convenient, and secure customer experience, ensuring absolute confidentiality.

Previously, in 2013, HDBank successfully merged with DaiABank and acquired the consumer finance company Société Générale - Republic of France (now known as HD SAISON). The two M&A deals were successful in ensuring better benefits for both our customers and employees, thereby achieving strong consensus and favorable results. Thus, they have contributed to the sustainable development of HDBank and the whole banking sector.



DongA Bank transforms into Vikki Digital Bank, 100% owned by HDBank.

3. OFFERING COMPREHENSIVE SOLUTIONS TAILORED TO CLIENT'S NEEDS

Committed to delivering the most diverse and best-in-class banking solutions, HDBank consistently upgrades and refines our offerings for both retail and corporate clients via widespread nationwide network and digital channels.

At HDBank, a strong emphasis is placed on developing banking product and service solutions that are precisely "tailored" to the needs of each target segment, thereby creating value and fostering strong, lasting relationships with our clients.

For our corporate clients, HDBank focuses on optimally meeting their needs for both regular working and growth capital, with a strong commitment to supporting the development of their business ecosystems. To this end, HDBank has launched a series of initiatives including SME, supplier and distributor credit programs and the online payroll platform, Di Payroll. The Bank's corporate service offerings are experiencing substantial growth, with the introduction of a digital cash collection (eCash) solution and smart kiosks at healthcare facilities and schools to accommodate a high volume of transactions and customers.

For our retail clients, HDBank pays close attention to their business needs by offering tailored loan packages for specific industries and retail outlets, as well as focusing on consumer credit for housing and other consumer goods purchases. Alongside this, the Bank provide payment and collection services, custody services, and a diverse range of credit cards with numerous features. Furthermore, the Bank regularly explore and implement promotional savings programs that bring significant value to our valued customers.

Embracing a dynamic and refreshing approach, HDBank is prioritizing digital solutions for our customers. With the upcoming launch of DI HD Biz for corporate clients and DI HD for retail clients, the Bank is offering "a one-stop digital banking solution," that meet their everyday banking needs with greater flexibility and fewer in-person visits to our branches or head offices.



Representatives of HDBank and Proparco conducted the signing ceremony of the credit agreement, increasing funding for HDBank to USD 100 million, strengthening the goal of sustainable development.



Mr. Kim Byoungho - Chairman of HDBank's Board of Directors, Chairman of HDBank's ESG Committee, delivered an opening speech at the launching ceremony of the project "ESG Governance Consulting and Sustainable Finance"

4. PROMOTING FINANCIAL INCLUSION AND REGIONAL GROWTH

HDBank continuously expands our network to broaden access to financial services, now serving over 20 million customers nationwide. This widespread network, along with a modern digital banking platform, enables HDBank to promptly meet the diverse financial needs of all segments - from enterprises and household businesses to individuals in remote and rural areas. In doing so, the Bank actively contributes to local economic growth, create more job opportunities, and increase state budget revenue.

Beyond simply expanding our physical network, HDBank is a pioneer in financial inclusion and digital transformation to bring banking offerings closer to our customers. Currently, 94% of retail transactions are conducted on digital channels, enabling our clients to access modern, convenient, and secure financial services regardless of their location. This not only optimizes user experience but also enables robust digital transformation at the local level, fostering the sustainable development of the digital economy.

In our ongoing efforts to expand regionally, HDBank continued to forge partnerships with leading international financial institutions, including IFC, DEG, Affinity Equity Partners, ADB, LeapFrog Investments, Proparco, and reputable domestic and international banks, attracting hundreds of millions of USD. This capital inflow not only strengthened our financial capacity but also contributed to promoting sustainable credit, supporting businesses and individuals in accessing concessional loans, and fostering a sustainable economic ecosystem.

5. BUILDING MOMENTUM FOR GREEN GROWTH

HDBank, a long-standing ESG pioneer, was among the first banks to offer green credit in Vietnam and quickly secured our place as a market leader for years.

In 2024, HDBank continued to be a pioneer in the effective implementation of our ESG strategy. This includes the development of an Environmental and Social Risk Management System and the establishment of an ESG Committee under the Board of Directors to lead and oversee sustainable development initiatives. HDBank was also a pioneer in issuing an independent Sustainability Report in 2024. Furthermore, in collaboration with PwC, HDBank became the first bank in Vietnam to implement a comprehensive "ESG Governance and Sustainable Finance" project.

In January, 2025, HDBank became one of the first private banks in Vietnam to successfully issue VND 3 trillion in green bonds, securing medium to long-term funds for environmentally beneficial and green economic projects. Prior to issuing green bonds, HDBank had already become one of the first banks in Vietnam to publish a "Sustainable Finance Framework" in accordance with ICMA and LMA standards. This framework was developed with technical assistance from the International Finance Corporation (IFC), a member of the World Bank (WB), and received a "very good" rating from the international credit rating agency Moody's.

For six consecutive years, HDBank has consistently ranked among the Top 20 for Best Sustainability Index on the Ho Chi Minh Stock Exchange (HoSE). This commitment to sustainability has also earned HDBank high recognition from international financial institutions like IFC, DEG, and Proparco, particularly for our work in climate finance and gender equality.



International experts have particularly impressed by the management and operation model according to ESG standards at Galaxy Innovation Hub.

6. DRIVING DIGITAL CULTURE AND DIGITAL BUSINESS FORWARD

Years ago, HDBank took the lead to make substantial investments in numerous digital transformation projects, yielding positive results and exponential growth across various aspects.

In 2024, up to 94% of our retail transactions were conducted on digital platforms. Digital channels also contributed to 80% of new customer acquisitions, with bank-wide new customers totaling over 2 million. The number of transaction volumes surpassed 100 million, and digital deposit balances experienced exponential growth. Digitalization of the customer journey and operational processes, and application of big data analytics, robots, and AI in customer service were promoted for increased productivity and optimized costs.

In 2024, the Galaxy Innovation Hub (GIHub), an exemplary industrial transformation model developed by HDBank, officially launched. This milestone not only marks a significant advancement in our technological infrastructure but also fosters an innovative ecosystem to drive sustainable growth. GIHub, along with the key technology projects being implemented by HDBank at the Saigon Hi-Tech Park, are the initial successes of HDBank and our partners' continuous commitments and actions to drive innovation and industrial transformation, contributing to driving sustainable development of Ho Chi Minh City and Vietnam.

On January 15, 2025, at the National Forum on Vietnamese Digital Technology Enterprises, the Ministry of Information and Communications announced eight leading enterprises to undertake the mission of mastering strategic technologies for Vietnam. Notably, HDBank was entrusted with mastering blockchain technology.

7. HDB SHARES ACHIEVING ROBUST GROWTH, MAXIMIZING VALUES FOR OUR SHAREHOLDERS

HDBank's shares (HDB) experienced an exceptionally successful year on the Vietnamese stock market in 2024, soaring by an impressive 56.9% and notably outpacing the overall market. This is evident in the significant outperformance of HDB shares, growing at 3 times the VN30's increase (18.9%) and 4.7 times the VN-Index's increase (12.1%). Also, HDBank's market capitalization surged by 51.8% to VND 89,124 billion, solidifying our standing as a top-three company in terms of market capitalization growth within the VN30 index.

HDBank maintained a high and stable dividend payout, totaling 30% for 2024, including 10% in cash, demonstrating our commitment to shareholder benefits. To strengthen engagement and provide insights to our investors, HDBank successfully organized a number of large-scale Investor Conferences. These events underscores HDBank's commitment to transparency and enables investors to gain a more comprehensive understanding of the bank's business operations and growth potential.

8. FOSTERING A DYNAMIC AND UNIQUE CULTURE

Over our 35 years of growth, HDBank has established a distinct brand identity built on unique cultural pillars: pioneering a green culture, fostering a modern digital culture, ensuring efficient operations, and cultivating a united, humane team dedicated to sharing positive values with the community.

Understanding that our people are our most valuable asset, HDBank is committed to cultivating a happy and professional workplace, where each member of our team is empowered to feel proud and confident in their personal development. HDBank stands out in the market through our innovative training programs, notably the "HDBank Next Leader" program and the "Fly into the Future" learning expedition to Thailand. These programs have been recognized not only internally but also externally through awards from both esteemed domestic and international organizations. For eight consecutive years, HDBank has been honored with the "Best Companies to Work for in Asia" award by HR Asia, a leading human resources magazine in Asia.

In 2024, HDBank continued our strong performance in contributing to national and Ho Chi Minh City's socio-economic development. This is evidenced by our contribution of over VND 5.6 trillion to the state budget, an increase of 104% compared to 2023. 2024 marked the sixth consecutive year that HDBank has been recognized with a Certificate of Merit from the Ho Chi Minh City People's Committee for significant contributions to the state budget. Over the six-year period from 2019 to 2024, our total contribution to the state budget reached VND 15.2 trillion.

Actively engaging in and leading community initiatives and social development over the years, HDBankers across the nation have embarked on thousands of journeys to spread love, which resulted in 50,000 health insurance cards for near-poor households, 32,000 cataract surgeries for the impoverished, nearly 1,000 charity houses nationwide, 10,000 scholarships for excellent students, and bridges for impoverished communities in the Mekong Delta. HDBank has also sponsored the annual HDBank Cup International Chess Tournament for a decade and the HDBank National Futsal Championship since 2017, fostering a connection between Vietnam and the global community and promoting the country internationally.



HDBank honored in the Top 10 Best Corporate Governance among large capitalization group

9. ACHIEVING NUMEROUS PRESTIGIOUS AWARDS

Throughout our 35-year journey of remarkable achievements, HDBank is proud to have received a number of both domestic and international prestigious awards.

HDBank is honored to receive the Second-Class Labor Medal twice, the Third-Class Labor Medal three times, numerous Certificates of Merit and Emulation Flags from the Government, and years of consecutive Certificates of Merit from the Chairman of the Ho Chi Minh City People's Committee for significant contributions to the state budget.

HDBank has consistently earned prestigious recognition at the Listed Company Awards for years for pioneering in the finance and banking sector and committing to transparent disclosure and professional governance practices. This is in addition to other reputable awards such as National Brand, Vietnam Best Growth, and Best Digital Transformation Bank. HDBank is also honored with the "Companies with Best Corporate Governance" award at the prestigious 2024 Vietnam Listed Company Awards (VLCA).

For several consecutive years, HDBank has also received numerous prestigious international awards, including the "Vietnam - Outstanding Issuing Bank - Dynamic Growth" by IFC, "Green Deal Award" by ADB, "Best Bank for Sustainable Finance" by The Asset, "Best Green Financing in Vietnam" by The Asian Banker, "Citi Excellent Straight Through Processing Award" by Citibank, and others by JP Morgan Chase, Wells Fargo, etc.

10. HD SAISON - LEADING THE WAY IN CONSUMER FINANCE

In 2024, its robust and comprehensive digital transformation contributed to HD SAISON's positive business results, including a profit growth of VND 1,214 billion, an increase of 83.9% compared to 2023. As of December 31, 2024, HD SAISON had served over 11 million customers through a network of more than 26,000 service points nationwide. Thanks to the effective risk management technology, a legacy of Société Générale - Republic of France, HD SAISON has been able to consistently maintain a low and stable non-performing loan ratio.

In 2024, HD SAISON maintained its leading position in the motorcycle installment loan market with a 36% market share and also achieved the highest return among consumer finance companies.

Given HD SAISON's positive business results and the trust of its partners, the International Finance Corporation (IFC) has approved a USD 50 million investment via a 3-year senior loan. This funding will enable the company to expand lending to customers who currently may not qualify for traditional bank loans.

Previously, HD SAISON made a strong impression by launching a VND 10 trillion concessional consumer loan package, of which the interest rate is just half of the market rate, for workers. This program addressed workers' immediate borrowing needs while also aiming to gradually foster responsible consumer lending and healthy financial management, thereby helping to combat predatory lending. Also in 2024, HD SAISON independently secured concessional funding and continued to expand the worker loan package program with a funding of VND 15 trillion.



HD SAISON continues to grow its worker loan program, now totaling VND 15,000 billion

UNWAVERING DEDICATION

FOR COMPREHENSIVE BENEFITS

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OVERVIEW

Name in Vietnamese:	NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN PHÁT TRIỂN THÀNH PHỐ HỒ CHÍ MINH
Name in English:	HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK
Abbreviated name:	HDBank
Business Registration Certificate	No. 0300608092 issued by Ho Chi Minh City Department of Planning and Investment, 1st registered on August 11, 1992 and 33rd amended on September 5, 2023
Current charter capital:	VND 35,101 billion
Owner's equity:	VND 56,657 billion
Head Office:	No. 25Bis Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City
Phone:	(84-28) 6291 5916
FAX:	(84-28) 6291 5901
Website:	www.hdbank.com.vn
License of Establishment and Operation	No. 26/GP-NHNN issued by the State Bank of Vietnam dated February 12, 2020 and Decisions amending and supplementing License of Establishment and Operation No. 26/GP-NHNN dated February 12, 2020
Logo:	HDBank Committed to your best returns
Ticker:	HDB



HDBANK'S SUBSIDIARIES

HD SAISON FINANCE CO., LTD. (HD SAISON)

Address:

8-9-10 Floor, Gilimex Building, 24C Phan Dang Luu Street, Ward 6, Binh Thanh District, Ho Chi Minh City, Vietnam

Charter capital:

VND 2,350 billion

Ownership ratio:

50%

Phone:

(84) 1900 558854

Website:

https://www.hdsaison.com.vn

HISTORY OF ESTABLISHMENT:

HD SAISON Finance Co., Ltd. ("**HD SAISON**"), originally known as Société Générale Viet Finance Co., Ltd. ("SGVF") and wholly owned by Société Générale S.A., underwent a change in ownership when Société Générale S.A. transferred its entire equity stake in SGVF to the Ho Chi Minh City Development Joint Stock Commercial Bank ("**HDBank**"). Subsequently, SGVF was renamed to Ho Chi Minh City Development Joint Stock Commercial Bank Finance Co., Ltd. ("**HDFinance**").

After receiving approval from the State Bank of Vietnam, HDBank successfully transferred 49% of HDFinance's charter capital to Credit Saison Co., Ltd. and 1% to Ho Chi Minh City Securities Corporation. Consequently, HDFinance transitioned from a one-member limited liability company to a multi-member limited liability company and officially changed its name to HD SAISON Finance Co., Ltd.

PRODUCTS AND SERVICES:

HD SAISON offers consumer loan products, including installment loans for transport vehicles, household appliances, furniture, tuition fees, beauty and dental care, weddings, travel, sports and fitness, and cash loans for personal and living expenses.

In addition, the HD SAISON mobile application available on both popular operating systems, iOS and Android, enables customers to apply for such loans entirely online with just a few taps on their phone screens.

HD SAISON also issues HD SAISON VISA international credit card embedded with EMV chip, bringing a wonderful experience to customers with fast and highly secure contactless payments.

Committed to sustainability, HD SAISON prioritizes the issuance of eco-friendly virtual cards, which helps minimize plastic waste and provide customers with convenient digital financial solutions. At the same time, the physical card remains readily available to meet the diverse needs of customers, ensuring flexibility and effortless compatibility with all modern payment platforms.

AS OF DECEMBER 31, 2024, THE NETWORK:

Consists of 26,388 transaction points in 63 provinces and cities nationwide.

HDBANK'S AFFILIATES

HD SECURITIES CORPORATION HDS (HDS)

Address:

No. 23 A-B, Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City and Floor 9, No. 58 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City

Charter capital:

VND 1,461 billion

Ownership ratio:

29.99%

Phone:

(84.28) 7307 6966

Website:

https://hdbs.vn

HISTORY OF ESTABLISHMENT:

HD Securities Corporation ("HDS"), formerly known as Phu Gia Securities Corporation, was established under Securities business license No. 47/UBCK-GPHĐKD issued by the State Securities Commission dated December 28, 2006, with an initial charter capital of VND 43 billion. The key operational events of HD Securities Corporation are as follows:

2006: Phu Gia Securities Corporation (now HD Securities Corporation) was established. The Head Office was located at No. 13A Tu Xuong Street, Ward 7, District 3, Ho Chi Minh City.

2011: In March 2011, Phu Gia successfully increased its charter capital to VND 155 billion and was licensed to engage in proprietary trading.

2018: In August 2018, Phu Gia changed its name to HDB Securities Corporation.

2019: In December 2019, it relocated its Head Office to Floor 3B and 9, No. 58 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City.

2020: In October 2020, it increased its charter capital from VND 155 billion to VND 310 billion.

2021:

+ In February 2021, the company established a branch office in Ha Noi.
+ In October 2021, it increased its charter capital to VND 1,023 billion.

2022: In April 2022, the company officially changed its name to HD Securities Corporation.

2024:

+ In May 2024, it relocated its Head Office to No. 23A-B Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City.
+ In June 2024, HDBank invested more capital to bring HD Securities' charter capital to VND 1,461,425,710,000.

PRODUCTS AND SERVICES:

- Securities brokerage.
- Proprietary trading.
- Financial and securities investment advisory.
- Securities depository.
- Securities underwriting.

PRIMARY BUSINESS LINES, BUSINESS LOCATIONS, AND PROVINCIAL NETWORK

HDBank was established and operated under Decision No. 47/QD-UB of the People's Committee of Ho Chi Minh City dated February 11, 1989, License No. 26/GP-NHNN issued by the State Bank of Vietnam dated February 12, 2020, and Decision on amending and supplementing the provisions on Charter capital in the License of establishment and operation of the Bank No. 2240/QD-NHNN dated October 8, 2024 (replacing License No. 00019/NH-GP issued by the State Bank of Vietnam dated June 6, 1992).

The bank was established to perform all activities of a commercial bank under applicable laws, including: receiving short, medium and long-term deposits from organizations and individuals, issuing certificates of deposit and bonds to mobilize funds; offering short, medium and long-term loans to organizations and individuals based on types and sources of funds; providing bank guarantees, factoring invoices, issuing credit cards and letters of credit; offering foreign exchange transactions and trading, foreign exchange services, derivative products in the domestic and international markets, international trade finance support services, discounts of commercial papers, bonds and other valuable papers; providing trust and fiduciary services, agent banking services, insurance agency services, paying agent services, payment account openings, payment services, and other banking services and operations licensed by the State Bank of Vietnam.

BUSINESS LOCATIONS

HDBank's wide domestic operation network enables HDBank and our subsidiaries to connect with customers in all 63 provinces and cities nationwide, providing a wide range of banking and consumer finance products and services to diverse customer segments.

Ho Chi Minh City

- Number of Branches and Transaction offices
  61 (Head Office included)
- Number of POS terminals
  2,920

Hanoi

- Number of Branches and Transaction offices
  56 (Northern Representative Office included)
- Number of POS terminals
  1,761

North (27/27 provinces/cities)

- Number of Branches and Transaction offices
  85
- Number of POS terminals
  7,237

Central (12/12 provinces/cities)

- Number of Branches and Transaction offices
  43
- Number of POS terminals
  4,963

Southeast - Central Highlands (9/9 provinces/cities)

- Number of Branches and Transaction offices
  75
- Number of POS terminals
  4,190

Southwest (13/13 provinces/cities)

- Number of Branches and Transaction offices
  50
- Number of POS terminals
  5,317

Myanmar

- Representative Office
  01



HISTORY OF ESTABLISHMENT AND DEVELOPMENT

1989

HDBank was established as Ho Chi Minh City Housing Development Commercial Joint Stock Bank.

2011

The bank officially changed its name to the current Ho Chi Minh City Development Joint Stock Commercial Bank.

2013

HDBank acquired Société Générale Viet Finance (SGVF), a wholly owned subsidiary of Société Générale (the French Republic). After the acquisition, SGVF changed its name to HDFinance.

HDBank successfully merged with Dai A Commercial Joint Stock Bank.

2015

HDBank transferred 49% of HDFinance's capital to Credit Saison (Japan), renamed it as HD SAISON.

2016

HDBank was assigned B2 rating in its first rating by Moody's, an international credit rating agency.

2017

HDBank pulled off a successful IPO and was approved to have the shares (HDB) listed on Ho Chi Minh Stock Exchange (HOSE).

2018

Our credit rating was upgraded by Moody's to B1.

HDB stock was officially traded on the HOSE and placed in TOP 20 stocks with the highest market cap.

2020

We marked our 30th anniversary with a number of prestigious awards and titles.

HDBank successfully issued USD 160 million in international convertible bonds - marking HDBank as a credit institution with the largest volume of bonds issued in 2020.

2021

HDBank successfully issued USD 165 million in international convertible bonds.

Moody's upgraded HDBank's credit outlook from Stable to Positive.

2022

HDBank joined the group of banks with profit before tax exceeding VND 10 trillion.

HDBank reinforced the brand reputation and market position with numerous prestigious national and international awards.

2023

Navigating the challenges of 2023, HDBank achieved impressive and sustainable profit growth.

2024

HDBank launched Vikki, a digital finance application that offers smart banking services to enhance user experience and optimize financial transactions.

HDBank was awarded the "Companies with Best Corporate Governance 2024" title by the Vietnam Listed Company Awards (VLCA).

FINANCIAL PERFORMANCE OVER THE YEARS 2022, 2023, 2024

TOTAL ASSETS

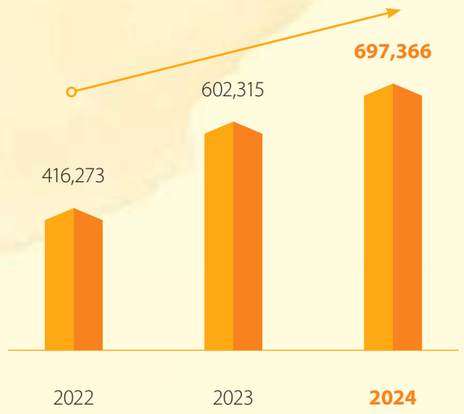
697,366 VND billion

An increase of 15.8% compared to 2023

TOTAL ASSETS

Unit: VND billion

From 2019 to 2024, HDBank achieved consistent growth in total consolidated assets, recording an average annual growth rate of 24.9%. Throughout this period, the Bank maintained high asset quality, characterized by a low Non-Performing Loan (NPL) ratio. Furthermore, its Capital Adequacy Ratio (CAR) consistently surpassed the regulatory requirements set by the State Bank of Vietnam, positioning HDBank among the leading banks in this metric.



CHARTER CAPITAL

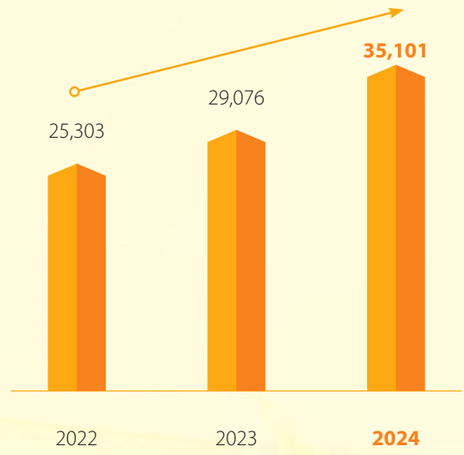
35,101 VND billion

Increased to VND 35,101 billion from VND 29,076 billion

CHARTER CAPITAL

Unit: VND billion

HDBank has successfully distributed a substantial 30% dividend, comprising 10% in cash and 20% in shares, placing it among the industry's top dividend-paying banks.

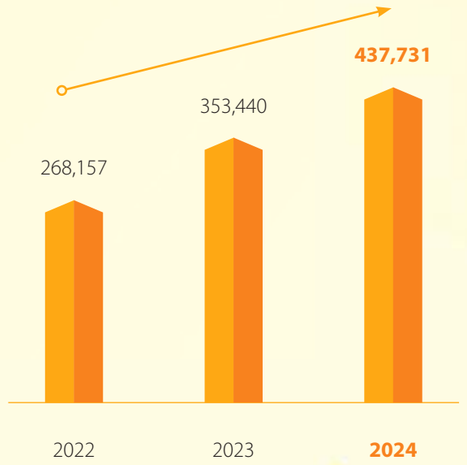


CREDIT PERFORMANCE

Unit: VND billion

HDBank continued to focus on its lending strategy for key sectors driving economic growth, including agriculture and rural development, small and medium-sized enterprises (SMEs), supply chain financing, green credit, and tourism. Notably, credit growth primarily came from the SME customer segment, with an impressive 40% increase compared to the beginning of the year. Additionally, HD SAISON reported outstanding loans of VND 18.212 trillion, an increase of 13% compared to 2023, making a significant contribution to HDBank's consumer lending activities.

In 2024, HDBank implemented Environmental, Social, and Governance (ESG) risk assessments for 100% of its credit extensions to corporate clients. The Bank also focused on raising client awareness regarding ESG, as well as promoting comprehensive financial solutions serving society and the community.



TOTAL CREDIT OUSTANDING BALANCE

437,731 VND billion

An increase of 23.85% compared to 2023

FINANCIAL PERFORMANCE OVER THE YEARS 2022, 2023, 2024

ASSET QUALITY

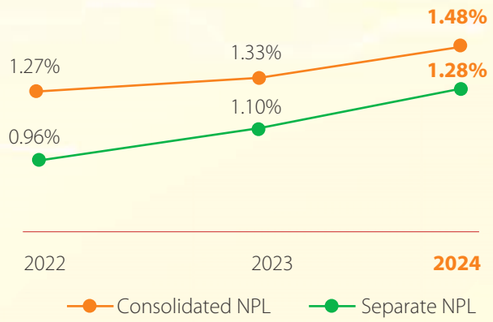
Unit: %

Consolidated NPL ratio (according to Circular No.31/NHNN) 1.48%

Separate NPL ratio (according to Circular No.31/NHNN) 1.28%

HDBank focuses on balancing robust credit growth with effective NPL management and a commitment to sustainable development.

In 2024, HDBank continues to improve credit quality and proactively identify potentially non-performing loans, enabling the implementation of preventative measures to mitigate emerging NPLs, and cost optimization which facilitate reductions in loan interest rates. The Bank's NPL ratio, calculated in accordance with Circular No. 31/2024/TT-NHNN, has been maintained at 1.48%, achieving the targets set by the General Meeting of Shareholders and aligning with SBV's guidance of below 1.5%. As of December 31, 2024, the NPL coverage ratio reached 67.7%.

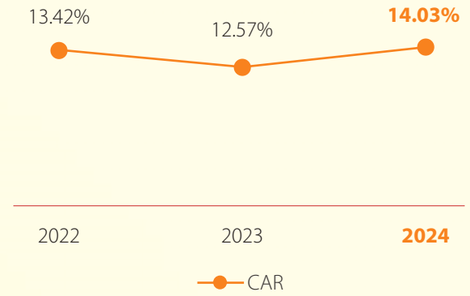


CAPITAL ADEQUACY RATIO

Unit: %

HDBank has achieved a robust capital adequacy ratio (CAR) of 14.03%, placing it among the industry's leaders with full implementation of Basel III standards.

All other capital adequacy ratios have reached sufficient levels, consistent with the Bank's sustainable development strategy that fully integrates environmental, social, and governance (ESG) factors into operations.



DEPOSITS

Unit: VND billion

HDBank successfully maintained total capital mobilization growth in response to credit growth, ensuring the safe and efficient allocation of capital. Total mobilized capital reached 99.5% of the set targets. Notably, deposits from the digital banking channel experienced a significant increase of over 70% compared to 2023. Customer deposits accounted for over 70% of HDBank's total capital mobilization, with individual customer deposits representing the largest proportion, exceeding 76% of total customer deposits.

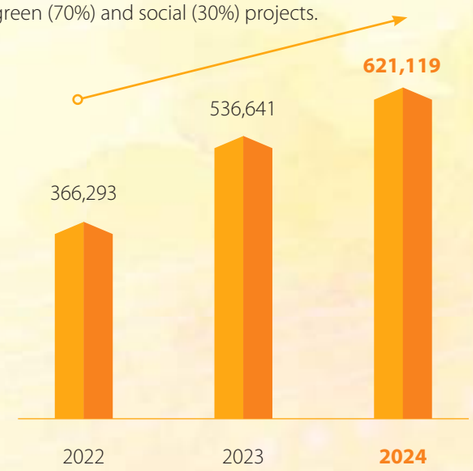
Additionally, HDBank is one of the pioneering banks to fund the "green revolution", proactively supporting the shift to sustainable and green economic growth, driven by mobilization and financing mechanisms for environmental protection projects. These include the issuance of a USD 50 million IFC green bond, VND 3 trillion in domestic green bonds, and a USD 50 million agreement with Proparco (increasing the Bank's total credit limit up to USD 100 million). These funds are specifically designated to finance green (70%) and social (30%) projects.



TOTAL DEPOSITS

621,119 VND billion

An increase of 15.7% compared to 2023



PROFIT BEFORE TAX

Unit: VND billion

With remarkable efforts, HDBank's profit before tax reached 105.5% of the set target in 2024, a 28.5% increase year-over-year, driven by enhanced operational efficiency and adoption of digital transformation initiatives. Notably, net interest income rose by 39.1%. Operational costs and provisions for credit risks were effectively managed within established limits.

Concurrently, digitalization of the customer journey and operational processes, and the application of big data analytics, robots, and AI in customer service were promoted for increased productivity and optimized costs.

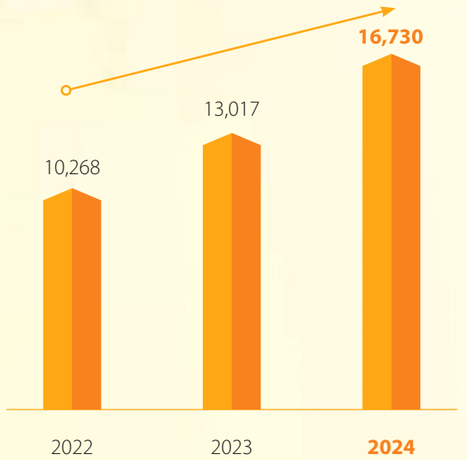
Digital business activities remained vibrant and achieved positive performance. As of December 31, 2024, 94% of individual customer financial transactions were conducted through digital platforms. Digital channels accounted for over 80% of new customer acquisitions. The volume of transactions and deposit balances on digital channels is experiencing exponential growth.



PROFIT BEFORE TAX

16,730 VND billion

An increase of 28.5% compared to 2023



BUSINESS ENVIRONMENT, OPPORTUNITIES, RISKS AND CHALLENGES

A LOOK BACK AT THE 2024 BUSINESS ENVIRONMENT: OPPORTUNITIES, RISKS, AND CHALLENGES

The global economy in 2024 experienced significant volatility, largely due to the prolonged impacts of prior monetary tightening cycles implemented to combat rising inflation. The global economic growth shows a divergence among major economies. While the US and India demonstrate strong performance, driven by robust and stable consumer demand, China and the Eurozone faced continued recession due to weakened consumption and internal challenges. Furthermore, persistent geopolitical tensions have significantly heightened global economic instability. Financial markets have been significantly impacted by the surge in US bond yields and stronger US dollar, posing considerable challenges for emerging economies reliant on foreign funding. The overall outlook for global economic growth has only improved since September 2024, when major central banks began their easing cycles.

According to the International Monetary Fund (IMF), global growth is expected to be 3.2% in 2024, down slightly from 3.3% in 2023. The silver lining is that global inflation has shown a downward trend, decreasing to 5.8% in 2024 from 6.7% in 2023, with forecasts suggesting a further reduction to 3.5% by 2026. Inflation rates in major economies are approaching the central bank targets.

In Vietnam, the economy continued its robust expansion throughout 2024, achieving a GDP growth rate of 7.09%, driven primarily by the service, industrial, and construction sectors. Despite the economy's considerable growth, it is noted by experts that the positive impact was not evenly distributed across all economic sectors due to various domestic and international factors. Other growth drivers included the Government's strong political determination to accelerate public investment disbursement, increased capital inflows to Vietnam, robust import-export activity, and the resurgence of domestic tourism. Inflation for the year 2024 was effectively managed, with an increase of only 3.63%, considerably lower than the target set by the National Assembly.

In 2024, the Vietnamese Dong (VND) experienced a depreciation of approximately 5% and credit growth reached 15.08% compared to the end of 2023. Interbank market liquidity remained consistently stable and abundant. Furthermore, numerous bottlenecks in the corporate capital and real estate markets are being aggressively addressed.

VIETNAM AND GLOBAL ECONOMIC OUTLOOK IN 2025

The global economy is projected to demonstrate marked improvements in 2025, driven by the expected effectiveness of expansionary monetary policies. However, persistent long-term challenges remain. These include trade tensions between the United States and China which are anticipated to contribute to geopolitical instability. Additionally, the conflicts in Ukraine and the Middle East pose a risk of continued disruption to global supply chains and adverse impact to international investment. The International Monetary Fund (IMF) projects global economic growth for 2025 to remain consistent with 2024, at 3.2%. This forecast is predicated on the anticipated effectiveness of fiscal stimulus packages implemented by major economies, notably the United States and China, which are expected to support aggregate demand for goods and services.

Despite a challenging global economic landscape, Vietnam demonstrates promising prospects for continued economic growth, driven by thriving import-export activity, its position as an attractive destination for FDI and significant capacity for expanded public investment. In addition, Vietnam's monetary policy is consistently and flexibly managed by the State bank of Vietnam in close coordination with fiscal policy to control inflation, ensure adequate liquidity, and maintain the stability of the financial system. Notably, the banking sector is expected to play a crucial role in allocating capital to priority sectors, improving risk management capability, and investing in digital technologies to increase operational efficiency. The year 2025 marks the period of restructuring priority by the banking sector, aiming to enhance adoption of international standards to meet domestic demand and international integration.

OPPORTUNITIES AND CHALLENGES IN 2025

Vietnam is poised to capitalize on significant economic development opportunities amidst a volatile global landscape. The shift in supply chain presents a considerable advantage, as multinational corporations move their manufacturing operations from China to Southeast Asian markets, including Vietnam. Vietnam can proactively leverage this supply chain shift to attract sustained foreign direct investment inflows. In addition, public investment projects in transport infrastructure and energy are serving as a driving force for sustainable development. Furthermore, the dynamic surge in digital transformation across the banking, commerce, and service sectors is pivotal in enhancing the nation's economic competitiveness and efficiency.

However, Vietnam also faces considerable challenges when the United States' protectionism policies and upcoming trade measures present a potential risk to the competitiveness of our exports, particularly processed goods and agricultural products. Fluctuations in exchange rates and global interest rate pressures may also present risks, affecting financial balance and borrowing costs. Moreover, prolonged international geopolitical instability creates a high-risk investment environment and disrupts critical trade flows.

The year 2025 represents a crucial period for Vietnam's economy, as it navigates significant challenges arising from the global business environment, while also offering numerous opportunities to leverage its competitive advantages within the supply chain. As a pillar of the financial system, the banking sector must keep accelerating its digital transformation and enhancing risk management practices to foster sustainable growth. Availability of flexible macroeconomic policies, acceleration of institutional reforms, and enhancement of the business environment quality are paramount for Vietnam to effectively navigate global economic fluctuations while growing robustly and ensuring long-term and sustainable growth.

HDBANK'S RISK MANAGEMENT

RISK MANAGEMENT SYSTEM

RISK MANAGEMENT IN 2024

In 2024, HDBank continued to maintain a good internal control system, built upon three pillars of Basel II and Circulars No. 41 and 13, which includes CAR calculation according to Basel (Pillar 1) standards, application of the internal capital adequacy assessment process - ICAAP (Pillar 2), and information disclosure (Pillar 3). Our aim is to adopt the International Financial Reporting Standard (IFRS 9) in 2024-2025, with advice from leading consulting firms in the market.

HDBank's capital adequacy ratios are always strictly managed within the SBV's prescribed limits. As of December 31, 2024, the standalone prudential ratios showed positive results, specifically: Capital Adequacy Ratio (CAR) (Basel II) reached 13.61%; separate Non-Performing Loan (NPL) ratio (according to Circular 31) was 1.28%; the ratio of short-term funds used for medium and long-term loans was 17.2%, lower than the regulatory limit of 30%; and the Loan-to-Deposit Ratio (LDR) was 68.5%, compared to the maximum limit of 85%.

We also continued to further improve our internal control system, risk management, and capital capacity through the implementation of the risk management standard Basel III with advice from leading consulting firms. The motivation for this effort is for HDBank to become one of the Vietnamese banks with a modern and sustainable risk management system that is committed to delivering the highest values for our customers.

Our number one priority has been fostering a risk management culture, which has been instilled across all employees through risk-related communications and training programs, etc. Notably, a team of operational risk management coordinators is being established at the first line of defense, ensuring a more effective and in-depth approach to risk management at each unit.

HDBank is also implementing ESG risk management and sustainable finance with advice from leading experts, focusing on developing five key components: (1) ESG Strategy & Governance, (2) ESG Risk Management, (3) Green & Sustainable Credit Framework, (4) ESG Reporting & Disclosure, and (5) ESG Reporting Tools. These efforts aim to support HDBank in implementing a comprehensive ESG strategy, enhancing risk management, assessing the green finance framework, and adopting advanced ESG reporting tools, thereby contributing to Vietnam's commitment to achieving Net Zero by 2050.

SYSTEM OF REGULATIONS, LIMITS, AND PRUDENTIAL RATIOS

The system of regulations, limits, and prudential ratios is continuously refined, ensuring compliance with international standards and the SBV's regulations.

The system of regulations is structured into three levels: Regulations (issued by the Board of Directors), Policies and Guidelines/Products (issued by the Chief Executive Officer), and all operations, that aim to standardize and ensure operational safety.

Since 2013, HDBank has successfully implemented a quality management system which aligns with ISO 9001:2018 and 5S methodology. Moreover, since 2023, we have been one of the pioneers in fully adopting Basel III.

In 2024, HDBank incorporated the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) into our periodic management and monitoring processes. Our limits related to credit transactions, money market transactions, and investments, along with prudential ratios such as liquidity, asset and liability management, etc., are regularly updated in alignment with the SBV's regulations and the nature of our operations.

INTERNAL CONTROL SYSTEM MODEL

HDBank has implemented an Internal Control System in accordance with the SBV's Circular No. 13 and the Basel Standards, which includes three (3) lines of defense and five (5) key activities as demonstrated in the following model:



OVERALL SUPERVISION BY THE MANAGEMENT

- Board of Supervisors
- Board of Directors (advised by Risk Management Committee)
- CEO (advised by ALCO & Risk Council)

TRANSACTION, CONTROL, AND APPROVAL

- Business Units
- Product Department of Retail/ Commercial Banking Division
- Credit Re-appraisal Center of Retail/ Commercial Banking Division
- Valuation Department/Council
- Disbursement Center
- Approval levels
- Debt Recovery Center (first line of defense)

RISK MANAGEMENT

- Risk Management Division
- Legal Department
- Compliance Department
- ALM Department (second line of defense)

CAR Management (ICAAP)

- Capital Management Council

INTERNAL AUDIT

- Internal Audit Department (third line of defense)

CONTROL, MONITORING AND INSPECTION SYSTEM

HDBank places special emphasis on our remote monitoring, control, and inspection system as the basis for detecting, warning, and preventing risks before, during, and after transactions.

The system applies multiple methods simultaneously, including automated checks through the IT system, periodic reviews by specialized control departments, or real-time checks during each transaction processing, in which HDBank has monitored suspect transactions (if any) on-site. HDBank also launches the Internal Control System Restructuring project with the goal of developing a flexible post-control model while providing more monitoring and early warning resources to facilitate effective risk management.

Reports on the results of on-site inspection and monitoring, along with specific data, analysis, warnings, and proposals, are promptly sent to the Board of Management and the Board of Directors for appropriate and timely instructions on response measures.

RISK MANAGEMENT ACTIVITIES

CREDIT RISK MANAGEMENT

In 2024, we successfully deployed the Probability of Default (PD) prediction model within our loan origination system, thus enabling objective and accurate credit risk assessment for informed and sound lending decisions. We also continue to apply various credit risk models, including machine learning models, to improve risk measurement and management as well as optimize credit approval decisions.

HDBank has established a rigorous, bank-wide credit granting system spanning from our Head Office to business units, including all stages from sales, appraisal, approval, disbursement to debt collection. The credit granting procedure is conducted independently across the proposal, appraisal/valuation, and approval stages, with clearly assigned responsibilities. HDBank has also established strict regulations on credit granting, collaterals, and loan structure limits by sector, purpose, and type of collateral to mitigate concentrated risks.

HDBank is developing and refining key control systems and tools, such as limit management, centralized approval, centralized disbursement and contract management, and debt monitoring systems. In 2024, we successfully upgraded our loan origination system and piloted the CLOS (Corporate Loan Origination System) and RLOS (Retail Loan Origination System) at selected business units, with further refinement expected in 2025. These two systems, provided by leading software companies, enable multi-channel credit application processing with speed, security, and effectiveness to best serve our customers.

Overdue debt recovery remains our top priority, driven by directions from the Board of Directors and Board of Management, and close, consistent collaboration from the Head Office to Business Units through the Debt Recovery Center, Business Divisions, and Regional Managers. HDBank conducted analyses and assessments for each customer and implemented flexible and effective NPL management strategies in alignment with government policies.

In 2024, despite post-COVID difficulties, challenges in the bond and real estate markets, underwhelming global economic recovery, geopolitical tensions, and climate change, the bank implemented various solutions in line with government policies, and controlled the separate and consolidated non-performing loan ratios (according to Circular 31) at 1.28% and 1.48%, respectively.

LIQUIDITY, INTEREST RATE AND MARKET RISK MANAGEMENT

In 2024, we continued to review our policy framework for risk management with regard to liquidity, banking book interest rates, and the markets, making necessary adjustments and updates to align with business operations and ensure operational safety.

The adoption of the Basel III standards not only ensured compliance with the SBV's regulations but also enhanced our risk management framework in line with international best practices.

With a focus on digital transformation, HDBank continued to deploy the Asset and Liability Management (ALM) software and the internal Fund Transfer Pricing (FTP) management system in 2024. This system allows us to manage risks of liquidity, daily interest rates, and balance sheet forecast, thus enhancing the efficiency of asset and liability management and optimizing profits, while ensuring compliance with regulations and risk limits.

Additionally, limit monitoring and warning in foreign exchange trading, securities investments, and derivatives were regularly and strictly implemented to ensure compliance with the prudential ratios as prescribed by the SBV.

In response to fluctuations in exchange rates, interest rates, bonds, and so on, in 2024, HDBank conducted a number of stress tests on market risks and liquidity risks, which showed that effective and safe operations were still ensured.

OPERATIONAL RISK MANAGEMENT

Our operational risk management has been enhanced with the roll-out of our modern Operational Risk Management Framework, which closely follows the law and international practices. The deployment of operational risk management tools has improved our ability to identify, measure, and monitor risks while detecting early warning signs, thereby strengthening internal governance and supporting overall business operations. This includes:

- The risk and control self-assessment (RCSA) process deployed alongside supporting software, which enables early detection of potential control vulnerabilities in operational processes, while promptly implementing preventive measures and corrective actions to enhance operational performance and ensure service quality.
- Other operational risk management tools such as Loss Data Collection (LDC), Key Risk Indicators (KRI) monitoring, and Business Continuity Management (BCM) are also implemented with the supporting software. These tools are reinforced by operational risk management principles in new product development, outsourcing, and operational risk insurance to ensure comprehensive and effective risk management.

For outsourcing, HDBank has established outsourcing regulations to identify, measure, monitor, and control operational risks, as well as management practices for outsourcing agreements.

We have also introduced an insurance strategy to mitigate operational risk losses in accordance with the law as well as our loss indemnification and financial capabilities.

One of our current focuses is payment- and card-related risk management, payment fraud prevention, and personal data protection. This includes methodological considerations and system solutions to ensure compliance with the law while minimizing potential losses.

CONCENTRATED RISK MANAGEMENT

HDBank continued to improve concentrated risk management in two main operations (in accordance with Circular 13), including credit granting and proprietary trading of foreign exchange and bonds. This is achieved by developing and implementing a rather rigorous risk limit system such as the maximum loan limit for one customer, one group of related customers, the maximum proportion of loans for one industry/sector, the proportion of proprietary trading for some foreign exchange/bond products, etc.

Furthermore, we have implemented and upgraded our management and identification system of related customers to ensure effective control in line with increasingly stringent regulatory requirements and international best practices.

HDBANK'S MAIN OBJECTIVES IN 2025

EXPAND SCALE, ACHIEVE OUTSTANDING GROWTH, AND ADVANCE WITH STRENGTH.

1. Outstanding scale growth, optimizing credit growth according to the limit approved by the SBV. Improve the quality of the loan portfolio by expanding lending to low-risk sectors, promoting green loan products, and environmentally friendly investment solutions.
2. Ensure that key financial ratios, operational efficiency, and adequacy indicators remain among the highest in the industry.
3. Achieve breakthrough growth in CASA to support the improvement of funding costs and enhance HDBank's pricing competitiveness by promoting cashless payment integration with schools, hospitals, medical facilities, and the transportation sector, while also expanding the merchant network and offering payment solution services.
4. Conclude the strategic transformation programs and hand over to BAU.
5. Undertake the compulsory transfer of DongA Commercial Joint Stock Bank. Implement support measures, coordination mechanisms, and integration efforts to optimize business performance and ensure seamless operations.
6. Select strategic investors and Banca partners; strengthen capital capacity and continue to reinforce the position of HDB shares in the stock market.

ACCELERATE ECOSYSTEM CUSTOMER GROWTH AND EXPAND DISTRIBUTION CHANNELS

1. Drive strong conversion of ecosystem customers to significantly increase HDBank's customer base in 2025.
2. Deploy customer onboarding platforms: Di-HDBank, VCF, R2, etc., with a focus on enhancing the customer journey experience.
3. Expand the network of payment agents and correspondent banks.

DELIVER INNOVATIVE PRODUCTS AND SERVICES

1. Launch new business segments, including leasing and custody services.
2. Enhance the integration of products and services to deliver Wealth Management and SME - MME solutions.
3. Establish mortgages, payroll, VCF, and investment banking services as HDBank's flagship product lines.
4. Introduce new and innovative products and services that meet the majority of customers' transaction needs, contributing to the promotion of a cashless society and reinforcing HDBank's goal of becoming a digital leader in the banking sector.

ENHANCE SPECIALIZATION, CENTRALIZE BUSINESS OPERATIONS, AND STRENGTHEN RISK MANAGEMENT AND OPERATIONAL CONTROL

1. Focus on the centralization and automation of credit approval and control processes.
2. Outsource operational functions such as appraisal and Contact Center.
3. Complete the Digital Core Banking projects including Thought Machine, Di-HDBank, iBanking, and CLOS/RLOS systems.
4. Apply technology to automate products and services across systems, from internal to external, to enhance customer experience.

DOGE, CULTURE, AND LEADING BRAND

1. Implement a performance-driven culture and enforce strict discipline.
2. Develop a sustainable risk management culture by integrating environmental, social, and governance (ESG) factors to cultivate a positive, green, and trustworthy bank image.
3. Restructure and streamline the workforce to enhance productivity, efficiency, and effectiveness. Strengthen training to enhance capabilities, and complete the competency framework and career roadmap under the outstanding human resources conversion program.
4. Reposition the brand and core values in alignment with the strategic positioning and branding of Vikki Bank (DAB).

SUSTAINABLE DEVELOPMENT OBJECTIVES

HDBank places sustainable development at the core of our strategic vision, demonstrating a firm commitment to integrating Environmental, Social, and Governance (ESG) principles across all aspects of our operations. Beyond maintaining our current achievements, we are dedicated to continuous improvement in stability, responsibilities to stakeholders, and solidifying our position as a leader in comprehensive and sustainable finance.

THE 2025 SUSTAINABLE DEVELOPMENT STRATEGY INCLUDES

- Establishing a comprehensive ESG strategy and governance framework.
- Mitigating ESG risks through internal training and risk control.
- Strengthening the green credit framework and developing sustainable financial products.
- Fostering partnerships to achieve our Net Zero Bank objective.

HDBANK'S LONG TERM OBJECTIVES INCLUDE

- Executing a comprehensive and sustainable financial strategy through the expansion of our financial product offerings.
- Promoting cooperation with international organizations, financial institutions, and domestic agencies to pave the way for achieving Net Zero Bank.



MEDIUM AND LONG TERM GOALS AND ORIENTATION

HDBank implements the five-year strategy (2021-2025) aiming to become the top profitable bank by 2025. We are also working to establish Happy Digital Bank as a national brand and achieve international recognition. HDBank's strategies focus on the following main goals:

- Expanding and strengthening the SME and retail segments.
- Diversifying the banking, insurance and investment product portfolio in combination with cross-selling and harnessing potential customer chains to attract more customers to the ecosystem.
- Developing products and services catering to the industry-specific needs and chain potentials, amplifying the strengths and scaling the models in rural and agricultural markets.
- Implementing end-to-end digitalization of the customer journey, business and sales activities, automating operational processes, developing local online banking and financial services, and transforming the website into a digital sales platform.
- Rebranding HDBank as Happy Digital Bank.
- Reorganizing the distribution channel network and opening new transaction points in potential markets to expand scale and increase profits.
- Developing human resources with excellent digital expertise, digital knowledge and information technology capabilities, and the ability to adapt and master technological advances in the digital era.

HDBank's long-term development goals include being the top Universal Banking Group in Vietnam and spearheading the new era of Digital Banking.

To this end, HDBank prioritizes three main pillars:



DELIVERING EXCELLENT DIGITAL CUSTOMER EXPERIENCE

HDBank is committed to providing customers with best-in-class digital banking experiences, including convenient online services, user-friendly interface, and professional customer service.



OPTIMIZING SYNERGIES WITH STRATEGIC PARTNERS

HDBank proactively collaborates with key partners to achieve network expansion, diversify product and service, and strengthen competitiveness.



DRIVING EFFICIENCY THROUGH EFFECTIVE ESG INITIATIVE IMPLEMENTATION

HDBank remains committed to conducting sustainable operations, protecting the environment, and contributing to the prosperity of our communities.

SOLIDARITY IN PARTNERSHIP

FOR BENEFITS THAT GROW TOGETHER

CHAPTER 3. 2024 BUSINESS PERFORMANCE

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2024 BUSINESS PERFORMANCE HIGHLIGHTS

BUSINESS PERFORMANCE OVERVIEW

With many challenges and difficulties, the year 2024 has concluded a turbulent yet hopeful journey filled with remarkable achievements. HDBank has successfully achieved our business objectives and established ourselves as a strong, secure, and sustainable financial institution that upholds employee benefits while delivering greater value to our customers and partners.

TOTAL ASSETS

697,366 VND billion

15.8% increase from 2023

PROFIT BEFORE TAX

16,730 VND billion

28,5% increase from 2023

- The total assets reached VND 697,366 billion, marking a 15.8% increase from 2023. This helped the bank maintain a high-growth trajectory and rank among the top joint-stock commercial banks in Vietnam by total asset size.
- HDBank's owner's equity stood at VND 56,657 billion, with charter capital rising from VND 29,076 billion to VND 35,101 billion through a 20% stock dividend payout in 2023, placing us among one of the top dividend-paying banks in the sector.
- The total credits stood at VND 437,731 billion, representing a 23.85% increase compared to 2023 and 100% completion of the planned target, which aligned with the credit growth target set out by the SBV. HDBank's credit growth in 2024 is higher than the sector average. The bank's lending strategy directed credit funding to sectors that are economic growth drivers, including agriculture, rural development, SMEs, supply chain financing, green credit, and tourism.
- Both deposit and credit growth were optimally balanced through various policies and promotions for customers. The total deposits reached VND 621,119 billion, up 15.7% compared to 2023, with deposits from customer deposits and valuable papers growing 23.0% (from 2023) to VND 518,855 billion, exceeding the planned target by 109.3%. This aligned with the credit growth trajectory, ensuring safety and efficiency in capital use and reinforcing HDBank's market position and customer trust.
- The profit before tax reached VND 16,730 billion, a 28.5% increase from 2023, with net interest income (NII) growing 39% to VND 30,857 billion and net interest margin (NIM) rising from 5.13% in 2023 to 5.58% in 2024. Provision for credit loss (PCL) and operating expenses are appropriately managed.
- ROA and ROE reached 2.04% and 25.7%, respectively, placing HDBank among the top banks in terms of profitability.
- The capital adequacy ratio (CAR, under Basel II standards) was 14.03%, higher than the SBV's minimum threshold of at least 8%.
- HDBank now serves more than 20 million customers, with 94% of retail transactions taking place on digital channels, which contributed to 80% of new customer acquisitions. HDBank launched various modern digital offerings that are well received, notably the Vikki Digital Bank.

HDBank has been selected by the Government and the SBV for the transfer of DongA Bank. Not only does this highlight the bank's strong financial foundation and extensive experience in restructuring projects, but it also creates opportunities for expansion, new business models, and significant value for our shareholders, customers, and partners.

In 2024, HDBank contributed to economic development and sustainability through programs and solutions aimed at easing customer difficulties. These initiatives helped translate the policies and directives of the Government and the SBV into practice, thus promoting socio-economic recovery and development programs. Some notable programs include:

- HDBank actively participated in social programs through a VND 12,000 billion preferential credit package to support customers in northern provinces and cities in restoring production, business operations, and rebuilding after Typhoon No. 3.
- Launched by the Prime Minister, the nationwide program for reducing temporary and dilapidated housing has received a VND 80 billion donation from HDBank and our subsidiaries combined, in the hope of spreading the spirit of community responsibility and solidarity.



KEY PERFORMANCE INDICATORS

Unit: VND Billion

INDICATORS	2022	2023	2024
1. Capital			
» Chartered capital	25,303	29,076	**35,101**
» Total assets	416,273	602,315	**697,366**
» Capital adequacy ratio (CAR)	13.4%	12.6%	**14.0%**
2. Business Performance			
» Deposits Mobilization(separate)	3,442,169	4,071,397	**5,617,198**
» Loan Disbursement(separate)	282,799	343,919	**452,422**
» Loan Collection (separate)	224,660	263,619	**366,646**
» Overdue loan	11,791	24,165	**29,471**
» Non-performing loan (NPL)	4,404	6,160	**8,556**
» Capital Efficiency Ratio	4.36%	6.75%	**4.69%**
» Overdue guarantees to total outstanding guarantees balance ratio	0.02%	1.94%	**0.12%**
» Overdue loan to total credit ratio (under SBV's Circular 11/2021/TT-NHNN and Circular 31/2024/TT-NHNN)	3.40%	5.18%	**5.07%**
» Non-performing loan to total credit ratio (under SBV's Circular 11/2021/TT-NHNN and Circular 31/2024/TT-NHNN)	1.27%	1.33%	**1.48%**
3. Liquidity Ratio			
» Current ratio	15.2%	22.47%	**20.10%**
» Overall liquidity ratio	61.4%	87.14%	**79.97%**

PERFORMANCE AGAINST AGM OBJECTIVES

HDBank delivered exceptional high-growth business performance in 2024, achieving or even surpassing the set targets.

Unit: VND billion, %

Indicators (Consolidated)	December 31, 2023	December 31, 2024	2024 AGM's planned targets	% 2024 Actual vs Plan
Total assets	602,315	697,366	700,958	99%
Charter capital	29,076	35,101	35,101	100%
Total deposits (*)	536,641	621,119	624,474	99%
Including customer deposits and valuable papers	421,716	518,855	474,681	109%
Total credit	353,441	437,731	438,420	100%
Non-performing loans (**)	1.33%	1.48%	≤ 2%	Pass
Profit before tax	13,017	16,730	15,852	106%
Profit after tax	10,336	13,248	12,601	105%
ROE after tax	24.2%	25.7%	24.6%	104%
ROA after tax	2.03%	2.04%	~2%	Pass

(Source: FY2023 and FY2024 audited consolidated financial statements)

(*) Total deposits include borrowings from the Government and the State Bank of Vietnam, customer deposits, valuable papers, trusted investment funds, deposits and lending from credit institutions.

(**) The non-performing loan ratio is calculated in accordance to SBV's Circular 11/2021/TT-NHNN and Circular 31/2024/TT-NHNN.

PROJECT INVESTMENT AND IMPLEMENTATION

In 2024, HDBank made several key strategic investments, including:

- **HD Securities Corporation (HDS):** HDS is now an affiliated company by 29.99% under ownership of HDBank. This investment allows us to expand our financial product portfolio and diversify our investments.
- **HD SAISON:** HDBank continues to fund HD SAISON, solidifying our long-term commitment to consumer finance.

These investments are part of our annual income and expenditure plan, and are anticipated to drive sustainable growth forward.

Regarding the new headquarter construction project in the Saigon Hi-Tech Park (SHTP), Thu Duc City, HDBank continues to invest in its completion to international standards, featuring modern, energy-saving, and environmentally friendly equipment based on a smart building model. This location will serve as a hub connecting major domestic and international technology enterprises and corporations, aimed at developing modern, feature-rich technology solutions for the finance and banking sector, as well as other industries and fields.

2024 DIVISION BUSINESS REPORT

RETAIL BANKING DIVISION

NEW CUSTOMERS

Over 2 million customers

Up 15.8% from 2023

SỐ DƯ HUY ĐỘNG

total deposits achieved an over 20%

YOY increase

IN 2024, THE RETAIL BANKING DIVISION ACHIEVED OUTSTANDING RESULTS:

1. **Customer growth:** Over 2 million new customers, contributing to a total of more than 6.3 million customers.
2. **Digital channel development:** Over 4 million customers, with 94% of personal banking transactions made digitally.
3. **Network expansion:** Strong growth in the number of customers in value chains and collaborators.
4. **Deposit growth:** The total deposits achieved an over 20% YOY increase, driven by the bank's strong reputation and customer base expansion.
5. **Effective roll-out of sales e-learning programs:** These activities include direct marketing and internal communication channels such as "Sport By Banker" and "Daily HDBanker," along with video competitions on social media (e.g., Facebook, TikTok).

At the same time, the Retail Banking Division launched several digital business projects, applications, and software solutions to provide the utmost convenience to customers. Some notable programs in 2024 include:

6. **Customer identification under Decision No. 2345:** Adopted NFC technology for customer data security.
7. **Development of the Happy Digital Sales System:** Provided end-to-end support across functional divisions, business units, and sales teams, thereby facilitating hundreds of thousands of successful sales.
8. **Digital banking:** Introduced unique features and a diverse portfolio of financial products on the Vikki app (including payment accounts, payroll accounts, savings accounts, automatic debits, virtual debit cards, etc.).
9. **RLOS software:** Offered end-to-end digitalization of loan processing, appraisal, and credit approval to minimize errors.
10. **Supply chain financing partnerships:** Partnered with major players to develop our supply chain financing network, credit card services, and card issuance tracking systems to boost customer acquisition.

2025 ACTION PLAN DIRECTION

Our focus for 2025 will be on efficient growth and market leadership for sustainable development, with the aim of strong customer growth, digital customer expansion, and profit maximization through three strategies, including adopting digital technology, advancing ESG-driven circular economy and green development, and promoting innovation.

To achieve these goals, we will continue to develop credit and banking services, manage credit quality, recover debts, promote digital banking, build flexible financial policies to support rural customers, ensure capital adequacy, and strengthen our partnerships. We will also focus on human resources development, innovation, employee benefits, and the cultivation of a decisive mindset.



CARD CENTER

Our 2024 focus is on sustainable development strategies with three main objectives, including diversifying card products, enhancing customer service, and optimizing operational processes.

Product diversification

To meet a wide range of customer needs, not only did we launch the HDBank JCB Ultimate card, but we also expanded our co-branded cards with Vietjet, Petrolimex, and HDBank Priority.

Better customer service

We consistently enhanced customer experience via in-app card delivery tracking and more advanced ATM services with QR- and ID-based cash withdrawal in Kiosk Banking. POS systems were also upgraded to include the Merchant Portal, e-receipts, and merchant onboarding. In addition, in-app card activation with e-PIN setup, transaction tracking settings, and enhanced card management system also enabled better security and compliance with international standards.

Operational optimization

Our documentation, processes, and credit policies were refined to ensure regulatory compliance and alignment with business demands. By implementing technology-based solutions, our processes, risk control, and automation were enhanced. The launch of the E-learning platform also facilitated more efficient job training.

We also developed policies for customer acquisition in new segments, including parents of Victoria School students, residents in real estate of our major partners, TikTok sellers, and SkyJoy members. Moreover, HDBank has launched engaging and diverse communication campaigns to boost customer transactions, and partnered with major brands such as Dien May Cho Lon (Cho Lon Electronics), Xanh SM, Vietjet Air, and Grab to introduce compelling promotions.

2025 ACTION PLAN DIRECTION

Our focus will be on sustainable development strategies and digital technology for better customer experience and operational efficiency. This plan will be executed through three key pillars:

» **Product and digital application development:**

- **Product personalization:** Introduce tailored credit cards for affluent customers (Infinite/World Elite).
- **Online experience optimization:** Launch cards tailored to online shoppers, enable card issuance via mBanking, and optimize online shopping experience. Introduce a wide range of in-app programs such as gamification (e.g., lucky spin, consumer challenge), to boost customer engagement and retention.

» **Stronger brand awareness and customer engagement:**

- **Stronger presence:** Increase HDBank card presence across multiple media channels and digital platforms. Launch the Educated Podcast to provide useful insights and information about HDBank credit cards.
- **Content creation:** Drive user-generated content through interactive activities.

» **Ecosystem and partnership expansion:**

- **Strengthened partnerships:** Expand strategic partnerships to scale HDBank's card ecosystem for more benefits for customers.
- **Payment method diversification:** Promote shifting toward contactless payments, such as QR codes, Apple Pay, and Google Pay.

» **Risk control:**

- Automated risk monitoring and rapid response to reduce costs and NPL ratio.



COMMERCIAL BANKING DIVISION

Amid economic challenges, HDBank's Commercial Banking Division has embraced the message "Green Mindset - Sustainable Growth," reflecting our optimism and flexibility to scale new heights. In 2024, we allocated resources to sustain business growth, expand the reach of green banking, and enhance offerings focusing on digital banking.

THE COMMERCIAL BANKING DIVISION ACHIEVED NOTABLE RESULTS:

Strong growth

The total credit was nearly VND 265,758 billion, serving almost 6,000 small businesses nationwide. Network expansion: The Commercial Customer Center has established 18 high-performance transaction offices nationwide, thus improving customer access and service.

Sustainable development

With a strong commitment to sustainable development, the Commercial Banking Division has fully integrated the Environmental and Social Risk Management System (ESRMS) regulations into our credit approval process for all corporate loans. We have organized training for all our employees and formed long-term partnerships with other companies. In 2024, HDBank's launch of the sustainable finance framework received positive assessments from Moody's Ratings. The aim of this framework is to attract investment via green and social bonds and secure medium-to-long-term funding for green and social impacts investment projects.

Digital adoption in business operations, offering comprehensive and convenient financial solutions, notably:

- **Partnership & Employee Banking:** Developing tailored digital finance/payment solutions for each partner, including:
  - **Di Payroll:** A payroll management solution for businesses.
  - **MediPay:** A platform for hospital registration and medical bill payments to save time and optimize patient experience, which has been launched at hundreds of medical facilities nationwide.
  - **EduPay:** A free-of-charge tuition lookup and payment platform designed for the convenience of parents and schools.
  - **Social Insurance:** Self-service kiosks for pension and social welfare payments.
- **Value-chain Financing Platform:** A supply chain financing platform that helps businesses manage and utilize credit limits effectively.
- **eCash:** An end-to-end cash collection system to help businesses manage their cash flow and optimize business operations.
- **Happy Digital Sales:** An online sales management solution that tracks the entire process from lead generation to transaction completion.

Through digital adoption, the Commercial Banking Division has improved operational efficiency, enhanced customer experience, and unlocked new partnership opportunities.

2025 ACTION PLAN DIRECTION

In 2025, the Commercial Banking Division will remain committed to achieving key business objectives while maintaining a balanced approach between business expansion and continuity in sustainable development. Our main objectives include:

- **Digital experience enhancement:** Optimize digital banking operations for a seamless and convenient customer journey.
- **Partnership expansion:** Strengthen our network of partnerships by actively connecting with strategic partners to build an open banking ecosystem.
- **ESG principles integration:** Integrate Environmental, Social, and Governance (ESG) principles into business operations, with the aim of sustainable development and long-term value creation for our stakeholders and the community.



CORPORATE AND INSTITUTIONAL BANKING DIVISION

In 2024, the Corporate and Institutional Banking Division experienced a relatively successful year. Despite economic challenges, the CIB leadership adopted a flexible business strategy, swiftly adapting to external difficulties while striving to meet assigned targets. The division reinforced key achievements and remained aligned with HDBank's sustainable development goals, guided by the theme "Green Mindset - Sustainable Growth."

2024 BUSINESS PERFORMANCE

IFC awards "The Fastest Growing Partner Bank" to HDBank

HDBank received the prestigious "The Fastest Growing Partner Bank" award from the International Finance Corporation (IFC) at the 2024 Global Trade Partners Conference. This recognition highlights the bank's outstanding efforts in expanding trade finance sales through IFC's guarantee lines. The annual conference, held in Barcelona, Spain, is one of the world's most prominent events in trade and commodity finance, bringing together over 500 leaders from more than 180 financial institutions and global businesses.

HDBank was first granted a trade finance line by IFC in April 2022, with an initial limit of USD 40 million. This was later increased to USD 70 million in November 2023 and further expanded to USD 120 million in January 2024. Currently, HDBank holds one of the highest IFC trade finance limits in Vietnam, enhancing our ability to provide financial solutions while supporting Vietnamese enterprises in accessing and competing within the global value chain.



Mr. Tran Hoai Nam - Deputy CEO of HDBank represented the Bank in receiving the award for "Partner with the Highest Trade Finance Revenue Growth Rate" at the Global Trade Partner Conference 2024.



ADB honored HDBank as the 'Leading Partner Bank in Vietnam' for the second consecutive time, significantly expanding cooperation in trade finance

ADB continues to recognize HDBank as the Leading Partner Bank in Vietnam

On September 3, 2024, HDBank was once again honored with the "Leading Partner Bank in Vietnam" award by the Asian Development Bank (ADB) under the Trade and Supply Chain Finance Program (TSCFP). This recognition reaffirms ADB's high regard for HDBank's excellence in risk management, transparency, and operational efficiency, as well as our role in facilitating trade and value chain activities between Vietnamese enterprises and international partners. As part of our collaboration with ADB, HDBank not only focuses on trade finance but also actively advances Environmental, Social, and Governance (ESG) initiatives.

On September 16, 2024, HDBank and Proparco signed a USD 50 million credit agreement, bringing Proparco's total credit commitment to HDBank to USD 100 million. This funding aims to support climate finance projects and empower women-owned businesses

This agreement underscores Proparco's trust and commitment in partnering with HDBank to achieve sustainable development goals.

Beyond enhancing capital capacity, this partnership further reinforces HDBank's dedication to implementing ESG (Environmental, Social, and Governance) principles in line with international standards.

HDBank strengthens and expands partnerships at the 57th ADB Annual Meeting in Tbilisi, Georgia

HDBank was among the selected Vietnamese banks invited to attend the 57th ABD Annual Meeting in Tbilisi, Georgia, an event that brought together over 10,000 partners from governments, financial institutions, businesses, non-governmental organizations, and many other organizations worldwide. Participation in this forum provided HDBank with a valuable opportunity to enhance our image and reputation, expand our network, explore new cooperation opportunities, exchange insights, and contribute to the shared goal of global development.

HDBank strengthens strategic partnerships at the 2024 World Bank/IMF Annual Meeting

At the 2024 World Bank/IMF Annual Meeting in Washington, D.C., USA, HDBank engaged with global financial leaders to discuss key economic trends, climate change, and pressing global challenges. Led by Chairman Kim Byoungho and Deputy Chief Executive Officer Tran Hoai Nam, the HDBank delegation held high-level meetings with major partners, including IFC, Citibank, and JPMorgan, while also fostering relationships with institutions such as JICA, FMO, and AIIB, etc. Through these discussions, HDBank reaffirmed our commitment to international cooperation, advancing bilateral and multilateral initiatives that facilitate capital access, knowledge exchange, and enhanced global competitiveness for Vietnamese enterprises.

Cashless payment solution

In October 2024, HDBank partnered with Vietnam Oil Corporation (PVOIL) to introduce payment and credit solutions for fuel purchases via the PVOIL 4U application. The app is designed to offer a seamless, secure, convenient, and modern fueling experience with numerous promotions. To date, thousands of HDBank accounts have been linked to PVOIL 4U.

Additionally, HDBank and Vietnam National Petroleum Group (PLX) continued their collaboration to accelerate cashless payment.

This initiative was successfully implemented across 2,500 PLX gas stations, driving a 50% YOY increase in total sales in 2024.

Successful integration of transactions via VietJet Air payment gateway

HDBank partnered with Galaxy Pay to implement international card payment solutions for Vietjet Aviation Joint Stock Company. Not only does this collaboration bring significant benefits to Vietjet customers but also enhances Vietjet's global payment acceptance, expands its international presence and business operations, and ensures compliance with the highest security standards.

Launch of digital cash collection service (eCash)

HDBank's CIB Division successfully introduced the Digital Cash Collection (eCash) solution, integrating cash collection with a digital platform for 32 stores under the Central Retail Group, including Mini Go, Come Home, Nguyen Kim, and Tops Market. This initiative helps businesses timely and efficiently manage widespread cash collection operations across multiple locations all over the country while minimizing risks associated with cash transportation.



ACTION PLAN DIRECTION

In 2025, HDBank's Corporate and Institutional Banking (CIB) Division will focus on strengthening and expanding partnerships while staying ahead of market trends to optimize operational efficiency and deliver added value to customers. The key strategic priorities include:

- **Partnership expansion:** Increasing credit limits with financial institutions to establish a solid foundation for future transactions and collaborations.
- **Customer development:** Expanding the corporate customer base, with a particular emphasis on attracting FDI enterprises.
- **Green finance:** Proactively seeking opportunities in green finance, including green credit and green bonds.
- **International cooperation:** Exploring partnerships with international payment intermediaries to enhance e-commerce payment solutions.
- **Increased capital sources:** Increasing demand deposits (CASA) to strengthen financial capacity.
- **Digital payment advocacy:** Accelerating the development of cashless and automated payment solutions, and offering cash collection services through the eCash application.
- **Risk management:** Ensuring efficiency and safety in credit-granting activities with strict bad debt control measures.

With these strategic directions, HDBank's CIB Division will continue to be a trusted financial partner for corporates and financial institutions, contributing to the bank's growth and the overall development of the economy.

TREASURY DIVISION

Amid the challenging financial and monetary landscape of 2024, HDBank has proactively adapted to market fluctuations while ensuring efficient and secure capital management. We have consistently reinforced our position and reputation in the monetary and capital markets, maintaining a leading role in capital transactions, investments, and currency trading. HDBank remains among the top banks in terms of market transaction volume. Notable achievements include:



Top 2 in outright transaction of Government bonds on the Hanoi Stock Exchange.

Top Banks with largest FX matching volume with customers.



Top 3 in proprietary trading of Government bonds on the Hanoi Stock Exchange.

Market maker for credit institution bonds and interbank capital trading and FX matching.

Digital transformation for improved operations and customer experience:

HDBank's Treasury Division continues to drive digital transformation to enhance operational efficiency and customer experience. The Treasury System, in operation for over four years, is undergoing a comprehensive upgrade and integration with the new Core Banking system, which automates transaction processing and risk management in compliance with State Bank regulations, market practices, and Basel standards.

Additionally, data analysis technologies from CEIC and Bloomberg are being leveraged to improve reporting capabilities and quantitative models. Online trading products, including foreign currency and gold trading, are being developed on Internet Banking and Mobile App platforms, delivering maximum convenience to customers.

Capital management activities:

In 2024, HDBank prioritized capital management by integrating professional business activities with the Financial Planning Division to ensure liquidity and safety indicators. The bank actively monitored the market, provided strategic advice, and successfully issued more than VND 48,000 billion in valuable papers, including VND 5,000 billion in bonds to the public at competitive interest rates. Additionally, HDBank completed our Sustainable Finance Framework in line with international standards set by the International Capital Market Association (ICMA) and the Loan Market Association (LMA), paving the way for capital mobilization through green bonds for sustainable projects that align with the framework's criteria.

Treasury activities in the interbank market:

In 2024, capital trading activities in the interbank market faced significant unpredictable fluctuations due to volatile interest rates. At the beginning of the year, interbank interest rates remained low but surged in the second quarter due to escalating exchange rate pressures. The divergence in monetary policy between Vietnam and the United States, with the FED maintaining high interest rates, exerted upward pressure on domestic interest rates. It was only when the FED signaled a potential rate cut in mid-September that the market began to stabilize. However, liquidity pressures and increased credit demand at the end of the year caused interest rates to rise again.

In response to these challenges, HDBank's Treasury Division closely tracked market movements, ensuring both safety and efficiency in business operations while sustaining growth in scale and market share. We also upheld our reputation, supported partners, maintained fair competition, and contributed to market regulation in alignment with the State Bank of Vietnam's policies.

Foreign exchange business:

In 2024, HDBank's foreign exchange trading activities took place amid significant market fluctuations, driven by the divergence in monetary policies between the State Bank of Vietnam and the U.S. Federal Reserve. The USD/VND exchange rate saw continuous increases, peaking mid-year and prompting the State Bank of Vietnam to intervene with management tools to stabilize the market. In this challenging environment, HDBank effectively leveraged our resources and capitalized on market opportunities to achieve substantial net profit growth from foreign exchange and derivatives trading compared to the previous year.

HDBank continued to advance our Treasury Sales model, expanded our portfolio of derivative products, and integrated digital solutions such as online foreign exchange trading, online gold trading, and digital marketing. As a result, foreign exchange trading volume with customers exceeded USD 8 billion, further strengthening HDBank's position in the foreign exchange market. Additionally, the bank is implementing the FX Platform project to enhance transaction efficiency and risk management, ensuring seamless integration with the new Core Banking system.

Investment and securities trading activities:

Securities investment and trading activities in 2024 faced numerous challenges due to global financial market volatility, conflicting monetary policies across countries, and high input capital interest rates. However, by diversifying our investment portfolio and prioritizing safe opportunities, HDBank maintained stable operations and achieved high business performance. The yield on 10-year Government bonds rose by more than 40 basis points, surpassing 2.7%. By year-end, profits from securities investment and trading continued their growth trajectory, contributing significantly to the bank's overall earnings. Furthermore, the Treasury Division remained an active participant in the government bond market through proprietary trading, Outright transactions, and Repo government bond activities. Notably, HDBank consistently ranked among the Top 10 largest trading members on the Hanoi Stock Exchange (HNX) in 2024.

2025 ACTION PLAN DIRECTION

In 2025, HDBank aims to strengthen our position in the interbank and foreign exchange markets, solidifying our leadership through transaction scale and reputation. We will focus on enhancing our ability to manage interest rate and exchange rate risks while leveraging market opportunities through advanced analysis and forecasting. Optimizing capital utilization, developing derivative products, and expanding our customer network will remain our key priorities. HDBank is committed to ranking among the Top 10 banks in foreign exchange transaction turnover with customers across the market.

In the field of securities investment, HDBank will restructure our portfolio while maintaining our standing among the Top 10 largest trading members in the market. Simultaneously, we will focus on strengthening our team's expertise and accelerating the application of technology in treasury operations and online transactions. Additionally, HDBank aims to ensure effective capital balance, support the issuance of medium- and long-term bonds, and prioritize financing for green credit projects. We will also seek access to "Green Bonds" in alignment with international standards, reinforcing our commitment to sustainable development.



BANCASSURANCE DIVISION

In 2024, the Vietnamese insurance market faced numerous challenges, including declining consumer confidence, regulatory changes, and macroeconomic impacts. In response, HDBank focused on enhancing the quality of our insurance business through providing in-depth training, increasing the number of certified employees, improving advisory services, and expanding our product portfolio.

HDBank reaffirmed our leading position in the life insurance market, achieving impressive sales growth driven by effective business strategies and strong customer trust. The bank placed a strong emphasis on developing a team of experienced professionals and leveraging modern technology to optimize the insurance consultation and purchasing process. HDBank is proud to be a pioneer in delivering exceptional customer experience, meeting all customer needs while strictly adhering to regulations. By integrating advanced technology with traditional management methods, HDBank ensures that all customer advisory processes are closely monitored.

To meet the evolving needs of customers and strengthen our competitive edge, HDBank prioritized insurance product diversification. This strategy not only expanded our offerings, attracted new customers, and increased revenue but also optimized business efficiency while reducing reliance on traditional services.

Alongside product diversification, HDBank continued to drive growth and promote our "Green Bank" values through a robust digital banking strategy. Digital services have streamlined transaction processes and extended customer reach. Notably, the "Vikki Safe" project introduced an online sales channel offering flexible insurance packages with simple procedures, catering to diverse customer needs.

Additionally, HDBank expanded the sale of fire and loan insurance via the HDI portal platform, simplifying and optimizing the application process to enhance convenience and efficiency for both our customers and employees.

ACTION PLAN DIRECTION

The prospects for HDBank's insurance business, alongside our banking operations, remain highly promising, particularly with the rise of digital technology and the growing demand for financial protection products. HDBank will prioritize investments in digital solutions to enhance operational efficiency and customer experience while simultaneously strengthening employee training to elevate service quality. This strategy will not only foster customer trust and loyalty but also enable HDBank to gain deeper insights into customer needs and ensure high-quality advisory services. By doing so, HDBank reaffirms our position as one of Vietnam's leading banks in insurance distribution in the sector.



INFORMATION TECHNOLOGY DIVISION

HDBank's Information Technology (IT) Division played a pivotal role in the bank's digital transformation journey, leaving a strong mark in 2024. The division continuously innovated and modernized its operation centers, technical infrastructure, security systems, and BDA Digital Core while ensuring system security and stability.

A standout achievement was the division's contribution to the Galaxy Innovation Hub Building, a symbol of technological advancement. The technology infrastructure within this facility enhances the application of technology in financial services through an IoT-powered smart building management system, optimizing performance, security, and cost efficiency while minimizing environmental impact. The newly established data center, built with cutting-edge technology and adhering to international standards, is fully equipped to meet the evolving IT needs of HDBank and our subsidiaries.

HDBank's Digital Core Banking Thought Machine project, a cutting-edge next-generation core banking solution, is progressing on schedule, ensuring technological leadership and effective cost management. The bank has successfully integrated customer and payment deposit function flows with Vault Core and collaborated with Thought Machine to conduct training and technology transfer on smart contracts in Singapore. The timely completion of smart contract development for deposit, loan, and overdraft products - catering to both retail and corporate customers - establishes a solid foundation for the next phase of integrating satellite systems. In preparation for the system's launch in 2025, HDBank's IT Division is working closely with relevant units to ensure the seamless deployment of the Di HDBank mobile application for retail customers and iBanking for corporate clients.



Seminar "Digital Core Thought Machine - Shaping the Digital Future" held on September 7, 2024, at the Galaxy Innovation Hub

» Cybersecurity and information security, particularly the protection of customer data, remain top priorities for HDBank's IT Division. We have successfully implemented ISO international standards for our Information Security Management System, IT Service Management System, and Privacy Information Management System, ensuring full compliance with government regulations.

» In 2024, alongside major projects, HDBank's IT Division has simultaneously implemented numerous key initiatives, making significant contributions to the bank's overall development. From technical analysis to system integration, IT components have been executed in a synchronized manner across all projects. The Vikki system has been operating smoothly, complemented by the successful deployment of the Vikki App and Muadee App. Additionally, the Division has actively supported technology investments for member companies such as HD SAISON and HD Securities. Key payment and connectivity projects with partners - including PEB, VCF, RLOS, Kiosk Banking, Data Governance, FX Platform, Front Arena upgrade, SWIFT MT to MX conversion, IFRS9, and Chatbot - have been rolled out in parallel. These initiatives aim to enhance operational efficiency and support HDBank's business objectives for the next phase.

2025 ACTION PLAN DIRECTION

In 2025, HDBank's IT Division will prioritize key projects to support the bank's business objectives. A primary focus will be the completion of the Digital Core Thought Machine project and other major ones, ensuring timely progress while minimizing risks. The Division will integrate HDBank Mobile Banking into the Digital Core platform, develop a modernized HDBank Mobile application, and optimize the overall customer journey. Additionally, efforts will be directed toward receiving, managing, and developing resources from technology partners such as FPT, AWS, and Thought Machine.

To facilitate the development of new products on the Digital Core platform, the Division will build advanced Smart Contracts. Strengthening infrastructure capacity will also be a key goal, including the establishment of a 24/7 monitoring system and infrastructure upgrades for major projects such as the Vikki App, Digital Core, and member companies. Furthermore, the Division will continue collaborating on projects of other business divisions and increase investments in cybersecurity and information security. Special emphasis will be placed on securing payment systems and core banking operations to ensure uninterrupted, secure services against technological risks.

DIGITAL TRANSFORMATION HIGHLIGHTS

THE NUMBER OF NEW CUSTOMERS ACQUIRED THROUGH DIGITAL CHANNELS

↑ 120%

DIGITAL TRANSACTIONS ACCOUNTED

for 94%
of total transactions

DIGITAL TRANSACTIONS

↑ 70%
surpassing 100 million transactions

ONLINE SAVINGS

↑ 70%

Through strategic leadership and a professional team, HDBank's Digital Transformation Center (DTC) attained significant achievements. Driven by a customer-centric approach, DTC's continued focus on digitalization contributed to HDBank's ranking as the third-fastest-growing joint-stock commercial bank for digital users, according to data.ai.

In 2024, the number of new customers acquired through digital channels increased by 120%, while digital transactions grew by 70%, surpassing 100 million transactions. Digital transactions accounted for 94% of total transactions, while online savings increased by 70%.

DTC launched 80 new features, including Flexible Loan, Common Group Fund, eKYC upgrades, data analytics dashboards, the smart sales tool Happy Digital Sales, and Vikki digital banking.

HD SAISON's account opening and shopping loan services attracted over 6.6 million customers, including 600,000 new customers, while facilitating the cross-selling of diverse financial products. Other successful initiatives included the Vietjet Agent Exclusive Benefits program and partnerships with Vinhomes, Victoria School, PVOIL, etc.

2025 ACTION PLAN DIRECTION

In 2025, DTC will continue to drive strategic goals, focusing on customer experience and operational optimization.

OPTIMIZING CUSTOMER EXPERIENCE

- Conduct more customer journey analyses to personalize products and services for potentially higher sales performance and lower drop-off rates.
- Apply machine learning and generative AI to automate processes, accelerate product roll-out, and improve data analysis capabilities for sales teams.

DEVELOPING DIGITAL PRODUCTS AND SERVICES

- Maintain and enhance the quality of existing products while researching and developing new ones; establish partnerships to deploy widely adopted services and introduce gamification experiences to increase program performance fivefold.

LEADING TECHNOLOGICAL TRENDS

- Adopt data analytics and optimize customer experience to reduce drop-off rates.
- Strengthen partnerships with Fintech and E-commerce players to develop unique, forward-thinking product and service bundles.

HDBANK'S MARKET STANDING

Overcoming market fluctuations, HDBank is always among the top banks with the highest and most sustainable growth. The bank has fulfilled its commitments to investors by consistently keeping ROE over 20% since 2018.

OVER A DECADE OF DRIVING SUSTAINABLE DEVELOPMENT

Over the past 35 years, HDBank has dedicated efforts to building our brand presence. Seven years after our initial public offering (IPO), our remarkable growth has positioned us as a leading bank, recognized for our success in retail banking, focus on agricultural and rural development funding, and pioneering role in the digital era.

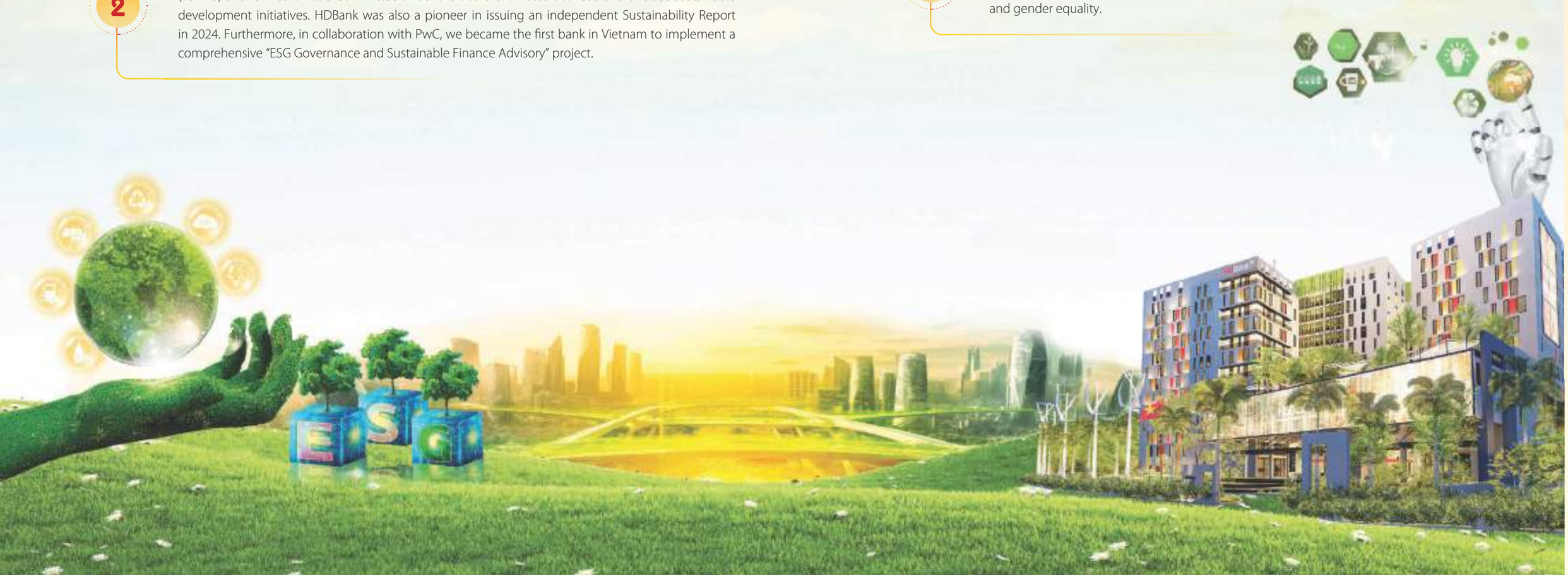
1. Building on our long-standing commitment to ESG, HDBank took the lead to offer green credit in Vietnam and quickly established ourselves as a market leader for the past years.

2. The year 2024 marks a significant milestone as HDBank continued to strengthen our market position as a pioneer in ESG efficiency. HDBank has established an Environmental and Social Risk Management System (ESRMS) and formed an ESG Committee under the Board of Directors to lead and oversee sustainable development initiatives. HDBank was also a pioneer in issuing an independent Sustainability Report in 2024. Furthermore, in collaboration with PwC, we became the first bank in Vietnam to implement a comprehensive "ESG Governance and Sustainable Finance Advisory" project.

3. In 2024, HDBank became the first private bank in Vietnam to issue USD 118 million equivalent in green bonds, drawing strong interest from investors. Prior to issuing green bonds, HDBank had already become one of the first banks in Vietnam to introduce a "Sustainable Finance Framework" in alignment with ICMA and LMA standards. This framework was developed with technical assistance from the International Finance Corporation (IFC), a member of the World Bank (WB), and received a "very good" rating from the international credit rating agency Moody's.

4. HDBank not only fosters green growth but also mobilizes medium to long-term capital through the issuance of green bonds. These funds are strategically allocated to projects that yield environmental benefits, mitigate CO_2 emissions, and contribute to the Government's objective of achieving carbon neutrality by 2050.

5. Furthermore, HDBank has consistently ranked among the Top 20 for Best Sustainability Index of the Ho Chi Minh Stock Exchange (HoSE) for six consecutive years and has been highly recognized by international financial institutions such as IFC, DEG, and Proparco for our efforts in climate finance and gender equality.



PIONEERING DIGITAL CULTURE AND BUSINESS

Following the "National Digital Transformation Program by 2025, with a Vision to 2030," HDBank has been leading the way in technology adoption for years, proudly offering a diverse portfolio of products and services to all customer segments. Today, 94% of customer transactions take place on digital channels.

These channels account for 80% of new customer acquisitions, with the total number of new customers surpassing 2 million. Transaction volumes surpassed 100 million, and digital deposit balances experienced exponential growth. Digitalization of the customer journey and operational processes, and application of big data analytics, robots, and AI in customer service were promoted for increased productivity and optimized costs. Many of HDBank's other growth indicators have also surged exponentially.

As part of the green and sustainable development strategy, HDBank has continued to integrate digital technology to better serve retail customers and small businesses located in developing rural and urban areas. The bank has successfully financed large-scale supply chains in these markets, which in turn generated big data that have significantly helped us increase digital customers and transactions in just a few years.

In particular, digitalization and big data capabilities have enabled HDBank to accelerate our growth strategy by diversifying customer segments and offering tailored financial advice and solutions, which have helped us deliver groundbreaking values to users. For example, HDBank offers service bundles for forestry, aquaculture, rice export, loan financing, guarantee financing, and payroll via HDBank card accounts, etc.

Various promotions and bespoke products have quickly attracted a large customer base, increasing HDBank's market share along with our efficient synergies and value chains in production and business activities. When it comes to our value chain financing strategy, we are working alongside businesses and farmers to seize growth opportunities within Vietnam's promising rice market, contributing to the sector's ambition of setting new records and achieving a stronger international presence.

Looking ahead, HDBank will remain steadfast in our quest for sustainable development, becoming a modern digital bank that actively contributes to the effective implementation of the Banking Sector Development Strategy by 2025, with a Vision to 2030 and the National Digital Transformation Program.



At the Banking Sector Digital Transformation 2024 event, the Prime Minister and the Governor of the State Bank of Vietnam visited HDBank's digital booth to view the Bank's digital initiatives

CONTINUOUSLY EXPANDING GROWTH OPPORTUNITIES

As a large commercial bank with 35 years of operational experience marked by safety, efficiency, and extensive expertise in restructuring financial institutions, HDBank has taken on major national initiatives in line with Vietnam's Communist Party's and the Government's vision to contribute to the stability and sustainable development of the banking system.

One of the most significant milestones in HDBank's growth and ecosystem expansion strategy is taking the transfer of DongA Bank, which brought in long-term value.

Twelve years after the successful merger of DaiA Bank into HDBank in 2013, HDBank once again leveraged M&A as both a core strength and a strategic move to foster synergies.

To achieve this, we will continue leveraging our strengths of extensive network, diversification, and high-quality retail banking offerings rooted in cutting-edge technology to meet customers' diversifying needs - particularly those in agriculture and rural areas.

SOCIAL RESPONSIBILITIES

Our spirit and morale have fueled our continuous efforts to extend love and support to the community, ensuring that no one is left behind while remaining steadfast in our sustainable development strategy.

Over the past few years, Vietnam's Communist Party and Government have consistently emphasized that the Happiness Index is one of the key factors for the country's harmonious and sustainable development. This has been reflected in Vietnam's rise of twelve places from 77th to 65th in the 2023 United Nations World Happiness Report.

Given this mission, HDBank - "Happy Digital Bank" has brought happiness to customers, employees, and the community through consumer credit, worker preferential loans, social housing partnerships, and personal finance management advisory via cutting-edge technology platforms among others, fostering a happy working environment for our employees.

Recently, HDBank has taken the initiative in fulfilling our social responsibility by supporting customers in business recovery after Typhoon No. 3. This is achieved through a VND 12,000 billion preferential credit package and providing rebuilding aid to people affected by natural disasters in northern provinces and cities. In 2024, HDBank and our subsidiaries contributed VND 80 billion to the nationwide program launched by the Prime Minister for reducing temporary and dilapidated houses.

As part of our expansion plan, we have recruited hundreds of new employees annually, offering them stable jobs and income. With 370 banking branches and transaction offices nationwide, HDBank has become a trusted bank for our customers and the Vietnamese people while making significant contributions to local budgets, fostering economic connectivity, job creation, and local growth and advancement.



HDBank employees supported the delivery of 3,000 bowls of loving Pho noodle soup to the people of Nu village (Lao Cai) who were affected by Typhoon Yagi, as part of "Pho Day"



HDBank continues to join hands in building warm houses and great solidarity houses nationwide

Our spirit and morale have fueled our continuous efforts to extend love and support to the community, ensuring that no one is left behind while remaining steadfast in our sustainable development strategy.

In 2024, HDBank spent VND 43 billion in infrastructure financing (e.g., building charity houses, rural bridges, restoring historical sites, etc.); education sponsorship (e.g., awarding scholarships, upgrading and building schools, offering gifts to the SOS Children's Villages, etc.); and medical support (free health insurance cards, eye surgeries, dialysis machines, etc.). For nearly two decades, HDBank's social care programs - such as donating health insurance cards and funding eye surgeries - have become an integral part of our brand in the hope of spreading love and support to those in need.

With a strong spirit of solidarity and care, HDBank employees nationwide regularly organize and participate in charitable activities, such as organizing blood donations, fundraising for disaster-affected communities, visiting elderly people in need, and hosting Mid-Autumn Festival and Children's Day celebrations for children in remote areas.

The year 2024 marked the 8th year of companionship between HDBank and the Vietnam Futsal League. Along with the success of the HDBank Cup International Chess Tournament of more than a decade since 2011, the remarkable feats of the Futsal League over the past seven years have helped bring Vietnam closer to the international community to provide deeper understanding of our country through chess and football - sports that unite people of all races and cultures.

HDBank also partnered with FPT Corporation to support the Ministry of Finance in resolving network congestion on HoSE. After 3 months, our co-developed system was successfully rolled out, handed over and put into operation seamlessly and securely on July 5, 2021, with a processing capacity 3-5 times greater than the legacy system. With a processing capacity of 3-5 million orders/day, the new trading system would meet the demands of HoSE and the market for at least the next 3-5 years, with HoSE taking ownership over the technology for future scale-ups.

25 prestigious titles and awards are well-deserved recognitions for HDBank in 2024. Among these is the Certificate of Merit by the People's Committee of Ho Chi Minh City for the bank's significant contribution to the state budget, marking 6 consecutive years of HDBank's outstanding contribution to the state budget.

In 2025, HDBank will continue to follow the 2021-2025 strategy to realize the goal of establishing ourselves as the bank for every family, while prioritizing green supply chains and agricultural and rural development in our journey toward sustainable development.

SUBSIDIARY OPERATION REPORT

HD SAISON FINANCE COMPANY LIMITED

Amidst a challenging global economic landscape, Vietnam's economy still demonstrates positive and resilient growth. A recovery in production and business activity, coupled with declining unemployment rates and rising incomes, has bolstered domestic purchasing power. This has fueled growth in the service and retail sectors, opening up significant opportunities for the consumer finance market.

Capitalizing on these dynamics, HD SAISON leveraged our deep market understanding, extensive nationwide network and diversified consumer loan portfolio to sustain our momentum and achieve robust growth in 2024. As of December 31, 2024, HD SAISON's total assets reached VND 19,648 billion, representing an 11.7% increase compared to 2023. In particular, outstanding customer loans reached VND 18,212 billion, reflecting a 13.2% credit growth. The non-performing loan (NPL) ratio was controlled at 7.4% and the capital adequacy ratio (CAR) stood at 23.4%, ensuring HD SAISON's balanced approach to effective growth and operational safety.

PROFIT BEFORE TAX

1,214 billion VND

83.9% compared to 2023

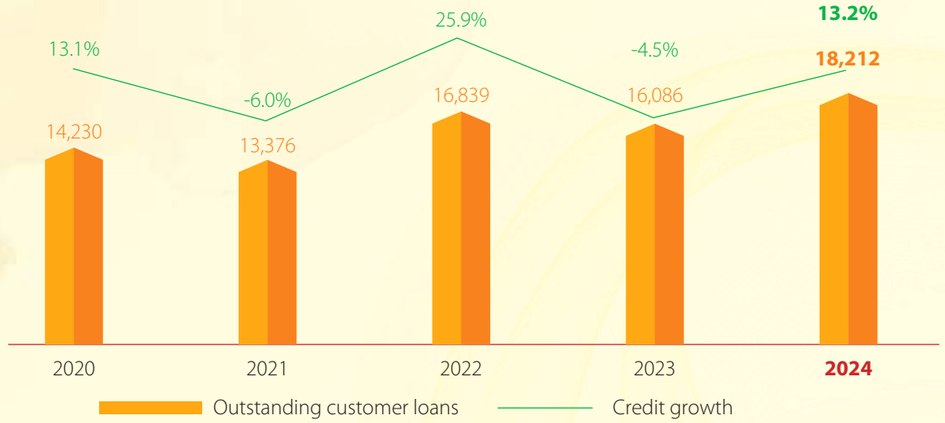
HD SAISON continued to advance our digitalization strategy, integrating technology for effective management, streamlining operational processes, improving debt collection, mitigating risks, increasing labor productivity, and optimizing costs. In addition to technological application, HD SAISON prioritized developing a highly skilled workforce to drive innovation in business strategies, further enhancing operational efficiency. Driven by robust expansion and strategic cost optimization initiatives, HD SAISON achieved a profit before tax of VND 1,214 billion, up 83.9% compared to 2023, with ROE and ROA reaching 23.7% and 5.2%, respectively.



GROWTH CHART

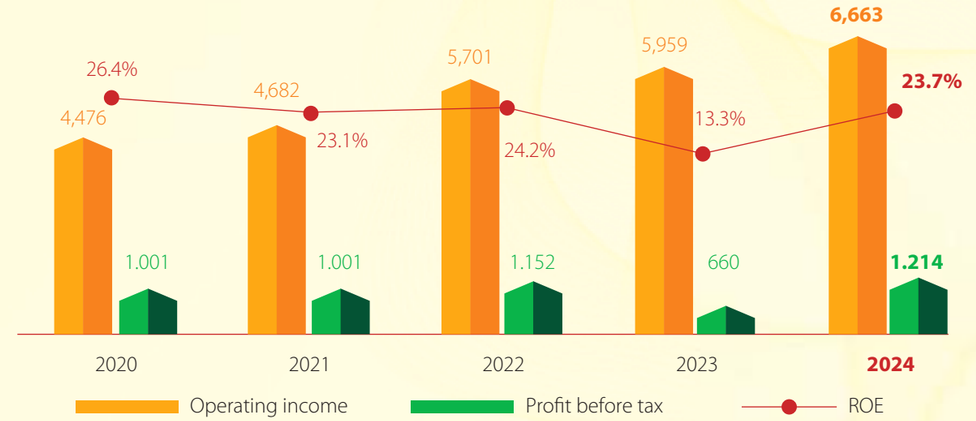
OUTSTANDING CUSTOMER LOANS

Unit: VND billion, %



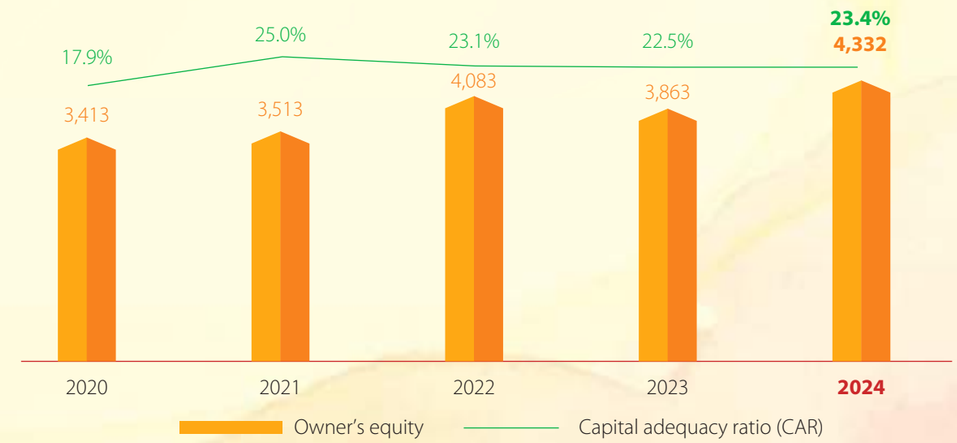
PROFIT BEFORE TAX

Unit: VND billion. %



OWNER'S EQUITY

Unit: VND billion. %



CORPORATE GOVERNANCE IN 2024

MANAGEMENT AND GOVERNANCE

There are no member changes in HD SAIGON Members' Council, Board of Supervisors, and General Director. This has enabled the Company to quickly align our strategy and provide consistent guidance, contributing to business development.

All members of the Members' Council, Board of Supervisors and General Director of HD SAISON consistently met the standards and requirements prescribed in the Law on Credit Institutions and relevant legal regulations.

MEMBERS' COUNCIL

The Members' Council of HD SAISON is composed of experienced professionals in the banking and finance sector, with extensive leadership experience for years in domestic and international organizations. The Members' Council consists of the following five members:

1. **Mr. Kosuke Mori -** Chairman of the Members' Council
2. **Mdm. Nguyen Thi Phuong Thao -** Permanent Vice Chairwoman of the Members' Council
3. **Mr. Pham Quoc Thanh -** Member of the Members' Council
4. **Mr. Koji Sugahara -** Member of the Members' Council
5. **Mr. Nguyen Huu Nhan -** Member of the Members' Council and General Director

The Members' Council serves as HD SAISON's highest decision-making body, operating on the principle of collective deliberation, with decisions approved within our authority by voting at meetings or via written opinions.

With timely and proper guidance and direction of the Members' Council, along with the determination and efforts of all employees, HD SAISON has achieved many successes in our business operations.

BOARD OF SUPERVISORS

The Board of Supervisors of HD SAISON monitors compliance with legal regulations and the company's charter in the management and operation by the management and executive officers of the Company. The Board of Supervisors consists of the following three members:

1. **Mdm. Ho Thu Trang -** Chief of the Board of Supervisors
2. **Mr. Nguyen Xuan Hoang -** Executive Member of the Board of Supervisors
3. **Mr. Takehiko Hayashi -** Non-executive Member of the Board of Supervisors

The Board of Supervisors works with management and executive officers in performing assigned functions and responsibilities, particularly in internal audit and monitoring activities. Through these activities, the Board of Supervisors provides recommendations and advice on measures to strengthen internal controls, mitigate risks, ensure compliance with legal regulations, and the Company's charter and internal policies, enhancing the quality, efficiency and safety of the Company's operations.

BOARD OF MANAGEMENT

- The Board of Management consists of the General Director and Deputy General Directors.
- The General Director, Mr. Nguyen Huu Nhan, is the legal representative of the Company and is accountable to the Members' Council and under the law for the daily operations of the Company. The General Director is responsible for managing and making decisions related to the Company's business-as-usual (BAU) activities in accordance with legal provisions, the Company's charter and resolutions of the Members' Council; and monitoring the implementation of Council resolutions.
- The Deputy General Directors assist the General Director in managing one or multiple areas of the Company's operations, as assigned by the General Director.

2025 ACTION PLAN DIRECTION

The Members' Council and Board of Management of HD SAISON remain committed to aligning the Company's development strategy with a long-term and sustainable approach. HD SAISON will continue to implement core tasks, including:

» Spearheading digital technology applications by optimizing automation and artificial intelligence (AI) across all business and operational activities, thereby increasing productivity, minimizing costs, boosting profitability, and expanding the reach of consumer credit across the country, contributing to the enhancement of the material and spiritual living standards, particularly for low- and middle-income individuals.

» Strengthening financial health and governance capacity by focusing on improving financial capacity in terms of scale, quality, and efficiency while ensuring system safety; being committed to doing business operations in an open and transparent manner, adhering to market mechanisms, fully meeting all governance and safety standards of banking operations in accordance with legal regulations and aligning with international best practices.

» Modernizing management practices on the basis of embracing and effectively utilizing advancements from the Fourth Industrial Revolution, ensuring compliance with the Government's criteria and indicators on digital transformation.

» Developing digital banking services based on a modern core banking system and IT infrastructure with interoperability capability, meeting management and operation requirements, and aligning with HD SAISON's needs, capabilities and resources; enhancing customer experience and convenience, driving comprehensive financial inclusion and sustainable growth through the application of latest advanced technologies in management, operation and product/service delivery towards process automation and business operation optimization.

DIGITAL TRANSFORMATION, PROCESS AUTOMATION, AND PRODUCT DEVELOPMENT PROGRAMS AND ACHIEVEMENTS

In 2024, HD SAISON continued to accelerate digital transformation in operations and product development, introducing numerous new initiatives to improve operational efficiency and meet the ever-increasing needs of customers.

With a customer-centric approach, HD SAISON continually refines our products/services, focusing on enhancing customer experience through digital data optimization, development and utilization.

HD SAISON has implemented electronic contracts across all sales channels, facilitating secure and fast transactions for customers. With this improvement, HD SAISON has optimized resource allocation for loan contract verification, storage, and security.

In addition, HD SAISON also applied citizen identification chip reading technology for customer identity authentication, strengthening security and mitigating risks in the lending process. This solution helped streamline data entry for customers, improve speed and accuracy of identification information collection, prevent impersonation fraud, and protect customer interests.

Capitalizing on the Sovico ecosystem, HD SAISON provided a diverse range of professional financial services and products to customers, including:

- Partnership with Vikki Digital Bank to offer convenient loan packages for Vikki app users.
- Collaboration with Vietjet to provide "Fly now - Pay later" services, enabling customers to access installment plans for air tickets within just five minutes.
- Cooperation with HDBank to integrate online payment account opening into the lending process, facilitating quick and easy access to online payment accounts for customers. Over 110,000 new payment accounts were opened in 2024.

SUSTAINABLE DEVELOPMENT GOALS AND ACTIONS (HD SAISON'S CONTRIBUTION TO ECONOMIC, ENVIRONMENTAL AND SOCIAL DEVELOPMENT)

HD SAISON - A JOURNEY OF A THOUSAND MILES TOWARDS SUSTAINABLE CONSUMER FINANCE

- Despite the challenging and volatile economic landscape in 2024, HD SAISON continues to affirm our commitment to becoming a reliable financial partner by maintaining stable growth and spreading genuine values, actively contributing to the economic, environmental, and social well-being of Vietnam.
- Driven by a robust digitalization strategy and a strong commitment to green consumer finance, HD SAISON always places economic, environmental and community benefits at the core of every business strategy. Each of our products and services not only addresses customers' financial needs but also contributes to building a prosperous society.

CONNECTING BUSINESS WITH COMMUNITY DEVELOPMENT

HD SAISON understands that business development must go hand in hand with social development. We have been implementing a variety of consumer finance programs targeting customer segments that contribute significantly to the nation's development.

VND 15,000 billion loan package for union members and workers

This initiative goes beyond a financial solution, representing a sharing spirit and companionship with the core workforce of the Vietnamese economy. With preferential interest rates up to 50% lower than the market, the VND15,000 billion loan package empowers millions of union members and workers to stabilize their lives, Enhance their quality of life and avoid loan sharking practices. This initiative has lit up hope and significantly improved the lives of union members and workers' families across the country.



Gratitude loan package for teachers and doctors

HD SAISON honors the silent contributions of every teacher and doctor to the education and healthcare sectors. Each loan serves as a profound expression of gratitude, a sincere appreciation to those who shape the future of our society.



Preferential loan package to support storm-affected customers

HD SAISON always stands by customers during challenging moments in life. This preferential loan package was swiftly implemented by HD SAISON, helping customers in storm-hit areas firmly overcome adversity, rebuild their lives and livelihoods.



Educational scholarship

Since 2016, HD SAISON's educational scholarship programs have been supporting hundreds of underprivileged students, enabling them to pursue education. We believe that investing in education is investing in the future, where dreams take flight and young generations are equipped with a strong foundation of knowledge.



PROMOTING GREEN CONSUMPTION AND DIGITAL TRANSFORMATION

Entering the digital era, HD SAISON is one of the pioneers in promoting green consumption and cashless payments, contributing to minimizing environmental impact and enhancing customer experience.

Non-physical credit card (virtual card)

HD SAISON encourages customers to use virtual cards for online payments, as they provide speed, convenience, and security while reducing waste from plastic cards and protecting the environment.

Cashless transaction promotion

HD SAISON cooperates with major e-commerce platforms, including Shopee, Lazada, Xanh SM, Be Group, and Grab to launch attractive incentives for using HD SAISON credit cards for payment. This partnership enhances customer savings and promotes cashless shopping habits, driving the national digital transformation efforts.

NATIONWIDE TRANSACTION NETWORK, BRINGING CONSUMER FINANCE TO EVERY HOME

HD SAISON constantly strives to provide accessible financial solutions, empowering customers to manage their finances and build a sustainable financial future. With over 26,388 service points nationwide, we ensure that everyone, from urban centers to remote areas, has the opportunity to access formal financial services, improving their living quality and contributing to sustainable societal development.

COMMITMENTS TO SUSTAINABLE CONSUMER FINANCE

At HD SAISON, bringing consumer finance to every home is our our missions. We perceive sustainable development not as a destination, but as a journey of a thousand miles, requiring perseverance, unwavering effort, and a spirit of companionship with the community.

In 2024, HD SAISON continued to spread trust, opportunities and aspirations for development across the nation through consumer financial products associated with social responsibility, promoting digital transformation and environmental protection. We are committed to leaving no one behind - every loan and product unlocks new opportunities for all walks of life, particularly low-income earners and vulnerable groups.

HD SAISON remains steadfast in our goal of being a pioneering digital consumer finance institution, accompanying customers and the community to building a green, prosperous, and sustainable Vietnam.



HD SECURITIES (HDS)

2024 BUSINESS OPERATIONS ACHIEVEMENTS

Key business strategies and achievements in 2024

CRITERIA

Unit: VND billion

Key indicators	2022	2023	2024
Total assets	4,289.19	2,566.95	7,686.12
Total Revenue	1,572.90	2,073.08	2,220.82
Profit before tax	453.79	249.23	674.45
Profit after tax	360.20	194.96	536.88



HDS honored at the ASIA Pacific outstanding brand awards 2024 ceremony

2025 OBJECTIVES

The company focuses on five key areas in 2025: Corporate Finance Advisory, Bond Distribution, Securities Brokerage, Capital Investment and Technology Investment. In Corporate Finance Advisory, we aim to increase the total value of securities issued by 33% compared to 2024, with a particular emphasis on promoting public offerings and expanding our client base. For Bond Distribution, we target to increase customer bond holdings by 41% compared to 2024, focusing on expanding our institutional client network. In Securities Brokerage, our objectives include increasing market share and margin balance, while promoting online brokerage to grow our retail customer base and restructure margin debt. The Capital Investment will prioritize investment in holding financial products to optimize returns and expanding proprietary trading in high-quality, large-cap stocks with solid fundamentals. Finally, HD SAISON will significantly invest in technology, including launching version 2.0 of our mobile and web application for customers, and version 1.0 for the sales force, fully automating individual bond transactions, promoting cooperation with SkyJoy, enhancing our fund distribution agent system, and integrating payment and collection services with other banks.

PRESTIGIOUS AWARDS AND RECOGNITIONS IN 2024



BUSINESS AWARDS

Leading Partner Bank in Vietnam - Asian Development Bank (ADB

Vietnam - Outstanding Issuing Bank - Dynamic Growth - International Finance Corporation (IFC)

Retail Bank of the Year (2024) - Asian Banking & Finance (ABF)



Top 25 Leading Listed Brands 2024 - Forbes



Vietnam National Brand 2024 - Vietnam Trade Promotion Agency, Ministry of Industry and Trade



Top 5 Prestigious and Effective Public Companies - Vietnam Report

Top 5 Prestigious and Effective Public Companies - Vietnam Report

Top 4 Prestigious Companies in the Banking & Insurance Sectors - Vietnam Report

Top 50 Vietnam the Best 2024 - Vietnam Report

Top 50 Vietnam the Best 2024 - Vietnam Report



Bank with the Best POS Network - NAPAS Member Conference 2024



Outstanding Bank in NAPAS 247 Growth Rate - NAPAS Member Conference 2024

GOVERNANCE AWARDS



Best Annual Report Awards - Companies in Financial Sectors (sixth consecutive year) - Vietnam Listed Company Awards (VLCA) 2024



Top 10 Companies with Best Corporate Governance - Large-Cap Group - Vietnam Listed Company Awards (VLCA) 2024



Best Annual General Meeting Organization (second consecutive year) - Vietnam Listed Company Awards (VLCA) 2024



Financial Large Cap Individual Investors' Best Choice - IR Awards 2024

DIGITAL TRANSFORMATION AWARDS



Mobile Banking & Payment Initiative of the Year (2024) - Asian Banking & Finance (ABF)



Certificate of Merit awarded to Galaxy Innovation Hub for exceptional achievements in the digital transformation in the Banking sector - State Bank of Vietnam



Quality Recognition Awards for both MT103 and MT202 international payments - J.P. Morgan Chase Bank

SUSTAINABLE DEVELOPMENT AWARDS



Best Companies to Work for in Asia 2024 (seventh consecutive year) - HR Asia



Sustainable Workplace - HR Asia



Best Green Financing in Vietnam - The Asian Banker Vietnam Excellence Awards



Top 100 Sustainable Businesses in 2024 (CSI100 2024) - VCCI



Best Bank for Sustainable Finance - The Asset



Green Bank of the Year - Better Choice Awards 2024



Banking Experience of the Year Vietnam 2024 - Global Business Review Magazine Awards



Outstanding CSR Activity and ESG Leadership (CSA50 2024) - Nhip Cau Dau Tu Magazine



Employer Voted by Internal Staff - Large Company - Career Viet



Top 10 Contributors to 15 Years of Government Bond Market Growth - Ministry of Finance

FOSTERING INNOVATION

FOR BENEFITS THAT EXCEL

CHAPTER 4. BOARD OF MANAGEMENT'S REPORT

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BOARD OF MANAGEMENT'S REPORT & ASSESSMENT



Members of the HDBank's Board of Directors and Executive Board

The global economic landscape is constantly shifting, and 2024 is no exception. The global economy maintained a positive yet uneven growth, with inflation declining closer to target levels, paving the way for major central banks to cut interest rates to ease global economic pressure. However, risks remain due to increased geopolitical tensions, the potential downturn of some major economies, public debt, budget deficits, and the rise of trade protectionism, which drove gold prices - a safe-haven asset - to record highs in 2024. In addition, global stock markets have witnessed turbulence due to carry trades. Donald Trump's re-election, along with his new economic policies, has also impacted the global economy.

In 2024, Vietnam's economy showed signs of recovery and improvement. The country remained among the fastest-growing economies in the region. However, internal weaknesses still require time to be fully addressed. Volatilities in the real estate and corporate bond markets, along with public concerns over high gold prices, also affected banking operations. This posed significant challenges for the SBV in balancing its objectives of controlling inflation and supporting economic growth while ensuring safe banking operations, as well as managing interest rate cuts alongside maintaining exchange rate stability.

Nevertheless, with the government's strong leadership, close collaboration with ministries and sectors, and the support of businesses and citizens, 2024 marked a year of success for Vietnam's banking sector, with several key achievements. Notably, most core banking operations were fully digitized (100%); over 90% of transactions at many Vietnamese banks were conducted digitally; the banking sector's profit before tax increased by 18% YOY, reflecting positive growth despite interlocking challenges. Through banks' effective control, non-performing loan ratios witnessed a slight decline compared to the beginning of the year.

OVERVIEW OF HDBANK'S PERFORMANCE

In 2024, HDBank remained committed to our green and sustainable development strategy, consistently integrating digital technology for retail customers and small businesses in developing rural and urban areas. We also took the lead in establishing an ESG Committee to oversee the sustainability report publication and initiatives, thereby raising awareness of ESG principles within Vietnam's business community. With the directions and strategies set by our Board of Directors and the timely and effective guidance of our leadership, we further improved our efficiency and prudential indicators, demonstrating our sound approach to sustainable development strategy.

We also continued to solidify our position as one of the top, universal retail banks with a strong foundation, good financial health, sustained high growth capacity, and consistent profitability over the years. The focus of our sustainable growth strategy and strong digital transformation has been on high-quality retail customers and SMEs, especially those in tier-2 urban areas and rural places within high-potential supply chains.

NOTABLE ACHIEVEMENTS

HDBank launched Vikki Digital Bank, a significant milestone in our "Digital Era" breakthrough strategy. With a modern digital finance platform, Vikki by HDBank was named "Digital Bank of the Year" by MasterCard at the annual awards ceremony recognizing excellence in finance, banking, and technology.

- The Galaxy Innovation Hub has integrated IoT (Internet of Things) technology to automate building management and operations, thereby enhancing performance, security, and cost savings while minimizing environmental impact.
- The Digital Core Banking Thought Machine project has been launched - a world-class, next-generation core banking solution, expected to be completed in Q2 2025.
- HDBank is among the first banks to implement biometric data collection and authentication in customer transactions, fully complying with Decision No. 2345 as per SBV's Circulars No. 17 and 18.
- The bank is honored to be selected for the implementation of the Government's Project 06, with over 200 hospitals nationwide signing agreements to use HDBank's Kiosk solution within the first six months of its roll-out.
- HDBank has launched the VikkiGO 3-in-1 card, which is free for customers to use on Ho Chi Minh City's first Metro line.
- HDBank was selected by the Government and SBV for the mandatory transfer of DongA Bank.

FINANCIAL PERFORMANCE

TOTAL ASSETS

697,366 VND billion

15.8% compared to 2023

Total consolidated assets have shown consistent growth over the past five years, with an average annual growth rate of 24.9% from 2019 to 2024. HDBank consistently maintained high asset quality with a low NPL ratio and a CAR that surpassed the regulatory requirements set by the State Bank of Vietnam, positioning it as one of the leading banks in terms of high CAR.

CHARTER CAPITAL

35,101 VND billion

Increased to VND 35,101 billion from VND 29,076 billion

HDBank has successfully distributed a substantial 30% dividend, comprising 10% in cash and 20% in shares, placing it among the industry's top dividend-paying banks.

CREDIT PERFORMANCE

Total credit

437,731 VND billion

23.85% compared to 2023

In 2024, HDBank's credit growth outpaced the industry average. The bank's lending strategy places an emphasis on credit funding to economic drivers, including agriculture, rural development, SMEs, supply chain financing, green credit, and tourism. HDBank's total credit reached VND 437,731 billion, marking a 23.85% increase compared to 2023. This growth was primarily driven by a significant 40% year-to-date expansion in lending to small and medium-sized enterprises (SMEs). HDBank's CMBC system, a strategic project designed to cultivate high-performance business models for corporate customers, has successfully established 18 transaction points nationwide, enabling more effective corporate customer engagement and services. Furthermore, HD SAISON's total credit expanded to VND 18,212 billion, representing a 13% year-over-year increase, making a substantial contribution to HDBank's consumer lending portfolio.

In 2024, an environmental and social risk assessment was implemented for 100% of the bank's credit facilities to corporate customers. For loans identified as having significant environmental and social risks, on-site due diligence has been conducted. All of these efforts were to improve customer awareness on environmental and social risks as well as to encourage actions and roadmap for risk mitigation. HDBank has committed substantial funding to green credit, underscoring its focus to sustainable growth and provides support for the science and technology sector, as well as SMEs. Recognized as a National Brand in 2024, HDBank has demonstrated outstanding performance in the financial market, contributing to economic development and enhancing Vietnam's standing on the global stage. Some highlights include the loan product of "Sustainable Agriculture - Bumper Crop", loan products for aquaculture economic development, loan products for distributors/agents and employees of anchor clients in partnership with HDBank (animal feed industry) and support for OCOP (One Commune One Product) product owners through OCOP fairs featuring 'Subsidy Vouchers' for products showcased during TikTok livestream events.

CREDIT QUALITY

Consolidated NPL ratio **1.48%**

Separate NPL ratio **1.28%**

Balance between credit growth, NPL control and sustainable development

In 2024, HDBank continues to improve credit quality and proactively identify potentially non-performing loans, enabling the implementation of preventative measures to mitigate emerging NPLs, cost optimization to facilitate reductions in loan interest rates. The Bank's NPL ratio, calculated in accordance with Circular No. 31/2024/TT-NHNN, has been maintained at 1.48%, achieving the targets set by the General Meeting of Shareholders and aligning with SBV's guidance of below 1.5%. As of December 31, 2024, the NPL coverage ratio reached 67.7%.

PROFIT BEFORE TAX

16,730 VND billion

28.5% compared to 2023

With remarkable efforts, HDBank's profit before tax reached 105.5% of the set target in 2024, a 28.5% increase year-over-year, driven by enhanced operational efficiency and adoption of digital transformation initiatives. Notably, net interest income rose by 39.1%. Operational costs and provisions for credit risks were effectively managed within established limits.

Concurrently, digitalization of the customer journey and operational processes, and the application of big data analytics, robots, and AI in customer service were promoted for increased productivity and optimized costs.

Digital business activities remained vibrant and achieved positive performance. As of December 31, 2024, 94% of individual customer financial transactions were conducted through digital platforms. Digital channels accounted for over 80% of new customer acquisitions. The volume of transactions and deposit balances on digital channels is experiencing exponential growth.

DEPOSITS

Total deposits

621,119 VND billion

increase/decrease of 15.7% compared to 2023

HDBank successfully maintained total capital mobilization growth in response to credit growth, ensuring the safe and efficient allocation of capital. Total mobilized capital reached 99.5% of the set targets. Notably, deposits from the digital banking channel experienced a significant increase of over 70% compared to 2023. Customer deposits account for over 70% of HDBank's total capital mobilization, with individual customer deposits representing the largest proportion, exceeding 76% of total customer deposits.

Additionally, HDBank is one of the pioneering banks to fund the "green revolution", proactively supporting the shift to sustainable and green economic growth, driven by mobilization and financing mechanisms for environmental protection projects. These include the issuance of a USD 50 million IFC green bond, VND 3 trillion in domestic green bonds, and a USD 50 million agreement with Proparco (increasing the bank's total credit limit up to USD 100 million). These funds are specifically designated to finance green (70%) and social (30%) projects.

CAPITAL ADEQUACY RATIO

Capital adequacy ratio (CAR) **14.03%**

With a Capital Adequacy Ratio (CAR under Basel II) of 14.03%, HDBank ranks among the highest in the industry. Furthermore, HDBank stands out as a frontrunner in the complete adoption of Basel III.

All other operational adequacy targets have achieved strong performance levels in the bank's sustainable development strategy that fully integrates environmental, social, and governance (ESG) factors in operations.

IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT

TECHNOLOGY ADVANCEMENTS WITH AN END TO END DIGITAL TRANSFORMATION PROGRAM

Aiming to become a "Happy Digital Bank," HDBank has led the digital transformation trend to deliver the best customer experience. In 2024, HDBank introduced cutting-edge digital solutions, enhancing our brand appeal in the market. HDBank's digital ecosystem has continued to expand, integrating different customer journeys. Our branches have been gradually evolving into digital business spaces, not only meeting traditional banking needs but also catering to a growing customer base that embraces digital technology.

» HDBank has also fully sponsored Kiosk MediPay, a smart healthcare digital solution, to support digital transformation in the healthcare sector, in line with the Government's and Ministry of Health's directives. The solution has enabled quick registration for medical services, standardized patient data through e-identification and e-authentication of patients' ID information with the Ministry of Public Security's RAR Center database, and facilitated 100% cashless hospital payments, where smart hospital payment accounts are linked with patients' medical care accounts and IDs.

» HDBank has launched the Petrolimex 4-in-1 card, integrating credit card, debit card, prepaid card, and Petrolimex ID (Petrolimex's loyalty account), making it easier for customers to transition into the card payment era.

» As a forerunner in digitalization through biometric technology, HDBank is one of the first banks to implement Decision No.2345, integrating biometric authentication simultaneously across all customer platforms, such as Mobile Banking, Muadee by HDBank, Vikki Digital Bank, transaction counters, and Internet Banking.

» HDBank is a pioneer in adopting the newest technologies, notably cardless cash withdrawal via in-app QR codes, allowing customers to withdraw cash anytime - without needing a physical card.

» By leveraging machine learning and digital transformation, HDBank has introduced one-touch in-app payments, enabling personalized transactions and ensuring a fast and seamless payment experience.

» Through the simultaneous roll-out of powerful digital solutions, HDBank has enhanced customer outreach and engagement through new, time-saving, and optimized experiences.

- The number of new customers grew by over 100% compared to 2023
- Online channels accounted for more than 80% of 2024 new customer acquisition
- The number of eBanking users increased by over 90% compared to 2023
- Total digital transactions rose by 72% from last year
- Digital transactions accounted for nearly 94% of 2024 retail financial transactions
- Online savings account balances grew by over 70% compared to 2023



A STRONG FOUNDATION FOR HIGH AND SUSTAINABLE GROWTH

Today, HDBank is not simply a bank with impressive financial indicators but a comprehensive ecosystem where different business segments complement and leverage one another. Under the visionary leadership of the Board of Directors and leadership, HDBank has evolved into a multi-sector ecosystem, where banking, aviation, energy, and real estate create unique synergies.

Understanding the future trends of Vietnam's younger generation, including increased experience, simplicity, personalization, and digital connectivity, and leveraging our existing high-potential customer and partner ecosystem, we have enhanced digital banking adoption - introducing payment infrastructure and unique e-wallet services. Our digital ecosystem connects existing customers and partners, forming a modern platform that meets essential and daily consumer needs. HDBank's in-app digital ecosystem of services has been developing and expanding its reach to meet customer needs - ranging from financial services (such as money transfers, account opening, stock trading, smart credit card statement management, savings, loan applications, and online gold trading) and online shopping to entertainment and travel, with features such as booking flights, train and bus tickets, taxis, flowers, and movie tickets.

SUSTAINABLE DEVELOPMENT STRATEGY WITH ESG RELATED INITIATIVES

In 2024, HDBank remained committed to our green and sustainable development strategy, consistently integrating digital technology for retail customers and small businesses in developing rural and urban areas. Green finance is not just a trend but a commitment, as HDBank develops renewable energy projects and improves environmental quality, aligning them with business operations to generate long-term value for stakeholders and the community. HDBank has been at the forefront of financing renewable energy projects, launching green credit products, and implementing technology solutions to minimize environmental impact, particularly carbon emissions.

» We also took the lead in establishing an ESG Committee to oversee the sustainability report publication and initiatives, raising awareness of ESG principles within Vietnam's business community.

» For many years, HDBank has worked closely with international financial institutions such as ADB, WB, IFC, Proparco, and DEG. Notably, ADB and Proparco have significantly increased HDBank's credit limit by hundreds of millions of USD.

» HDBank has received prestigious international awards, including the ADB's Green Deal Award (2019), The Asset's Best Bank for Sustainable Finance (2022), and most recently, The Asian Banker's Best Green Financing in Vietnam (August 2024).

» Alongside business achievements, HDBank actively participated in social programs, including a VND 12,000 billion preferential credit package to support post-Typhoon No. 3 economic recovery and a VND 80 billion contribution to the reducing temporary and dilapidated housing program launched by the Prime Minister.

WE HAVE CONTINUOUSLY ENHANCED OUR WORKFORCE QUALITY, IMPROVED OUR PRODUCTIVITY, AS WELL AS FOSTERED AND PROMOTED OUR CORPORATE CULTURE

NUMBER OF PERSONNEL

18,533 employees

10,592 of whom are HDBank staff

10,592 employees

6.8% compared to 2023

HDBANK EMPLOYEES WITH OVER 5 YEARS OF TENURE

38.9% of the total staff

AVERAGE INCOME OF HDBANK'S EMPLOYEES

29.5 VND million/month

27.1% compared to 2023

HDBANK IS THE ONLY BANK TO BE HONORED FOR 7 CONSECUTIVE YEARS AS ONE OF THE "BEST COMPANIES TO WORK FOR IN ASIA"

by HR Asia for seven consecutive years

In 2024, besides receiving the "Best Companies to Work for in Asia" award, HDBank was also honored as a "Sustainable Workplace," recognizing our efforts in building and fostering a happy workplace - a second home for HDBankers across the country.

Our collective strength, underpinned by the dedication of every employee - even in the smallest tasks - has created a positive ripple effect, fostering a spirit of competition and motivation for each person to contribute to the achievement of the bank's larger goals.

We have also consistently upheld our philosophy of sustainable development for many years by maintaining a professional workplace and implementing outstanding employee benefits, including performance-based bonuses, preferential interest rates, unsecured loan support, regular medical check-ups, international health insurance, and training and retraining programs.

To nurture talent, HDBank has launched various business competitions such as "Golden Coin Blossom," along with attractive rewards and recognition programs for outstanding employees. The "HDBank Next Leaders" and "m.MBA" programs are also in place to nurture key leadership talent among many others.

HDBank also continues to foster our human-centric corporate culture. We have made our mark through events such as our "HDBank in me" writing contest, "Charming HDBank" photo competition, "Our Career Stories" video contest, "CEO Speakout" dialogues, Sports Competition, "HDBank Morning Star" arts festival, and most notably our nationwide charitable activities. These events are the pride of HDBankers and help connect each member with the broader HDBank family, reflecting the passion and satisfaction of each member and serving as a platform for greater dynamism, innovation, and a sense of belonging.



BUSINESS PLAN GOALS AND DIRECTIONS

In 2025, the global economy is projected to experience stable growth, albeit below the long-term average. Global inflation is expected to decline, international trade to recover, the US dollar to appreciate, and global stock markets to rebound, while national policy trends undergo significant changes. Forecasts for 2025 global economic growth present both opportunities and challenges for Vietnam. In 2024, Vietnam's economy ranked among the highest-growing in the region and globally, paving the way for a promising new year. A number of international organizations maintain an optimistic outlook on Vietnam's 2025 economic prospects. With policy stability, digital transformation, and commitment to sustainable development, Vietnam has the potential to maintain its position as a growth leader in Southeast Asia and beyond.

The year 2025 presents both opportunities and challenges for the banking sector. Credit growth, digital transformation, and international capital flows will serve as key drivers of development. However, pressures from exchange rates, interest rates, and intense competition will require banks to be flexible. Experts suggest that innovation and effective risk management will be the key to advancing the banking sector within the global financial market.

HDBank is well-positioned to remain one of Vietnam's top-performing banks in 2025. By focusing on green credit, digital transformation, and sustainable development, we aim not only to expand our market share but also to enhance our brand value and make meaningful contributions to socio-economic development. HDBank will continue our strong transformation by integrating cutting-edge technology with a sustainable business model.

2025 BUSINESS PLAN

Item	2024	2025 plan	Growth vs. 2024
Total assets	697,366	890,442	28%
Charter capital	35,101	35,101	0%
Owner's equity	56,657	73,332	29%
Total deposits(*)	621,119	792,812	28%
In which: Customer deposits + Valuable papers issuance	518,855	661,271	27%
Total outstanding balance (**)	437,731	579,896	32%
Profit before tax	16,730	21,179	27%
Profit after tax	13,248	17,035	29%
ROE	25.7%	26.2%	2%
ROA	2.04%	2.15%	5%
NPL (in accordance with Circular 31/2024/TT-NHNN)(***)	1.48%	≤ 2.00%	

(*) Total deposits include: Government and State Bank borrowings, customer deposits, issuance of valuable papers, entrustment investment capital, and deposits and borrowings from credit institutions.

(**) Total credit balance must not exceed the credit growth limit approved by the State Bank of Vietnam.

(***) NPL ratio: calculated in accordance with Circular No. 31/2024/TT-NHNN.

2025 KEY OBJECTIVES

1 Significant scaling, outstanding growth, and robust expansion

- Outstanding scale growth, optimizing credit growth according to the limit approved by the SBV. Enhancing loan portfolio quality, expanding lending to low-risk sectors, green loan products, and environmentally responsible investment products.
- Maintaining top-tier performance in financial balance, operational efficiency and prudential ratios.
- Pursuing breakthrough CASA growth, enabling improvement of capital cost and price competitiveness of HDBank by accelerating the adoption of cashless payments in partnership with schools, hospitals, health facilities, transportation providers, merchants, etc., as well as marketing our suite of payment solutions.
- Concluding our strategic transformation programs and transitioning them to BAU.
- Completing the mandatory transfer of Dong A Commercial Joint Stock Bank. Implementing supportive, collaborative, and integrated measures to optimize business performance and ensure seamless operations.
- Select strategic investors and bancassurance partnerships; Enhancing capital capacity, and further solidifying HDB stocks' position in the securities market.

2 Robust growth of ecosystem's customers & distribution channel development

- Actively converting the ecosystem's customers to significantly expand the number of New to Bank customers in 2025.
- Implementing customer onboarding platforms: (Di-HDBank, VCF, R2, etc.), with an emphasis on improving customer journey.
- Developing our network of payment agents and correspondent banks.

3 Innovative products and services

- Introducing new business lines such as leasing and depository.
- Enhancing the integration of products and services to serve wealth management and SME-MME segments.
- Affirming that mortgages, payroll, VCF, and investment banking services are HDBank-branded products.
- Developing and implementing innovative financial products and services that meet the majority of customers' financial transaction demands, driving our contribution to a cashless economy and reinforcing our position as a leader in digital banking.

4 Specialization and centralization of business activities, risk management and operations

- Centralizing and automating credit approval and control processes.
- Outsourcing operations of valuation and Contact Center.
- Completing the Digital Core Banking Thought Machine, Di-HDBank, IBanking, and CLOS/RLOS projects.
- Adopting technology to automate products and services in both internal and external systems, hence improving customer experience.

5 DOGE, Culture and Top Brand

- Implementing a culture of enforcement and upholding robust discipline.
- Fostering a sustainable risk management culture by integrating environmental, social, and governance factors to build a positive, green, and trustworthy banking brand.
- Restructuring and streamlining our human resources to enhance performance, efficiency, and effectiveness. Increasing capacity-building training, completing the competency framework and career path for the talent transformation program.
- Repositioning HDBank's brand and core values, together with identifying and positioning Vikki Bank's (DAB) strategy and brand.

EXPLANATION OF THE BOARD OF MANAGEMENT TO AUDITORS' OPINIONS

PwC Vietnam Limited gives no qualified opinion, emphasis of matter or other matter on the 2024 financial statements of Ho Chi Minh City Development Joint Stock Commercial Bank.



EFFECTIVE GOVERNANCE
LEADING TO SUSTAINABLE BENEFITS

CHAPTER 5. CORPORATE GOVERNANCE

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NOTABLE CORPORATE GOVERNANCE ACHIEVEMENTS IN 2024

- Honored to be named among the Top 10 "Companies with Best Corporate Governance - Large-Cap Group" at the 2024 Vietnam Listed Company Awards (VLCA) - a prestigious annual event jointly organized by HOSE, HNX, and Vietnam Investment Review.
- Selected for the fifth consecutive year for the Vietnam Sustainability Index (VNSI), which comprises the Top 20 listed companies with the best sustainability index, among the 100 largest listed companies and comprehensively assessed across three ESG pillars.
- Honored for the second consecutive year with two prestigious awards, the "Best Annual Report" and "Listed Company Award - the Best AGM Oganizer".
- Established the Environmental, Social and Governance (ESG) Committee, aiming to accelerate the implementation of the ESG standards, which will contribute to enhancing operational efficiency, improving competitiveness, and ensuring HDBank's sustainable development, while demonstrating our commitment to the environment and society.
- Promulgated regulations specifying the functions, duties and operation regimes of each Committee to enhance professionalism and efficiency in their operations.
- Issued the first Sustainability Report, which quantifies and discloses information on HDBank's operational performance against ESG standards, and financial performance. This clearly demonstrates our commitment to sustainable development and our responsibility to all stakeholders.
- Successfully organized our 2024 Annual General Meeting of Shareholders (FY2023) on April 26, 2024, with strong shareholder consensus in approving the Reports and Proposals of the Board of Directors, the Board of Supervisors, and the Board of Management. In addition, the Board of Directors mandated the implementation of two rounds of shareholders' poll in writing on matters within the authority of the General Meeting of Shareholders, and in compliance with the regulations.
- Successfully completed 30% of the dividend payouts (10% in cash and 20% in shares) as committed and in compliance with the resolution of the General Meeting of Shareholders.



Members of HDBank's Board of Directors at the 2024 Annual General Meeting of Shareholders

PARTICIPATION IN CORPORATE GOVERNANCE PROGRAMS IN 2024

Corporate governance training courses attended by members of the Board of Directors, the Board of Supervisors, the CEO, other managers, and the Secretary in compliance with corporate governance regulations:

- Corporate governance training courses, Corporate Governance Seminars for the Board members, and the Directors Summit organized by SK Group (South Korea).
- The "Enhancing Corporate Governance Capacity for Listed Companies" conference organized by the State Securities Commission and the Vietnam Institute of Directors (VIOD).



THE BOARD OF DIRECTORS' ASSESSMENT OF THE BANK

THE BOARD OF DIRECTORS' ASSESSMENT OF THE BANK'S 2024 PERFORMANCE

In 2024, thanks to the strategic and sensitive leadership of the Board of Directors, the decisive management of the Board of Management and the consensus and best efforts of all employees, HDBank has overcome challenges of both domestic and global economies to record impressive achievements, continuing to affirm the solid position in the Vietnamese financial market.

HDBank's Board of Directors consists of leaders with a harmonious combination of extensive experience and innovative thinking. Their diverse expertise and deep understanding of both the Vietnamese and international markets enable the Bank to make wise decisions that align with market developments. Additionally, the Board places strong emphasis on building a transparent and effective governance system that aligns with international standards and protects shareholders' interests. By the end of 2024, HDBank continued to grow impressively in both scale and efficiency, achieving and exceeding most of the 2024 planned targets approved by the General Meeting of Shareholders, gradually approaching the goal of our five-year strategy (2021-2025), while adhering to limits and prudential ratios.

While accelerating business development for a significant leap forward and enhanced market position, HDBank remains strongly committed to asset quality management and risk governance. As a pioneering bank in fully adopting Basel III standards for risk management, with a consistently low NPL ratio, HDBank has been highly regarded by our partners and credit rating agencies regarding our strong performance, robust asset quality, and abundant liquidity reserves.

Not only focusing on business performance, HDBank is also one of the leading banks in promoting digital transformation and sustainable development. The Bank is committed to providing customers with a convenient and secure experience while contributing to the digitalization of Vietnam's economy. Furthermore, HDBank has been working on integrating digital technology to serve retail customers and small businesses located in developing rural and urban areas.

HDBank has affirmed the pioneering position in Green Banking and sustainable development by offering a wide range of green and sustainable financial products and services, demonstrating a strong commitment to environmental protection and community well-being. As the first bank in Vietnam to adopt ESG standards, HDBank launched an Environmental and Social Risk Management System (ESMS) for all corporate loans in 2024 and established an ESG Committee under the Board of Directors. The Bank also pioneered in publishing a sustainability report and promoting inclusive and sustainable finance in tier-2 cities and rural areas, alongside practical corporate social responsibility programs. These efforts have gained international recognition, with awards from ADB and The Asian Banker, a consistent Top 20 ranking in the VNSI for 6 consecutive years, and high appreciation from IFC, DEG, and Proparco for achievements in gender and climate finance.

HDBank maintains a consistent policy that harmonizes the interests of the Bank, customers, shareholders, and investors. This is reflected in the successful distribution of a 10% cash dividend and a 20% stock dividend in accordance with the Resolution, continuing the Bank's tradition of paying high dividends every year. The Bank places great emphasis on building trustworthy relationships with shareholders and investors through a dedicated investor relations team, transparent and timely information disclosure, and the organization of regular, professional dialogue events which have been highly appreciated by both domestic and international investors. Notably, HDBank continued to be honored at the 2024 Vietnam Listed Company Awards (VLCA), organized by the Ho Chi Minh Stock Exchange (HOSE), the Hanoi Stock Exchange (HNX), and Institutional Investment Newspaper, receiving three major awards: "Best Annual Report" (for the sixth consecutive year), "Listed Company Award - the Best AGM Oganizer" (for the second consecutive year), and "the Excellence in Corporate Governance Award (Large Cap)", reaffirming the Bank's commitment to transparency, advanced governance, and sustainable development.



Mr. Kim Byoungho - Chairman, Independent Board Member

REVIEW OF THE CEO AND BOARD OF MANAGEMENT'S PERFORMANCE IN 2024

Amidst a highly volatile economic landscape in 2024, the CEO and Board of Management have demonstrated exceptional leadership and capability. Giving the top priority to the benefits of the Bank as well as the shareholders, the CEO and Board of Management have made great efforts with responsibility, flexibly and decisively managed the Bank's activities.

By closely managing all activities and effectively implementing the resolutions of the General Meeting of Shareholders and the Board of Directors, the CEO and Board of Management have successfully fulfilled their 2024 assigned tasks. HDBank's impressive business results in 2024 clearly demonstrated the flexible leadership and strict compliance with the law as well as the Bank's risk management regulations.

In addition to focusing on business performance, the CEO and Board of Management also place great importance on building a professional and transparent working environment that encourages creativity and innovation, contributing to building a united and strong HDBank.

GOVERNANCE AND MANAGEMENT DIRECTION OF THE BOARD OF DIRECTORS IN 2025

With a sustainable development strategy aimed at reinforcing our brand value and maximizing benefits for our customers, investors, employees, and the community, HDBank will focus on the following key tasks in 2025 and the coming years:

To direct and supervise the decisive and flexible implementation of action programs that respond to market movements and leverage all business advantages to achieve the 2025 growth targets approved by the GMS.

To accelerate the adoption of the ESG standards in order to improve operational efficiency and enhance the competitiveness towards sustainable development as well as demonstrate HDBank's responsibility to the environment and society.

To streamline the organizational structure, improve human resource quality, and create a working culture aimed at high performance and efficiency.

To continue to increase investment in technology, digitizing all the Bank's operations to optimize operational efficiency, enhance governance capacity and competitiveness in the market.

To promote the handling and recovery of NPLs, improve credit quality, and refine our risk management system towards modernization, efficiency, and alignment with international best practices and standards.

To implement the bank's governance in line with the ASEAN Corporate Governance Scorecard standards, strengthening the roles and responsibilities of the Board of Directors and the Board's Committees in directing and supervising HDBank's operations, ensuring transparency, objectivity, and a harmonious balance of interests among our stakeholders.

To implement restructuring plans when suitable opportunities arise.

STRUCTURE AND TASK ASSIGNMENT OF THE BOARD OF DIRECTORS

HDBank's Board of Directors consists of 07 members, including 02 independent members, with 06 out of 7 members being non-executive members, and the Chairman of the Board of Directors is an independent member.

All HDBank's Board members are highly experienced and reputable in the sector, ensuring fulfillment of the standards and criteria of a board member or an independent member, and the requirements regarding prohibited concurrent positions as stipulated by law, the Charter, and internal regulations of HDBank.

The details are as follows:

No.	Member	Title in the Board of Directors	Date joined/left the Board of Directors		Ownership percentage	Position(s) at other organization(s)
			Date of appointment	Date of dismissal		
1	**Kim Byoungho**	Chairman Independent member	April 29, 2022		0%	Board member - SK Inc., Korea
2	**Mdm. Nguyen Thi Phuong Thao**	Permanent Vice Chairwoman	June 30, 2005		3.722%	Chairwoman of the Board of Directors, and CEO - Sovico Group Joint Stock Company Chairwoman - Vietjet Aviation Joint Stock Company Permanent Vice Chairwoman of the Members' Council - HD SAISON Finance Co., Ltd Chairwoman of the Members' Council - Sunflower Sunny Investment Co., Ltd
3	**Nguyen Huu Dang**	Vice Chairman	December 31, 2010		2.746%	
4	**Nguyen Thanh Do**	Vice Chairman	April 21, 2017		0.009%	Council member - Hoa Binh University
5	**Luu Duc Khanh**	Vice Chairman	July 03, 2009		0.29%	Board member - Vietjet Aviation Joint Stock Company
6	**Le Manh Dung**	Independent member	April 29, 2022		0%	Vietnam Representative - DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH
7	**Pham Quoc Thanh**	Board member cum Chief Executive Officer	April 26, 2023		0,232%	Member of the Members' Council - HD SAISON Finance Co., Ltd

TASK ASSIGNMENT OF THE BOARD OF DIRECTORS

To fulfill the rights and obligations of the Board of Directors as stipulated in the Law on Credit Institutions, the Law on Enterprises, the Charter of HDBank, and other relevant legal documents, HDBank's Board members are assigned the following duties:

Board member	Duties
Mr. Kim Byoungho Independent Chairman	» Provide comprehensive leadership, direction, and management over all Board of Directors' overall operations; » Be responsible and accountable for HDBank's development strategy and restructuring plan; » Be responsible for external affairs and relationships with strategic partners, both domestically and internationally; » Support financial investment and shareholder relations activities; and » Chairman of the ESG Committee and Chairman of the Banking Technology Committee.
Mdm. Nguyen Thi Phuong Thao Permanent Vice Chairwoman	» Directly resolve issues on behalf of the Chairman of the Board of Directors as authorized by the Chairman; » Be on standby to handle daily affairs within the Board of Directors' scope of responsibility; » Chairwoman of the Human Resources Committee, Chairwoman of the Credit Supervision Committee, and Member of the ESG Committee.
Mr. Nguyen Huu Dang Vice Chairman	» Be responsible for network development and human resources across the bank; » Chairman of the Risk Management Committee, Member of the Human Resources Committee, Member of the Credit Supervision Committee, Member of the ESG Committee, and Member of the Banking Technology Committee.
Mr. Nguyen Thanh Do Vice Chairman	» Be responsible for the operations of the Board of Directors Office; » Manage the Northern Region's operations on behalf of the Board of Directors; » Support the Board of Directors in external affairs; » Member of the Human Resources Committee and Member of the Risk Management Committee.
Mr. Luu Duc Khanh Vice Chairman	» Assist the Board of Directors in directing the implementation of strategic plans; » Member of the Risk Management Committee, Member of the Credit Supervision Committee, and Member of the ESG Committee.
Mr. Le Manh Dung Independent Member	» Monitor the balance sheet, performance indicators and prudential ratios of the bank; » Member of the Human Resources Committee, Member of the Risk Management Committee, and Member of the ESG Committee.
Mr. Pham Quoc Thanh Board Member cum Chief Executive Officer	» Directly lead and manage the operations of HDBank, ensure the implementation of the resolutions and decisions of the Board of Directors across the bank; » Member of the Human Resources Committee, Member of the Risk Management Committee, Member of the Credit Supervision Committee, and Member of the ESG Committee.

REPORT ON THE PERFORMANCE OF THE BOARD OF DIRECTORS AND INDEPENDENT BOARD MEMBERS IN 2024

In 2024, the Board of Directors effectively fulfilled their leadership role in HDBank's governance. The Specialized Committees played a crucial role in advising the Board of Directors on decisions in their respective areas, assisting the Board of Management in implementing key development programs and projects, and significantly contributing to HDBank's performance.

As the governing body responsible for directing, supervising and assessing the bank's operations, the HDBank Board of Directors holds regular discussions and gathers input from Board Members based on the majority rule. This process enables the Board to consolidate diverse perspectives and reach final decisions on various operations of the bank.



Mr. Pham Quoc Thanh, CEO of HDBank, answers shareholders' questions

KEY ACTIVITIES OF THE BOARD OF DIRECTORS IN 2024

The Board of Directors successfully organized the 2024 Annual General Meeting of Shareholders (FY2023) on April 26, 2024, achieving strong consensus among shareholders in approving the reports and proposals submitted by the Board of Directors, the Board of Supervisors, and the Board of Management. The Board also mandated the implementation of two rounds of shareholders' written poll on matters within the authority of the General Meeting of Shareholders, and in compliance with the regulations.

In 2024, the Board of Directors held five meetings with the participation of Board Members, the Chief of the Board of Supervisors, the Chief Executive Officer, and observers representing investors holding HDBank's convertible bonds.

The attendance of the Board Members at 2024 Board meetings was as follows:

No.	Member	Number of meetings attended	Percentage of meetings attended	Note
1	**Mr. Kim Byoungho**	05/05	100%	
2	**Mdm. Nguyen Thi Phuong Thao**	05/05	100%	
3	**Mr. Luu Duc Khanh**	05/05	100%	
4	**Mr. Nguyen Thanh Do**	05/05	100%	
5	**Mr. Nguyen Huu Dang**	05/05	100%	
7	**Mr. Le Manh Dung**	05/05	100%	
8	**Mr. Pham Quoc Thanh**	05/05	100%	

Besides those meetings, the Board of Directors organized 120 written polls among Board Members on matters within the authority of the Board of Directors.

27 Resolutions and 166 Decisions of the Board of Directors on matters approved through meetings or written polls among Board Members, provided crucial guidance for the Board of Management to ensure safe and effective business operations.

The Board of Directors successfully fulfilled their roles and responsibilities in developing and issuing internal management regulations, ensuring compliance with the laws, and striving to adopt leading international best practices and standards in the bank's governance across all operational areas.

ACTIVITIES OF INDEPENDENT BOARD MEMBERS IN 2024

The Independent Board Members maintained full attendance at Board meetings and meetings of Committees to which they were assigned. They actively engaged in reviewing, analyzing, and providing objective, insightful comments and recommendations to improve operational quality, making significant contributions to the bank's sustainable development. Independent Board Members participate in the following Committees: Human Resources Committee, Risk Management Committee, ESG Committee, and Banking Technology Committee.

REPORT ON THE PERFORMANCE OF THE BOARD COMMITTEES



There are 5 Committees under HDBank's Board of Directors, including the Human Resources Committee, Risk Management Committee, Credit Supervision Committee, ESG Committee, and Banking Technology Committee. The Committees operate under the regulations set by the Board of Directors, convening regular meetings or conducting written polls among Board members to advise and suggest solutions to the Board of Directors on matters within their authority concerning the bank's governance and management.

The Board members are assigned to relevant Specialized Committees where they play a vital leadership role by offering important guidance in developing, reviewing, and refining strategic tasks, and overseeing the implementation.

The Committees' operations in 2024 are summarized as below:

RISK MANAGEMENT COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The major functions of the Risk Management Committee are to advise the Board of Directors on the formulation, issuance, updating, and implementation of risk management policies in banking operations in compliance with legal regulations and the Charter of HDBank; advise the Board of Directors on risk management matters with respect to approval decisions; issue warnings regarding any potential risks and their preventive measures; and advise the Board of Directors on resolving challenges and limitations in risk management practices.

COMMITTEE MEMBERS

MR. NGUYEN HUU DANG

Vice Chairman of the Board of Directors - Chairman of the Committee

(Mr. Nguyen Huu Dang ceased to serve as the Chairman and Member of the Risk Management Committee as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. NGUYEN THANH DO

Vice Chairman of the Board of Directors - Committee Member

(Mr. Nguyen Thanh Do served as the Chairman of the Risk Management Committee as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. LUU DUC KHANH

Vice Chairman of the Board of Directors - Committee Member

MR. LE MANH DUNG

Independent Board Member - Committee Member

MR. PHAM QUOC THANH

Board Member, Chief Executive Officer - Committee Member

MS. NGUYEN MAI TRAM

Head of Credit Risk Management Department - Committee Secretary

ACTIVITY HIGHLIGHTS

In 2024, the Risk Management Committee convened four quarterly meetings, attended by its members and leadership from relevant Divisions/Departments.

Key activities of the Risk Management Committee in 2024 included:

- Monitoring the implementation of strategic programs sponsored by the Committee, as well as other projects related to risk management;
- Advising the Board of Directors on formulation and issuance of HDBank and HD SAISON's risk management policies;
- Advising the Board of Directors to monitor the compliance with SBV's regulations on the bank's prudential ratios and HDBank's regulations on risk appetite, risk limits, and credit risk, liquidity risk, interest rate risk, exchange rate risk, and operational risk; and implementing the recommendations of the State Bank Inspectorate/External Auditor/Internal Auditor, and overseeing the execution of the Committee's meeting conclusions;
- Assisting the Board of Directors in overseeing bad debt recovery, identify causes and proposing solutions.

DIRECTIONS

The Risk Management Committee continues to monitor compliance with risk management policies in the bank's operations, evaluating their relevance and effectiveness; oversee the progress of projects aimed at enhancing technology adoption in risk management and implementing international standards as recommended. Based on that, the Committee can provide recommendations to the Board of Management and advice to the Board of Directors, enabling timely direction and decision-making to ensure effective risk management and optimize business performance.

HUMAN RESOURCES COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The Human Resources Committee is the advisor of the Board of Directors in issuing internal personnel policies and regulations within its authority; recruiting/appointing/reappointing senior management positions; and reviewing the appropriateness of existing HR policies to ensure alignment with legal regulations and actual practices.

COMMITTEE MEMBERS

MDM. NGUYEN THI PHUONG THAO

Permanent Vice Chairwoman of the Board of Directors - Chairwoman of the Committee

MR. NGUYEN HUU DANG

Vice Chairman of the Board of Directors - Committee Member

(Mr. Nguyen Huu Dang ceased to serve as Member of the Human Resources Committee as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. NGUYEN THANH DO

Vice Chairman of the Board of Directors - Committee Member

MR. LE MANH DUNG

Independent Board Member - Committee Member

MR. PHAM QUOC THANH

Board Member, Chief Executive Officer - Committee Member

MR. PHAM VAN DAU

Chief Financial Officer cum Director of HR Division - Committee Secretary

ACTIVITY HIGHLIGHTS

In 2024, the Human Resources Committee convened five meetings to review the execution of directives concerning human resource management and human resource operational quality of HDBank.

The Human Resources Committee assisted the Board of Directors in directing the Board of Management and Human Resources Division to implement tasks for enhancing human resource operational quality in HDBank, including reviewing, finalizing, and submitting new Compensation and Benefits Policy and Employee Policy to the Board of Directors for approval; implementing the rotation of Branch Directors to foster development within units, enhancing management capabilities, and mitigating wrong-doings; increasing training, building a talent pipeline, and creating promotion opportunities to increase the rate of internal appointments; developing a long-term recruitment strategy aligned with current situations and future development trends; and enforcing strict measures against violations of regulations and professional ethics, etc.

In addition, the Human Resources Committee also assisted TMO and relevant units in executing strategic programs under its sponsorship, ensuring their effective implementation and delivering valuable outcomes to HDBank.

DIRECTIONS

- Advise the Board of Directors in finalizing organizational structure and policies for effective human resource management.
- Advise the Board of Directors on issues related to training, recruitment and human resource development in order to build a professional and friendly working environment with competitive compensation, creating motivation for all employees and enhancing HDBank's employer brand.
- Advise the Board of Directors in digitizing all workflows to facilitate reporting, data management, and human resource management.

CREDIT SUPERVISION COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The Credit Supervision Committee is the advisor of the Board of Directors in approving credit policies; approving the credit facilities within the authority of the Board of Directors; supervising credit approval levels under the Board of Management in credit approval for loans to one client, or one client and their related person, with a value of at least 1% of HDBank's equity, or at least 5% of HDBank's charter capital and/or equivalent to at least VND 500 billion in accordance with HDBank's applicable regulations.

COMMITTEE MEMBERS

MDM. NGUYEN THI PHUONG THAO

Permanent Vice Chairwoman of the Board of Directors - Chairwoman of the Committee

MR. LUU DUC KHANH

Vice Chairman of the Board of Directors - Committee Member

MR. PHAM QUOC THANH

Member of the Board of Directors - Committee Member

MR. THAI MINH TU

Head of the Commercial Credit Center - Committee Secretary

MS. NGUYEN THI THU HANG

Head of Retail Reappraisal Department - Committee Secretary

ACTIVITY HIGHLIGHTS

In 2024, the Credit Supervision Committee conducted four quarterly meetings and eight written polls for the purposes of:

- Assisting the Board of Directors in monitoring the implementation of credit growth plan by the Board of Management, focusing on scale and quality to ensure safety, efficiency, and compliance with established directives;
- Advising the Board of Directors in approving credit facilities to customers under its authority;
- Assisting the Board of Directors in overseeing approval of credit facilities under the approval authority of the CEO and/or Credit Council and/or person authorized by the CEO extended to one client, or one client and their related person, with a value of at least 1% of HDBank's equity, or at least 5% of HDBank's charter capital and/or equivalent to at least VND 500 billion in accordance with HDBank's applicable regulations.

DIRECTIONS

- Advise the Board of Directors in directing and supervising the Board of Management in the approval and development orientation of credit, ensuring timely adjustments in response to actual practices to effectively utilize the credit growth limit for 2025, supporting economic growth, expanding scale, and enhancing the bank's position while maintaining credit quality and controlling overdue and bad debt ratios within the limits.
- For any credit applications within the approving authority of the Board of Directors submitted by the Credit Approval Unit under the Board of Management (with the Credit Reappraisal Section acting as the point of contact), the Credit Supervision Committee reviews, studies and offers its recommendations before submitting to the Board of Directors for consideration.

ESG COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The ESG Committee shall advise and assist the Board of Directors, carrying out tasks assigned or authorized by the Board of Directors in directing, planning and implementing business strategies, investment strategies, and ESG policies to secure sustainable development for HDBank, studying, appraising and assessing the investment projects under the decision-making authority of the Board of Directors.

COMMITTEE MEMBERS

MR. KIM BYOUNGHO

Chairman of the Board of Directors - Chairman of the Committee

MDM. NGUYEN THI PHUONG THAO

Permanent Vice Chairwoman of the Board of Directors - Committee Member

MR. NGUYEN HUU DANG

Vice Chairman of the Board of Directors - Committee Member

(Mr. Nguyen Huu Dang ceased to serve as Member of the ESG Committee as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. LUU DUC KHANH

Vice Chairman of the Board of Directors - Committee Member

MR. LE MANH DUNG

Independent Board Member - Committee Member

MDM. LE THI BANG TAM

Advisor to the Board of Directors - Committee Member

MR. CHU VIET CUONG

Advisor to the Board of Directors - Committee Member

MR. PHAM VAN DAU

Chief Financial Officer - Committee Secretary

ACTIVITY HIGHLIGHTS

In 2024, the ESG Committee convened four meetings, attended by its members, members of the Board of Management and relevant Divisions/Departments to discuss and advise the Board of Directors on ESG-related matters, investments, development and implementation of strategies, including:

- Implementing tasks outlined in the ESG Strategy Implementation Plan across all aspects of the Bank's operations;
- Developing a business plan and orientation for the Bank's operations in 2024;
- Implementing tasks and action plans aligned with the approved 2024 business plan;
- Participating in the program of restructuring banking system in accordance with the SBV's policy;
- Implementing transformation programs under new orientation, especially those sponsored by the Committee, thereby enhancing the Bank's operational quality;
- Finalizing capital contribution to a securities company as approved by the General Meeting of Shareholders;
- Carrying out investor relations activities, searching for and selecting strategic investors.

DIRECTIONS

- Assist the Board of Directors in directing the refinement of HDBank's organizational structure to be more streamlined and effective, ensuring optimization of resources, improving competitiveness, and enhancing cost-effectiveness.
- Advise the Board of Directors in directing, monitoring and actively supporting the Board of Management to implement strategic projects.
- To further advise and assist the Board of Directors in:
  - Providing direction and guidance on establishing specific goals, policies, and action plans for ESG implementation;
  - Directing and closely monitoring the implementation of approved policies, programs, and solutions to ensure the effective application of ESG standards across all operations, ensuring the Bank's sustainable growth while contributing to economic development, healthy environment, and social stability, delivering maximum benefits to stakeholders.



BANKING TECHNOLOGY COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The Banking Technology Committee shall advise the Board of Directors in issuing policies and strategies for IT development under its authority; and making decisions about investments in adoption of cutting-edge technology in banking operations.

COMMITTEE MEMBERS

MR. KIM BYOUNGHO

Chairman of the Board of Directors - Chairman of the Committee

MR. NGUYEN HUU DANG

Vice Chairman of the Board of Directors - Committee Member

(Mr. Nguyen Huu Dang ceased to serve as Member of the Banking Technology Committee as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. TRAN THANH HAI (JIMMY)

Chief Technology Officer - Committee Member

MR. LE VAN THANH

Assistant to the Permanent Vice Chairwoman of the Board of Directors - Committee Member (as of December 31, 2024 under Decision No. 448/2024/QD-HDQT)

MR. NGUYEN PHUC DUONG

Director of Information Technology and Digital Banking Division - Committee Member

MR. TRUONG QUOC AN

Head of Technology Infrastructure Management Center - Information Technology and Digital Banking Division - Committee Secretary

ACTIVITY HIGHLIGHTS

In 2024, the Banking Technology Committee convened four meetings to discuss and advise the Board of Directors on the following matters:

- HDBank's technology budget plan 2024.
- Implementation timeline of major technology projects that are strategically important to the Bank, such as transformation programs sponsored by the Banking Technology Committee; Digital Core Banking project; Vikki project; MasterCard and Apple Pay collaboration projects; and projects focused on developing online transaction products (e.g., card issuance, savings, lending, and bond trading).
- Development of modern technology solutions for launching products to increase CASA and foster business development.
- Cooperation agreements between HDBank and partnering technology firms, ensuring transparent legal framework to enable long-term partnership.

DIRECTIONS

- Advise and assist the Board of Directors in directing the Board of Management to implement key technology projects, ensuring the projects are completed on schedule with minimal risk.
- Advise and assist the Board of Directors in approving and monitoring the use of the 2025 technology budget.

REPORT OF THE BOARD OF SUPERVISORS

MEMBER OF THE BOARD OF SUPERVISORS

As of December 31, 2024, HDBank's Board of Supervisors for the 2022 - 2027 term has four full time members, meeting requirements of qualifications and conditions stipulated by law and HDBank.

Below is the list of members the Board of Supervisors and the quantity of HDBank shares held by each member as of December 31, 2024:

NO.	FULL NAME	TITLE	OWNERSHIP RATIO
1	**Mr. Dao Duy Tuong**	Chief of the Board of Supervisors	
2	**Ms. Duong Thi Thu**	Member of the Board of Supervisors	
3	**Ms. Bui Thi Kieu Oanh**	Member of the Board of Supervisors	
4	**Mr. Nguyen Le Hieu**	Member of the Board of Supervisors	

FUNCTIONS AND RESPONSIBILITIES OF THE BOARD OF SUPERVISORS

In accordance with its responsibilities under the legislation, SBV's regulations, HDBank's Charter, and the Regulation of the Board of Supervisors, the Board of Supervisors has successfully accomplished the following:

- Monitor the governance and management of the Board of Directors and Board of Management to ensure compliance with legal provisions and HDBank's Charter;
- Monitor the financial situation, review the Bank's semi-annual and annual financial reports;
- Carry out internal audit activities as per the annual plan, including assessment of procedures/regulations and effectiveness of HDBank's internal control system;
- Review, monitor and report HDBank's operations through the Internal Audit Department as required by competent authorities;
- Make recommendations to the Board of Directors and Board of Management for amendment, supplement, and improvement in the Bank's governance and management practices;
- Issue the Regulation on the Operation of the Board of Supervisors, approved by the General Meeting of Shareholders;
- Oversee the vote-counting process and prepare vote-counting minutes using vote-counting software when collecting written polls from shareholders to approve resolutions of the General Meeting of Shareholders;
- Present reports at the General Meeting of Shareholders and submit periodic reports as required by law or on-request reports to the State Bank of Vietnam.

OPERATIONS IN 2024

IMPLEMENTATION OF INTERNAL AUDIT

In 2024, the Board of Supervisors organized the Internal Audit to focus on overseeing the Bank's operations to ensure compliance with legal requirements and SBV's directions. Functions and responsibilities of the Internal Audit are strictly adhered to as prescribed in Circular No. 13/2018/TT-NHNN. The Internal Audit team conducted audits across **88 Business Units** (including branches and transaction offices); **6 themes**; and **139 ad-hoc audits** related to cash/important printed documents (which had been completed as of December 2, 2024). Additionally, the Board of Supervisors also directed Internal Audit to continue checking, reviewing and monitoring other matters as required by the SBV.

The Internal Audit team implemented a remote monitoring approach based on systematic and comprehensive risk zoning. With this approach, focus was given to auditing units and activities deemed to have a high risk of causing material impact to the Bank's operations.

Additionally, the Internal Audit team also conducted assessment of risks and effectiveness of operation and product policies and procedures.

The Board of Supervisors and Internal Audit team documented the identified issues and prepared reports, along with proposals and recommendations, for submission to the Board of Directors and Board of Management. These solutions aim to mitigate risks and enhance the quality of the Bank's operations.

MEETINGS OF THE BOARD OF SUPERVISORS

In 2024, the Board of Supervisors convened seven (07) internal meetings. Details are as follows:

No.	Meeting agenda	Outcome/matters approved
1	» Implement the Board of Supervisors' action plan for 2024. » Fulfill requirements of the SBV's Official Dispatch.	» Provide operational objectives for 2024. » Implement the directives of the SBV.
2	» Conduct regular meetings of the Board of Supervisors and provide direction for internal audit tasks in the coming time.	» Focus on reviewing and monitoring the Bank's credit operations and risk management practices.
3	» Report on the internal audit and direct the organization of internal audit activities in the coming time.	» Check and monitor credit facilities with high outstanding balance. » Review and assess the effectiveness of launched products.
4	» Report highlights in HDBank's operations.	» Review, assess the Bank's operations and analyze the root causes of the identified issues. » Review internal audit activities and maintain ongoing supervision of the identified issues.
5	» Implement tasks as required by the Banking Inspection and Supervision Agency.	» Send an Official Dispatch to respond to the requirements of the Banking Inspection and Supervision Agency in its Official Dispatch, enclosing it with the Audit Report of major credit facilities.
6	» Discuss the contents of the Board of Supervisors Report for Q3/2024.	» Execute the directives of the Chief of the Board of Supervisors outlined in the Board of Supervisors Report for Q3/2024.
7	» Develop/improve audit approaches. » Report to the Chief of the Board of Supervisors on a monthly basis as directed.	» Enhance auditing methods to increase productivity and ensure the effectiveness of internal audit activities. » Conduct monthly inspections and supervision of the Bank's operations, reporting any identified issues to the Chief of the Board of Supervisors.

COORDINATION BETWEEN THE BOARD OF SUPERVISORS, THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors, the Board of Management and the Board of Supervisors developed an appropriate framework for coordinating supervision, inspection, and control.

The recommendations and proposals of the Board of Supervisors and Internal Audit are submitted to the Board of Directors and the Board of Management for consideration and direction to relevant units for remedial actions and adjustments accordingly.

BOARD OF SUPERVISORS' DIRECTIONS IN 2025

In 2025, the Board of Supervisorswill continue to perform its supervision function, continuously improving the quality of supervision based on available resources, with the following key tasks:

01

Supervise HDBank's Board of Directors and Board of Management within the bounds of their scope and authority of the Board of Supervisors as per the law.

02

Conduct internal audit as planned; audit will focus on units/activities that pose risks and substantially impact the Bank's operations and the effectiveness of the internal control system.

03

Audit financial statements and assess the logic, truthfulness, and prudence of accounting, statistical analysis, and financial report preparation.

04

Monitor HDBank's post-listing information disclosure and shareholder relations as required by law.

INTERNAL AUDIT SYSTEM

HDBank's Internal Audit, established in accordance with State Bank of Vietnam regulations, is a dedicated unit responsible for conducting internal audits within the Bank within the authority of the Board of Supervisors. The Internal Audit is organized hierarchically and operates under principles of independence, objectivity, and professionalism.

Internal Audit operations are led by the Head of Internal Audit, supported by Deputy Heads of Internal Audit and Heads of Regional Internal Audit.

AUDIT PROCEDURE

Internal Audit activities are executed across business units, regions, and functions, employing an approach that incorporates cross-functional collaboration, expansive scope, and coordinated efforts. This methodology includes various audit types, including on-site audits by groups at each unit / unit cluster to assess business activities bank-wide; thematic audits focused on risk-based assessments of business processes, particularly those with potential control gaps, as well as systematic business activities; ad-hoc inspections targeting vault security, cash handling, collateral documentation, management of important printed documents, and ATM key security… to detect/control immediate violations; and remote monitoring to timely detect operational lapses and pinpoint key risk areas. Audits are conducted annually as planned or as requested by the Board of Supervisors, or upon discovery of potential irregularities or heightened risk possibility.

The annual audit plan is developed and submitted to the Board of Supervisors for approval based on the previous year's audit results for key risk area identification, the bank's strategic direction, management's governance objectives, and recommendations from the Board of Directors.



LEGAL AND COMPLIANCE

HDBank's legal activities have been further strengthened and elevated to meet the Bank's growth conditions, in alignment with the evolving domestic and global context.

Recognizing the crucial role of legal and compliance as the backbone of any organization, particularly within the banking sector, HDBank's legal activities , through collaborative efforts and a unified approach, has achieved multiple key objectives, specifically:

Ensuring legal security in HDBank's operations and businesses bank-wide

In 2024, HDBank focused on ensuring legal safety in response to ongoing changes in the legal landscape, particularly specialized legal regulations. Specifically, this included the new Law on Credit Institutions, relevant guiding documents, and other laws impacting banking operations such as the Land Law, Housing Law, and the Law on Real Estate Business… The Bank conducted comprehensive reviews and made necessary adjustments to internal regulations, operational procedures, and products and services to ensure compliance. At the same time, HDBank exercised strict control over transactions and contracts to safeguard its legitimate interests. These activities were carried out consistently and thoroughly, meeting the Bank's business and development needs.

Digital transformation in the Bank's operations

In 2024, HDBank placed strong emphasis on digital transformation, aligning with the overall trend of the banking industry. The Legal Department played a key role, actively participating in digitalization projects and supporting the development of online products/services such as the Vikki digital bank, online foreign currency purchases, cross-border QR payments, and various electronic financial solutions.

HDBank prioritized optimizing customer experience, streamlining procedures, and ensuring legal compliance. At the same time, the Bank contributed opinions to the development of the legal framework for electronic transactions and digital banking through consultations with the State Bank of Vietnam and other regulatory authorities. These efforts reflect HDBank's commitment to pioneering technology adoption and promoting the safe and effective development of digital banking.

Representing the Bank in Legal Proceedings

HDBank's Legal Department has consistently played an active role in litigation to safeguard the Bank's legitimate interests through supporting the resolution of disputes and complaints, handling risks arising from legal violations, and minimizing potential losses. In addition, the Department represents the Bank in working with regulatory authorities, participating in court hearings, and ensuring maximum protection of the Bank's interests.

Supporting Debt Settlement and Collateral Handling for Debt Recovery

Over the past year, debt settlement and the handling of collaterals for debt recovery have been actively promoted across the HDBank system. The Legal Department has participated in and supported Business Units/ Debt Settlement Center to promptly handle customers' debts during the pre-litigation stage through professional measures, minimizing the generation of non-performing loans and ensuring capital safety for the Bank.

Dissemination of legal information

In the past year, HDBank's Legal Department has focused on enhancing the quality of training and disseminating legal regulations. By diversifying delivery methods, the Department made it easier for staff to grasp and apply legal knowledge in their professional activities. Online training courses were conducted to update front-line staff, such as tellers and controllers, on fundamental legal knowledge to ensure transaction safety. In response to new regulations such as the 2024 Law on Credit Institutions, the Land Law, and the Housing Law…. the Legal Department proactively organized workshops and legal briefings for the Board of Management and relevant units. Additionally, the Department regularly updated and assessed the impact of newly issued legal documents and provided periodic reports.

Contribution to legal and regulatory development

HDBank actively participates in contributing opinions on draft legal regulations to ensure the legal framework aligns with banking operations. In particular, the Bank works closely with the Vietnam Banks Association to propose amendments and supplements to regulations, focusing on circulars issued by the State Bank of Vietnam, Government decrees, and decisions of the Prime Minister especially those related to banking operations, electronic transactions, and sector-specific laws.



STRATEGIC DIRECTION OF LEGAL OPERATIONS IN 2025

The legal affairs orientation of HDBank in 2025 focuses on five main objectives.

1

First, to continue promoting the development and dissemination of legal regulations within the system. HDBank will closely collaborate with the Vietnam Banks Association, the State Bank of Vietnam, and relevant authorities to promptly propose and improve legal regulations that support the Bank's business activities and enhance risk management practices. The Bank will also maintain efforts in legal training and the dissemination of legal knowledge and regulations to all units and employees, ensuring they stay informed about legal updates and new regulations related to banking operations to effectively meeting their work requirements.

2

Second, HDBank aims to strengthen legal safety while creating business advantages in 2025. Legal counselling for products and policies will be enhanced to increase corporate value and shareholder benefits. Digital transformation remains a core focus, ensuring that the Bank's digital strategy complies with legal regulations and operates smoothly and securely. HDBank will closely watch both domestic and international developments to propose appropriate legal solutions, particularly in areas such as international payments and investment cooperation. The Bank is also committed to optimizing internal processes to ensure efficiency and seamless operations.

3

Third, HDBank's legal activities will continue to be implemented consistently and flexibly, adapting to the new environment through the application of technology and online working models. The Bank will strengthen monitoring and enforcement of anti-money laundering and anti-corruption measures in accordance with regulations. Legal operations will be comprehensively enhanced to ensure quality, compliance, safety, and sustainable development while harmonizing with business objectives. Regulations on information disclosure, transparency, and risk management under Basel III standards will continue to be strictly enforced.

4

Fourth, HDBank will proactively implement measures to prevent and handle risks related to digital banking activities. At the same time, the Bank will strengthen and develop its team of legal experts, with a particular focus on establishing a specialized litigation unit to maximize the protection of the organization's legal rights and interests.

5

Fifth, the Legal Department will continue to accompany strategic projects, providing comprehensive support for business operations and policy development to ensure safety and compliance. The ultimate goal is to ensure that all activities of HDBank strictly comply with legal regulations, contributing to the sustainable development of the entire system.



TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS, AND BOARD OF MANAGEMENT

HDBank consistently adheres to all applicable laws and internal regulations regarding the approval and disclosure of remuneration and benefits for the Board of Directors, Board of Supervisors, and Board of Management; transactions in HDB shares by Internal Persons and their related persons; and transactions between HDBank and related parties. Specifically:

Annual remuneration and allowances for the Board of Directors and Board of Supervisors are approved at the Annual General Meeting of Shareholders. Details of the remuneration and benefits received by members of the Board of Directors, Board of Supervisors, and Board of Management are disclosed in the audited consolidated financial statements and the bank's Annual Report.

Resolutions of the General Meeting of Shareholders, the audited consolidated financial statements, and the Annual Report are published on HDBank's website in accordance with applicable regulations.

Internal Persons and their related persons, when engaging in transactions involving HDB shares, have adhered to information disclosure requirements, submitting pre- and post-transaction reports to the State Securities Commission and the Stock Exchange for any transactions where the anticipated daily value is at least VND 50 million, or the anticipated monthly value is at least VND 200 million, calculated at par value. These includes:

- Disclosure of anticipated transaction shall be made at least three working days prior to the scheduled transaction date;
- The transaction period shall not exceed 30 days from the registration date;
- Disclosure of transaction results, including explanations for any uncompleted or partially completed transactions (if any) shall be made within five working days of the transaction completion date (if completed before the registered deadline) or the end of the scheduled transaction period.

Transactions between HDBank and related parties (including related persons, Internal Persons, and related persons of Internal Persons) are approved at the General Meeting of Shareholders or by the Board of Directors, in accordance with their respective authorities, applicable laws, and HDBank's Charter. Resolutions/Decisions of the General Meeting of Shareholders, the Board of Directors approving such transactions and related matters are disclosed on HDBank's website (under Investor Relations - Information Disclosure) within 24 hours from the issuance date of the Resolution/Decision.

The list of related persons, Internal Persons, and related persons of Internal Persons of HDBank is reported quarterly to the State Bank of Vietnam and is included in the Corporate Governance Report (using the template for public companies), which is published every six months as required by regulations.

REMUNERATION, BENEFITS AND EXPENSES FOR EACH MEMBER OF THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS, AND BOARD OF MANAGEMENT

Details of remuneration/income paid to members of the Board of Directors during the year were as follows:

		2024	2023
		VND million	VND million
Name	**Position**		
Mr. Kim Byoungho	Chairman, Independent member	15,085	5,177
Ms. Nguyen Thi Phuong Thao	Permanent Vice Chairwoman	3,692	1,851
Mr. Luu Duc Khanh	Vice Chairman	888	1,027
Mr. Nguyen Thanh Do	Vice Chairman	2,410	2,227
Mr. Nguyen Huu Dang	Vice Chairman	2,514	3,541
Mr. Le Manh Dung	Independent member	1,876	1,171
Mr. Pham Quoc Thanh	Member (from 26 April 2023)	858	403
Ms. Nguyen Thi Tam	Member (to 26 April 2023)	-	1,035
		27,323	**16,432**

Details of remuneration/income and operating expenses of the Board of Supervisors during the year were as follows:

	2024	2023
	VND million	VND million
Remuneration/income and operating expenses of the Board of Supervisors	12,214	8,739

Details of remuneration/income paid to members of the Board of Management, Chief Financial Officer and Chief Accountant during the year were as follows:

		2024	2023
		VND million	VND million
Name	**Position**		
Mr. Pham Quoc Thanh	General Director	3,476	1,771
Mr. Nguyen Minh Duc	Deputy General Director	2,621	2,180
Mr. Le Thanh Tung	Deputy General Director	1,928	1,569
Mr. Nguyen Van Hao	Deputy General Director	2,063	2,141
Mr. Nguyen Dang Thanh	Deputy General Director	2,501	1,858
Mr. Tran Hoai Nam	Deputy General Director	2,371	2,054
Mr. Nguyen Canh Vinh	Deputy General Director	3,958	2,601
Mr. Tran Thai Hoa	Deputy General Director	1,615	1,347
Mr. Tran Xuan Huy	Deputy General Director	4,645	806
Mr. Le Thanh Trung	Deputy General Director (from 16 October 2023)	2,700	2,158
Mr. Pham Van Dau	Chief Financial Officer (to 16 December 2024)	1,940	1,359
Ms. Ho Dang Hoang Quyen	Chief Accountant	1,304	1,038

The above remunerations/income are presented on the basis of actual receipt after withholding personal income tax in accordance with current regulations.

5.9.2 STOCK TRANSACTIONS OF INTERNAL PERSONS AND THEIR RELATED PERSONS

Details of HDB share transactions conducted by Internal Persons and their related persons in 2024 are as follows:

No.	Transaction executor	Relationship with HDBank	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Comparison of the end and the beginning of the period		Reasons for increasing, decreasing (purchasing, selling, converting, rewarding, ...)
			Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage	
1	**Nguyen Thi Phuong Thao**	Permanent Vice Chairwoman	107,661,173	3.703%	108,961,173	3.722%	1,300,000	0.019%	To purchase shares issued under the Employee Stock Ownership Program (ESOP) in compliance with regulations
2	**Nguyen Huu Dang**	Permanent Vice Chairman	80,201,183	2.758%	80,401,183	2.746%	200,000	-0.012%	To purchase ESOP shares in compliance with regulations
3	**Nguyen Thanh Do**	Permanent Vice Chairman	-	-	270,000	0.009%	270,000	0.009%	To purchase ESOP shares in compliance with regulations
4	**Luu Duc Khanh**	Permanent Vice Chairman	8,339,363	0.287%	8,579,363	0.293%	240,000	0.006%	To purchase ESOP shares in compliance with regulations
5	**Pham Quoc Thanh**	BOD Member cum Chief Executive Officer	4,626,725	0.159%	6,786,525	0.232%	2,159,800	0.073%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
6	**Dao Duy Tuong**	Chief of the BOS	79,709,988	2.741%	79,784,988	2.725%	75,000	-0.016%	To purchase ESOP shares in compliance with regulations
7	**Le Thanh Tung**	Deputy Chief Executive Officer	268,125	0.011%	1,036,543	0.035%	768,418	0.025%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
8	**Nguyen Minh Duc**	Deputy Chief Executive Officer	254,456	0.009%	967,556	0.033%	713,100	0.024%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
9	**Tran Hoai Nam**	Deputy Chief Executive Officer	2,190,964	0.075%	2,990,464	0.102%	799,500	0.027%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
10	**Tran Thai Hoa**	Deputy Chief Executive Officer	-	0.000%	720,000	0.025%	720,000	0.025%	To purchase ESOP shares in compliance with regulations
11	**Nguyen Dang Thanh**	Deputy Chief Executive Officer	-	-	750,000	0.026%	750,000	0.026%	To purchase ESOP shares in compliance with regulations
12	**Nguyen Van Hao**	Deputy Chief Executive Officer	184,000	0.006%	934,000	0.032%	750,000	0.026%	To purchase ESOP shares in compliance with regulations
13	**Pham Van Dau**	Chief Financial Officer	125,485,767	4.316%	126,232,167	4.312%	746,400	-0.004%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
14	**Ho Dang Hoang Quyen**	Chief Accountant	136,456	0.005%	559,856	0.019%	423,400	0.014%	To purchase ESOP shares in compliance with regulations To transact in accordance with Article 33 of Circular 96
15	**Tran Xuan Hiep**	Affiliated party of Internal Person	325	0.000%	-	0.000%	(325)	0.000%	To transact in accordance with Article 33 of Circular 96

TRANSACTIONS WITH RELATED PARTIES

Partner	Relationship with HDBank	Business Registration/ ID No.	Address	Resolution/Decision		Content
				No.	Date	
HD SAISON Finance Company Limited	Subsidiary	0304990133	8th, 9th, 10th Floor, Gilimex Building, 24C Phan Dang Luu Street, Ward 6, Binh Thanh District, Ho Chi Minh City	02/2024/QD-HDQT	January 05, 2024	Amendment and supplement to credit conditions for HD SAISON Finance Company Limited
HD SAISON Finance Company Limited	Subsidiary	0304990133	8th, 9th, 10th Floor, Gilimex Building, 24C Phan Dang Luu Street, Ward 6, Binh Thanh District, Ho Chi Minh City	75/2024/QD-HDQT	February 05, 2024	Increase in transaction limit for HD SAISON Finance Company Limited
PetroVietnam Oil Joint Stock Corporation (PVOIL)	Related person of the Internal Person	0305795054	14th-18th Floor, Petro Vietnam Tower, 1-5 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City	147/2024/QD-HDQT	March 20, 2024	Renewal of credit limit for PetroVietnam Oil Joint Stock Corporation (PVOIL)
HD Securities Corporation	Related person of the Internal Person	0304765811	3B & 9th Floor, 58 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City	202/2024/QD-HDQT	April 22, 2024	Granting of credit to HD Securities Corporation
HD SAISON Finance Company Limited	Subsidiary	0304990133	8th, 9th, 10th Floor, Gilimex Building, 24C Phan Dang Luu Street, Ward 6, Binh Thanh District, Ho Chi Minh City	272/2024/QD-HDQT	May 28, 2024	Renewal of transaction limit for HD SAISON Finance Company Limited
HD Securities Corporation	Related person of the Internal Person	0304765811	3B & 9th Floor, 58 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City	282/2024/QD-HDQT	May 30, 2024	Increase in credit limit and amendment to credit conditions for HD Securities Corporation
Vietjet Aviation JSC	Related person of the Internal Person	0102325399	302/3 Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi	343/2024/NQ-HĐQT	June 28, 2024	Periodic review of credit limit for Vietjet Aviation JSC
HD SAISON Finance Company Limited	Subsidiary	0304990133	8th, 9th, 10th Floor, Gilimex Building, 24C Phan Dang Luu Street, Ward 6, Binh Thanh District, Ho Chi Minh City	344/2024/QD-HDQT	June 28, 2024	Amendment to transaction limit for HD SAISON Finance Company Limited
Sovico Group JSC	Related person of the Internal Person	0101205067	1101, PACIFIC PLACE Building, 83B Ly Thuong Kiet Street, Hoan Kiem District, Hanoi	396/2024/QD-HDQT	September 25, 2024	Issuance of a bid bond worth USD 8,585,500 for Sovico Group
The framework of transactions with Related Parties				195/2024/NQ-HĐQT	April 15, 2024	The approval of contracts, transactions with Related Parties of which value or limit for each transaction shall less than 20% of HDBank's Charter Capital

ASSESSMENT OF HDBANK'S COMPLIANCE TO CORPORATE GOVERNANCE REGULATIONS BY THE INDEPENDENT BOARD MEMBERS



With continuous improvement and strong commitment, HDBank is confidently expected to maintain high and sustainable growth in the coming years, enhance the position and achieve the strategic goal of becoming a leading universal banking group in Vietnam.

In 2024, HDBank made significant efforts to implement corporate governance regulations, further demonstrating our commitment to building a transparent and professional governance environment as a solid foundation for sustainable development. We have strictly adhered to all applicable legal regulations, and our internal corporate governance processes have been updated and refined to align with development trends and advanced international governance standards and practices.

HDBank's Board of Directors is central to our strategic direction and operational supervision. The diverse membership of the Board, including independent members, guarantees objectivity and balance in key decisions. The Board regularly convenes for periodic meetings with high attendance rates, enabling discussions and decisions in the long-term interests of the bank.

Throughout the past year, the committees under the Board of Directors, including the Human Resources Committee, Risk Management Committee, Credit Supervision Committee, ESG Committee, and Banking Technology Committee, were highly active, making significant contributions to the implementation of corporate governance regulations.

Recognizing that the adoption of ESG standards is not only a global trend but also a core strategy for sustainable development and brand enhancement, programs and projects promoting the adoption of ESG standards in all operations of HDBank have been strongly deployed and yielded remarkable results in 2024. These efforts have significantly contributed to building a modern, sustainable, and socially responsible Bank.

We have always identified human resources as a key element in deploying the bank's governance and operational strategies. HDBank is recognized as a creative workplace that fosters a culture of internal innovation. We place a strong emphasis on talent acquisition and retention policies, which foster our employees' work motivation and career development. Regular training programs are implemented to ensure our workforce remains proficient in fulfilling job requirements.

In compliance with all applicable regulations and in response to our shareholders' requirements, HDBank ensures full and transparent disclosure of our financial statements and key information. We have also developed and implemented a conflict of interest management process, ensuring that decisions are made in the best interests of both our shareholders and the bank.

In addition, HDBank places strong emphasis on reinforcing shareholder rights and participation in corporate governance. The Annual General Meeting of Shareholders is conducted in strict compliance with regulations, ensuring full participation and open discussions on strategic issues. We have broadened shareholder communication channels, including online platforms, to facilitate information accessibility and encourage feedback.

Through continuous efforts to enhance corporate governance quality in line with international standards, promote transparency, and pioneer in sustainable development strategies, HDBank was honored the Excellence in Corporate Governance Award (Large Cap)" in 2024. Also, for the fifth consecutive year, we were selected for the Vietnam Sustainability Index (VNSI), which comprises the Top 20 listed companies with the best sustainability index, chosen from the 100 largest listed companies and comprehensively assessed across three ESG pillars.

With continuous improvement and strong commitment, HDBank is confidently expected to maintain high and sustainable growth in the coming years, enhance the position and achieve the strategic goal of becoming a leading universal banking group in Vietnam.

INDEPENDENT MEMBER



LE MANH DUNG

ASSESSMENT OF CORPORATE GOVERNANCE PERFORMANCE UNDER THE ASEAN CORPORATE GOVERNANCE SCORECARD

ASSESSMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE REGULATIONS FOR LISTED COMPANIES, AND OF THE CORPORATE GOVERNANCE PERFORMANCE UNDER THE ASEAN CORPORATE GOVERNANCE SCORECARD

ASSESSMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE REGULATIONS FOR LISTED COMPANIES

No.	Criteria	Compliance at HDBank	Note
1	Organize the Annual General Meeting of Shareholders within 6 months from the end of the fiscal year, as stipulated in Article 139(2) of the 2020 Law on Enterprises	Complied	The 2024 Annual General Meeting of Shareholders (FY2023) was virtually held on April 26, 2024
2	Disclose the AGM documents at least 21 days prior to the meeting's opening, as stipulated in Article 10(3a) of Circular No. 96/2020/TT-BTC	Complied	The AGM documents were disclosed on April 4, 2024
3	Amend the Company's Charter in accordance with the provisions of the Law on Enterprises No. 59/2020/QH14 (as stipulated in Article 310(20) of Decree No. 155/2020/ND-CP)	Complied	
4	Promulgate the Internal Regulation on Corporate Governance, as stipulated in Article 270(2) and Article 310(20) of Decree No. 155/2020/ND-CP	Complied	
5	Appoint a person in charge of corporate governance as stipulated in Article 281(1) of Decree No. 155/2020/ND-CP	Complied	
6	Conduct internal audits as stipulated in Article 10(1) and Article 30 of Decree No. 05/2019/ND-CP	Complied	
7	Promulgate the Regulation on the Operation of the Board of Directors as stipulated in Article 278(4) and Article 310(20) of Decree No. 155/2020/ND-CP	Complied	
8	Ensure the number of independent Board members meet the requirements in Article 276(4) of Decree No. 155/2020/ND-CP	Complied	
9	Ensure the number of non-executive Board members meet the requirements in Article 276(2) of Decree No. 155/2020/ND-CP	Complied	
10	Ensure that the Chairman of the Board does not concurrently hold the position of the Chief Executive Officer	Complied	
11	Ensure that the Board members, who concurrently serve as Board members in other companies, do not exceed the limit of 05 other companies, as stipulated in Article 275(3) of Decree No. 155/2020/ND-CP	Complied	
12	Hold Board meetings at least once per quarter, as stipulated in Article 157 of the 2020 Law on Enterprises, Article 41(3c) of the Law on Securities, and Article 279(1) of Decree No. 155/2020/ND-CP	Complied	
13	Ensure that the Chief Executive Officer is a person without family relations to the Management Officers, Supervisors of the company and its parent company; the representative of state capital, the representative of enterprise capital in the company and its parent company, as stipulated in Article 162(5b) of the 2020 Law on Enterprises	Complied	
14	Ensure that the remuneration of the Board members, the salary of the Chief Executive Officer, and other Management Officers comply with Article 163(3) of the 2020 Law on Enterprises	Complied	
15	Promulgate the Regulation on the Operation of the Board of Supervisors as stipulated in Article 288(6) and Article 310(20) of Decree No. 155/2020/ND-CP	Complied	
16	Ensure compliance with the minimum number of the Board of Supervisors members, which is 03 persons, as stipulated in Article 286(1) of Decree No. 155/2020/ND-CP	Complied	
17	Ensure compliance with the minimum number of the Board of Supervisors meetings, which is twice per year, as stipulated in Article 289(1) of Decree No. 155/2020/ND-CP	Complied	
18	Ensure that the Supervisor does not hold management positions in the company, as stipulated in Article 169(1d) of the 2020 Law on Enterprises, and Article 286(2) of Decree No. 155/2020/ND-CP	Complied	
19	Ensure that the Supervisor is a person without family relations to the Board of Directors members, Board of Management members, and other Management Officers as stipulated in Article 169(1c) of the 2020 Law on Enterprises, and Article 286(2) of Decree No. 155/2020/ND-CP	Complied	
20	Ensure that the Supervisor was not employed in the financial accounting department of the company or an independent auditing company in the preceding 03 consecutive years, as stipulated in Article 286(2a) of Decree No. 155/2020/ND-CP	Complied	
21	Ensure that the remuneration and operating expenses of the Board of Supervisors comply with Article 172(3) of the 2020 Law on Enterprises	Complied	
22	Conduct transactions with related parties in compliance with Article 167 of the 2020 Law on Enterprises, and Articles 292 and 293 of Decree No. 155/2020/ND-CP	Complied	
23	Disclose resolutions of the General Meeting of Shareholders/ Board of Directors when conducting transactions with related parties and reflect these transactions in the Financial Statements and Corporate Governance Reports	Complied	

ASSESSMENT USING THE ASEAN CORPORATE GOVERNANCE SCORECARD

For optimal business performance, HDBank's Board of Directors not only focuses on driving business operations to increase revenue, reduce costs, and boost profits, but also emphasizes improving corporate governance capacity in line with international practices, thereby ensuring the effective deployment of all corporate resources to creat long-term sustainable values, attract and efficiently manage investment capital, human resources, intellectual assets, and financial capabilities.

For five consecutive years, HDBank has conducted assessments of our corporate governance performance under the ASEAN Corporate Governance Scorecard, focusing on five key areas: Rights of Shareholders, Equitable Treatment of Shareholders, Role of Stakeholders, Disclosure and Transparency, and Role and Responsibilities of the Board of Directors. Assessment results indicate that HDBank has made significant progress in meeting the criteria of the ASEAN Scorecard, reflecting a strong commitment to leading corporate governance standards.

In 2024, HDBank has enhanced the disclosure practices related to the Independent Audit and Audit Report, specifically detailing audit and non-audit service fees, while ensuring a high level of commitment to preserving the independence of the audit firm in its audit of the Bank's financial statements for the fiscal year ending December 31, 2024.

Regarding the number of independent Board members and the Board's committees, the Bank fully complies with the current Law on Credit Institutions and the Law on Securities, as well as with high industry standards. HDBank's Board of Directors includes two independent members who do not own the Bank's share and possess diverse experience in international and regional markets, ensuring independent perspectives and valuable contributions to the Bank's development.

✔ Tuân thủ ◎ Tuân thủ một phần

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
A	**RIGHTS OF SHAREHOLDERS**			
A.1	**Basic shareholder rights**			
A.1.1	Does the Company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at GMS for final dividends? In the case of Scrip dividends, will the Company complete the process within 60 days?	✔	✔	In 2024, HDBank successfully completed the dividend payment of 10% in cash and 20% in shares in accordance with the resolutions of the GMS.
A.2	**The right to participate in decisions concerning fundamental corporate changes**			
	Do shareholders have the right to participate in:			
A.2.1	Amendments to the Company's constitution?	✔	✔	This is stipulated in the Charter and Internal Regulation on Bank Governance.
A.2.2	The authorization of additional shares?	✔	✔	This is stipulated in the Charter and reflected in the GMS Materials, including shareholders' opinions collected in writing.
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the Company?	✔	✔	This is stipulated in the Charter.
A.3	**Right to participate effectively in and vote in the GMS and should be informed of the rules, including voting procedures, that govern general shareholder meetings**			
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration or any increases in remuneration for the non-executive Board Members?	✔	✔	This is demonstrated in the Materials of the 2024 Annual General Meeting of Shareholders (fiscal year 2023), which were posted on the bank's website and sent to each shareholder attending the meeting.
A.3.2	Does the Company provide non-controlling shareholders a right to nominate candidates for the Board of Directors?	✔	✔	This is stipulated in the Charter and Internal Regulation on Bank Governance.
A.3.3	Does the Company allow shareholders to elect Board Members individually?	✔	✔	This is stipulated in the Charter.
A.3.4	Does the Company disclose the voting procedures used before the start of the meeting?	✔	✔	The procedures are posted on the bank's website before the meeting.
A.3.5	Do the Minutes of the most recent GMS record that the shareholders were given the opportunity to ask questions?	✔	✔	This is recorded in the Minutes of the 2024 Annual General Meeting of Shareholders (fiscal year 2023).
A.3.6	Does the Company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent GMS?	✔	✔	This is stated in the latest minutes of counting shareholders' written votes.
A.3.7	Does the Company disclose the list of Board Members who attended the most recent AGM?	✔	✔	This is recorded in the Minutes of the 2024 Annual General Meeting of Shareholders (fiscal year 2023).
A.3.8	Does the Company disclose that all Board Members and the CEO attended the most recent AGM?	✔	✔	All Board Members and the Chief Executive Officer fully attended the most recent Annual General Meeting of Shareholders, as recorded in the Minutes of the 2024 Annual General Meeting of Shareholders.
A.3.9	Does the Company allow voting in absentia?	✔	✔	This is stipulated in the Charter.
A.3.10	Did the Company vote by poll for all resolutions at the most recent GMS?	✔	✔	This is stated in the latest minutes of counting shareholders' written votes.
A.3.11	Does the Company disclose that it has appointed an independent party to count or validate the votes at the AGM?	✔	✔	This is disclosed in the Minutes of the 2024 Annual General Meeting of Shareholders (fiscal year 2023).
A.3.12	Does the Company make publicly available by the next working day the result of the votes taken during the most recent GMS for all resolutions?	✔	✔	They are made publicly available in the Minutes of the 2024 Annual General Meeting of Shareholders and the Resolutions of the General Meeting of Shareholders, which are posted on the bank's website in accordance with regulations.
A.3.13	Does the Company provide at least 21 days' notice for all AGMs and EGMs?	✔	✔	This is demonstrated by the Notice of Invitation to the 2024 Annual General Meeting of Shareholders and the Materials of the 2024 Annual General Meeting of Shareholders, which were posted on the bank's website on April 4, 2024.
A.3.14	Does the Company provide the rationale and explanation for each agenda item which require shareholders' approval in the Notice of the GMS/GMS Materials/Draft or the reports attached?	✔	✔	They are provided in the Materials of the 2024 Annual General Meeting of Shareholders.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
A.3.15	Does the Company give the opportunity for shareholders to place item(s) on the agenda of the AGM?	✓	✓	This is stipulated in the Charter and Internal Regulation on Bank Governance, allowing shareholders to vote on the agenda, direct questions to the Board of Directors, and suggest agenda items. Proposals are recorded in the Minutes of the 2024 Annual General Meeting of Shareholders.
A.4	**Efficient and transparent corporate management**			
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the Board of Directors of the Company appoint an independent party to evaluate the fairness of the transaction price?	✓	✓	This is stipulated in the Charter.
A.5	**The exercise of ownership rights by all shareholders, including institutional investor**			
A.5.1	Does the Company disclose its policies/practices to encourage shareholders to engage with the Company beyond general meetings?	✓	✓	HDBank's Investor Relations activities prioritize fostering engagement between investors, shareholders, and the bank through quarterly exchanges and other activities throughout the year.
B	**EQUITABLE TREATMENT OF SHAREHOLDERS**			
B.1	**Shares and voting rights**			
B.1.1	Does each common share of the Company carry one vote?	✓	✓	This is specified in the Regulation on the Organization of the General Meeting of Shareholders at the Annual General Meeting of Shareholders.
B.1.2	Where the Company has more than one class of shares, does the Company publicize the voting rights attached to each class of shares?	✓	✓	This is stipulated in the Charter.
B.2	**Notice of the AGM**			
B.2.1	Does each of the resolutions tabled at the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	✓	✓	Shown in the Materials of the 2024 Annual General Meeting of Shareholders (fiscal year 2023).
B.2.2	Are the Company's Notice and Materials of the most recent AGM fully translated into English and published on the same date as the local-language version?	✓	✓	The Materials of the 2024 Annual General Meeting of Shareholders (fiscal year 2023) are published in two languages (Vietnamese - English).
B.2.3	Are the profiles of the candidates to the Board of Directors for election/re-election included?	✓	✓	HDBank discloses the profiles of candidates to be elected/re-elected on the bank's website.
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	✓	✓	Shown in the Materials of the 2024 Annual General Meeting of Shareholders (fiscal year 2023).
B.2.5	Were the proxy documents for attending the AGM made easily available?	✓	✓	The proxy documents for the 2024 Annual General Meeting of Shareholders (fiscal year 2023) is publicly available on the bank's website and has been sent to shareholders.
B.3	**Insider trading and abusive self-dealing**			
B.3.1	Does the Company have policies or rules prohibiting Board Members and employees to benefit from knowledge which is not generally available to the market?	✓	✓	This is stipulated in the Charter, Internal Regulation on Bank Governance, and other relevant documents.
B.3.2	Are the Board Members required to report their dealings in company shares within 3 business days?	✓	✓	HDBank is committed to complying with the prevailing information disclosure regulations in the market.
B.4	**Related party transactions by the Board of Directors and the Board of Management**			
B.4.1	Does the Company have a policy requiring Board Members to disclose their interest in transactions and any other conflicts of interest with the Company?	✓	✓	This is stipulated in the Charter, Internal Regulation on Bank Governance, and other relevant documents. HDBank is committed to complying with the prevailing information disclosure regulations in the market.
B.4.2	Does the Company have a policy requiring a Committee consisting of Independent Board Members to review significant/material related-party transactions (RPTs) to determine whether they are in the best interests of the Company and shareholders?	✓	✓	The Board of Supervisors oversees the governance and management of the Board of Directors and the Board of Management.
B.4.3	Does the Company have a policy requiring Board Members to abstain from participating in the Board's transaction discussions when they are conflicted?	✓	✓	This is stipulated in the Charter and Internal Regulation on Bank Governance.
B.4.4	Does the Company have policies on loans to Board Members either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	✓	✓	This is stipulated in the Charter, Internal Regulation on Bank Governance, and other relevant credit-granting documents.
B.5	**Protecting minority shareholders from abusive actions**			
B.5.1	Does the Company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	✓	✓	This is stipulated in the Charter and complies with legal regulations.
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	✓	✓	This is stipulated in the Charter.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
C	**ROLE OF STAKEHOLDERS**			
C.1	**The rights of stakeholders that are established by law or through mutual agreements are to be respected**			
C.1.1	Does the Company disclose a policy and practices that address the existence and scope of the Company's efforts to address customers' welfare?	✓	✓	HDBank issues internal regulations and actively implements initiatives to address customers' welfare.
C.1.2	Does the Company disclose a policy and practices that address supplier/contractor selection procedures?	✓	✓	This information is disclosed in the Annual Report and Sustainability Report.
C.1.3	Does the Company disclose a policy and practices that address the Company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	✓	✓	HDBank integrates sustainable development goals with our overall business strategy, as outlined in the Annual Report and Sustainability Report.
C.1.4	Does the Company disclose a policy and practices that address the Company's efforts to interact with the communities in which they operate?	✓	✓	HDBank consistently fulfills our social and community responsibilities through various initiatives, as outlined in the Annual Report and on the bank's website.
C.1.5	Does the Company disclose a policy and practices that address the Company's anti-corruption programs and procedures?	✓	✓	HDBank's anti-corruption efforts are detailed in the Annual Report under the Sustainable Development - Legal Compliance section. The Bank has established a steering committee for anti-corruption and crime, operating under regulations set by the Board of Directors. The committee issues an anti-corruption program with specific annual agendas. While the Chief Executive Officer promulgates detailed regulations on anti-corruption and crime prevention.
C.1.6	Does the Company disclose a policy and practices that address how creditors' rights are safeguarded?	✓	✓	HDBank is committed to full compliance with legal regulations, ensuring capital adequacy, liquidity, and risk management. We fulfill our information disclosure obligations through financial statements, annual reports, and periodic disclosures before and after each bond issuance. Additionally, investor relations activities are emphasized and serve as an essential communication channel for creditors.
C.1.7	Does the Company have a separate report/section that discusses its efforts on environment/economy and social issues?	✓	✓	This information is detailed in the Sustainability Report.
C.2	**Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights**			
C.2.1	Does the Company provide contact details via the Company's website or Annual Report which stakeholders can use to voice their concerns or complaints for possible violation of their rights?	✓	✓	Contact methods and hotlines are widely available across various media channels.
C.3	**Mechanisms for employee participation should be permitted to develop**			
C.3.1	Does the Company explicitly disclose the policies and practices on health, safety and welfare for its employees?	✓	✓	These policies are detailed in the Annual Report and employee policies.
C.3.2	Does the Company explicitly disclose the policies and practices on training and development programs for its employees?	✓	✓	They are detailed in the Annual Report and employee training programs.
C.3.3	Does the Company have a reward/compensation policy that accounts for the performance of the Company beyond short-term financial measures?	✓	✓	HDBank has developed and implemented a stock issuance program under the Employee Stock Option Program, approved by the GMS. Additionally, the bank has a reward program based on employees' years of service.
C.4	**Stakeholders, including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board**			
C.4.1	Does the Company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behavior and provide contact details via the Company's website or annual report?	✓	✓	This is detailed in the Annual Report, codes of conduct, internal labor regulations, anti-corruption and crime regulations, and other relevant documents.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
C.4.2	Does the Company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behavior from retaliation?	✓	✓	This is outlined in the codes of conduct, internal labor regulations, anti-corruption and crime regulations, and other relevant documents.
D	**DISCLOSURE AND TRANSPARENCY**			
D.1	**Transparent ownership**			
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	✓	✓	This information is provided in the Annual Report and the Corporate Governance Report.
D.1.2	Does the Company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	✓	✓	This information is provided in the Annual Report and the Corporate Governance Report.
D.1.3	Does the Company disclose the direct and indirect (deemed) shareholdings of Board Members?	✓	✓	This information is provided in the Annual Report and the Corporate Governance Report.
D.1.4	Does the Company disclose the direct and indirect (deemed) shareholdings of the Board of Management?	✓	✓	This information is provided in the Annual Report and the Corporate Governance Report.
D.1.5	Does the Company disclose details of the parent/ holding company, subsidiaries, associates, joint ventures and special purpose enterprises/vehicles (SPEs)/(SPVs)?	✓	✓	This information is provided in the Annual Report and the Corporate Governance Report.
D.2	**Quality of the Annual Report**			
D.2.1	Corporate objectives	✓	✓	They are fully documented in the Annual Report - General Information section.
D.2.2	Financial performance indicators	✓	✓	They are fully documented in the Annual Report - Performance section.
D.2.3	Non-financial performance indicators	✓	✓	They are fully documented in the Annual Report - Sustainable Development section.
D.2.4	Dividend policy	✓	✓	They are fully documented in the Annual Report - Corporate Governance section.
D.2.5	Biographical details of Board Members	✓	✓	They are fully documented in the Annual Report - Corporate Governance section.
D.2.6	Attendance details of each Board Member in all Board meetings held	✓	✓	They are fully documented in the Annual Report - Corporate Governance section.
D.2.7	Details of remuneration for each Board Member	✓	✓	They are fully documented in the Annual Report - Corporate Governance and Financial Statements sections.
D.2.8	Does the Annual Report contain a statement confirming the Company's full compliance with the code of corporate governance and where there is noncompliance, identify and explain reasons for each such issue?	✓	✓	They are fully documented in the Annual Report - Corporate Governance section.
D.3	**Disclosure of related party transactions (RPT)**			
D.3.1	Does the Company disclose its policy covering the review and approval of material RPTs?	✓	✓	This is stipulated in the Charter and Internal Regulation on Governance.
D.3.2	Does the Company disclose the name, relationship, nature and value for each material RPTs?	✓	✓	This information is available in the disclosure documents on related party transactions posted on the bank's website.
D.4	**Board Members' dealings in shares of the Company**			
D.4.1	Does the Company disclose trading in the Company's shares by insiders?	✓	✓	This information is posted in the disclosures on insider share trading available on the bank's website.
D.5	**External auditor and auditor report**			
D.5.1	Are the audit and non-audit fees disclosed?		✓	Audit service fees 2024: VND 2,950,000,000 Non-audit service fees 2024: VND 2,660,296,296 Non-audit services were performed within the framework of consulting on the Bank's strategic projects, such as: Consulting on the development of the Sustainability Report, consulting on ESG governance systems,... All non-audit items were subject to engagement letters to ensure that they would not reduce/ affect the independence of the audit firm in performing the audit of the financial statements for the year ended December 31, 2024.
D.5.2	Does the non-audit fee exceed the audit fees?	✓	✓	2023: Non-audit service fees were lower than audit service fees 2024: Non-audit service fees were lower than audit service fees

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
D.6	**Medium of communications**			
	Does the Company use the following modes of communication?			
D.6.1	Quarterly reporting	✓	✓	We update our business and operational performance quarterly on our website in bilingual (Vietnamese - English), including Business updates, Financial statements, Press releases, presentation documents.
D.6.2	Company website	✓	✓	Information about the bank's activities is regularly posted on the website in bilingual (Vietnamese - English), and some important information in Japanese.
D.6.3	Analyst's briefing	✓	✓	HDBank proactively works and provides information for analytical reports on domestic and foreign banks.
D.6.4	Media briefings/press conferences	✓	✓	HDBank conducts activities to contact investors and analysts and provide press releases to the media periodically, ensuring transparent, timely and complete information.
D.7	**Timely release of the annual financial statements**			
D.7.1	Are the audited annual financial report/statement released within 120 days from the financial year end?	✓	✓	They are disclosed in full compliance with applicable regulations.
D.7.2	Is the annual report released within 120 days from the financial year end?	✓	✓	They are disclosed in full compliance with applicable regulations.
D.7.3	Is the true and fair presentation of the annual financial statements affirmed by the Board of Directors or other relevant officers of the Company?	✓	✓	They are disclosed in full compliance with applicable regulations.
D.8	**Company website**			
D.8.1	Financial statements/reports (latest quarterly)	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.8.2	Materials provided in briefings to analysts and media	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.8.3	Downloadable Annual Report	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.8.4	Notice of AGM or EGM	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.8.5	Minutes of AGM or EGM	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.8.6	Company's constitution	✓	✓	They're fully posted on the bank's website - Investor Relations section.
D.9	**Investor relations**			
D.9.1	Does the Company disclose the contact details of the officer/office responsible for investor relations?	✓	✓	They are fully disclosed in the Annual Report and on the bank's website under the Investor Relations section.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
E	**BOARD DUTIES AND RESPONSIBILITIES**			
E.1	**Board duties**			
	Clearly defined Board responsibilities and corporate governance policy			
E.1.1	Does the Company disclose its Corporate Governance Policy/Board Charter?	✓	✓	It is fully disclosed in the Annual Report - Corporate Governance section.
E.1.2	Are the types of decisions requiring Board Members' approval disclosed?	✓	✓	They are fully disclosed on the bank's website.
E.1.3	Are the roles and responsibilities of the Board Members clearly stated?	✓	✓	They are fully documented in the Charter and the Annual Report - Corporate Governance section.
E.1.4	Does the Company have an updated vision and mission statement?	✓	✓	It is fully provided in the Annual Report and on the bank's website.
E.1.5	Does the Board of Directors play a leading role in the process of developing and reviewing the Company's strategy at least annually?	✓	✓	The role and activities of the Board of Directors are fully stated in the Annual Report - Corporate Governance section.
E.1.6	Does the Board of Directors have a process to review, monitor and oversee the implementation of the corporate strategy?	✓	✓	The role and activities of the Board of Directors are fully stated in the Annual Report - Corporate Governance section.
E.2	**Board structure**			
E.2.1	Are the details of the Code of Ethics or Conduct disclosed?	✓	✓	The Internal Regulation on Governance and the Regulation on Disclosure are publicly available on the Company's website.
E.2.2	Are all members of the Board of Directors, Board of Management and employees required to comply with the code(s)?	✓	✓	This is stated in the Internal Regulation on Governance and the Regulation on Disclosure, which are publicly available on the bank's website.
E.2.3	Does the Company have a process to implement and monitor compliance with the Code/s of Ethics or Conduct?	✓	✓	This is stated in the Internal Regulation on Governance and the Regulation on Disclosure, which are publicly available on the bank's website.
E.2.4	Do independent Board Members make up at least 50% of the Board of Directors?	◉	◉	The Board of Directors currently includes two independent Board Members, ensuring compliance with the Law on Credit Institutions, the Law on Securities, and applicable regulations.
E.2.5	Does the Company have a term limit of nine years or less or two terms of five years each for its independent Board Members?	✓	✓	This is stipulated in the Charter and Internal Regulation on Bank Governance.
E.2.6	Has the Company set a limit of five board seats that an individual independent/non-executive Board Member may hold simultaneously?	✓	✓	This is stipulated in the Charter and Internal Regulation on Bank Governance.
E.2.7	Does the Company have any executive Board Members who serve on more than two boards of listed companies outside of the group?	✓	✓	No, there are no such cases at the bank.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
E.2.8	Does the Company have a Nominating Committee?	✓	✓	The Nominating Committee operates under the Board of Directors.
E.2.9	Is the Nominating Committee composed of a majority of independent Board Members?	◎	◎	Independent Board Members are part of the Nominating Committee and contribute valuable insights on the bank's personnel policies, remuneration, and benefits.
E.2.10	Is the Chairperson of the Nominating Committee an independent Board Member?			Independent Board Members are part of the Nominating Committee and contribute valuable insights on the bank's personnel policies, remuneration, and benefits.
E.2.11	Does the Company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	✓	✓	These are outlined in the Organization and Operation Regulation of the Board of Directors.
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	✓	✓	This information is disclosed in the Annual Report.
E.2.13	Does the Company have a Remuneration Committee?	✓	✓	HDBank has established a Remuneration Committee under the Nominating Committee.
E.2.14	Is the Remuneration Committee consisting of a majority of independent Board Members?	◎	◎	Board Members are part of the Nominating Committee and contribute valuable insights on the bank's personnel policies, remuneration, and benefits.
E.2.15	Is the Chairperson of the Remuneration Committee an independent Board Member?			Board Members are part of the Nominating Committee and contribute valuable insights on the bank's personnel policies, remuneration, and benefits.
E.2.16	Does the Company disclose the terms of reference/ governance structure/charter of the Remuneration Committee?	✓	✓	These are outlined in the Organization and Operation Regulation of the Board of Directors.
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	✓	✓	These are outlined in the Organization and Operation Regulation of the Board of Directors.
E.2.18	Does the Company have an Audit Committee?	✓	✓	HDBank operates under a governance model that includes the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the Chief Executive Officer.
E.2.19	Is the Audit Committee composed entirely of non-executive Board Members with a majority of independent Board Members?	✓	✓	The Board of Supervisors functions independently, overseeing the activities of the Board of Directors and the Board of Management. Its members do not hold management positions at HDBank.
E.2.20	Is the Chairperson of the Audit Committee an independent Board Member?	✓	✓	The Head of the Board of Supervisors operates independently from the Board of Directors.
E.2.21	Does the Company disclose the terms of reference/ governance structure/charter of the Audit Committee?	✓	✓	This information is disclosed in the Annual Report.
E.2.22	Does at least one of the independent Board Members of the Committee having accounting expertise (accounting qualification or experience)?	✓	✓	All four members possess accounting expertise and experience.
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	✓	✓	This information is disclosed in the Annual Report.
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	✓	✓	This information is disclosed in the Annual Report.
E.3	**Board processes**			
E.3.1	Are the Board of Directors meeting scheduled before the start of the financial year?	✓	✓	This information is disclosed in the Annual Report.
E.3.2	Does the Board of Directors meet at least six times during the year?	✓	✓	The Board holds five plenary meetings and participates in meetings of the Board's specialized committees.
E.3.3	Has each of the Board Members attended at least 75% of all the Board meetings held during the year?	✓	✓	All Board Members attend 100% of the Board meetings held during the year.
E.3.4	Does the Company require a minimum quorum of at least 2/3 for Board decisions?	✓	✓	This is stipulated in the Charter.
E.3.5	Did the non-executive Board Members of the Company meet separately at least once during the year without any executives present?	✓	✓	
E.3.6	Are Board papers for Board of Directors meetings provided to the Board at least five business days in advance of the Board meeting?	✓	✓	Board papers are provided at least five business days before the Board meeting.
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	✓	✓	This is stipulated in the Charter and Internal Regulation on Corporate Governance.
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	✓	✓	The company secretary possesses the necessary expertise and experience.
E.3.9	Does the Company disclose the criteria used in selecting new Board Members?	✓	✓	The criteria are outlined in the Charter and regulations on Board Member nomination and candidacy.
E.3.10	Does the Company disclose the process for selecting new Board Members?	✓	✓	The criteria are outlined in the Charter and regulations on Board Member nomination and candidacy.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
E.3.11	Are all Board Members subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each?	✓	✓	This requirement is outlined in the Charter.
E.3.12	Does the Company disclose its remuneration policy for executive Board Members and the Chief Executive Officer?	✓	✓	The policy is detailed in the Charter, Internal Regulation on Governance, Annual General Meeting Materials, and the Annual Report.
E.3.13	Is the remuneration structure for non-executive Board Members publicly disclosed?	✓	✓	It is specified in the Charter and disclosed as required in the financial statements.
E.3.14	Do shareholders or the Board approve the remuneration of executive Board Members?	✓	✓	The General Meeting of Shareholders approves the remuneration rates, and the Board determines the specific details.
E.3.15	Does the Company have measurable standards to align the performance-based remuneration of the executive Board Members and Board of Management members with long-term interests of the Company?	✓	✓	This requirement is outlined in the Charter.
E.3.16	Does the Company have a separate Internal Audit function?	✓	✓	HDBank's Internal Audit function is established in accordance with the regulations of the State Bank of Vietnam.
E.3.17	Is the Head of Internal Audit identified or, if outsourced, is the name of the external firm disclosed?	✓	✓	This information is disclosed in the Annual Report.
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	✓	✓	The Board of Supervisors oversees and directly manages the internal auditor.
E.3.19	Does the Company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	✓	✓	This is outlined in the Annual Report - Corporate Governance section.
E.3.20	Does the Annual Report disclose that the Board Members have conducted a review of the Company's material controls and risk management systems?	✓	✓	This is outlined in the Annual Report - Corporate Governance section.
E.3.21	Does the Company disclose the key risks to which the Company is materially exposed to?	✓	✓	This information is disclosed in the Annual Report.
E.3.22	Does the Annual Report contain a statement from the Board Members or Audit Committee commenting on the adequacy of the Company's internal controls/risk management systems?	✓	✓	This is outlined in the Annual Report - Corporate Governance section.
E.4	**People on the Board**			
E.4.1	Do different persons assume the roles of Chairperson and CEO?	✓	✓	The Chairperson of the Board of Directors does not concurrently hold the position of Chief Executive Officer.
E.4.2	Is the Chairperson an independent Board Member?	✓	✓	The Chairperson is an independent Board Member.
E.4.3	Is any of the Board Members a former CEO of the Company in the past 2 years?	✓	✓	As of December 31, 2023, Mr. Pham Quoc Thanh is both a Board Member and the Chief Executive Officer.
E.4.4	Are the roles and responsibilities of the Chairperson disclosed?	✓	✓	They are regulated in the Charter and disclosed in the Annual Report.
E.4.5	Does at least one non-executive Board Member have prior working experience in the major sector that the Company is operating in?	✓	✓	All Board Members have experience in finance and banking.
E.4.6	Does the Company disclose a policy to diversify the composition of the Board of Directors?	✓	✓	This information is disclosed in the Annual Report.
E.5	**Board performance**			
E.5.1	Does the Company have orientation programs for new Board Members?	✓	✓	All Board Members receive full updates and briefings on the functions, responsibilities, authority, and activities of the Board of Directors.
E.5.2	Does the Company have a policy that encourages Board Members to attend on-going or continuous professional education programs?	✓	✓	HDBank provides professional development training programs and encourages Board Members to participate.
E.5.3	Does the Company disclose the process on how the Board of Directors plans for the succession of the Chairperson, CEO, and key management?	✓	✓	This is outlined in the Internal Regulation on Bank Governance and Internal Personnel Policy.
E.5.4	Does the Board of Directors conduct an annual performance assessment of the Chairperson/CEO?	✓	✓	HDBank conducts an annual performance assessment of the Board of Directors, Chief Executive Officer, and Board of Management.
E.5.5	Did the Company conduct an annual performance assessment of the Board of Directors and disclose the criteria and process followed for the assessment?	✓	✓	HDBank conducts an annual performance assessment of the Board of Directors, Chief Executive Officer, and Board of Management, as disclosed in the Annual Report and Corporate Governance Report.
E.5.6	Did the Company conduct an annual performance assessment of the individual Board Member and disclose the criteria and process followed for the assessment?	✓	✓	HDBank conducts an annual performance assessment of the Board of Directors, as disclosed in the Annual Report and Corporate Governance Report.
E.5.7	Did the Company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	✓	✓	They are outlined in the Annual Report - Corporate Governance section.

REWARD POINTS CARD

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
(B) A	**RIGHTS OF SHAREHOLDERS**			
(B) A.1	**Basic shareholder rights**			
(B)A.1.1	Does the Company practice real time secure electronic voting in absentia at General Meetings of Shareholders?	✓	✓	HDBank has submitted to the General Meeting of Shareholders for approval the regulations on organizing online General Meetings of Shareholders and electronic voting.
(B) B	**EQUITABLE TREATMENT OF SHAREHOLDERS**			
(B) B.1	**Notice of the AGM**			
(B) B.1.1	Does the Company release its Notice of Annual General Meeting of Shareholders, as announced to the Exchange, at least 28 days before the date of the meeting?	✓	✓	The Notice of the Annual General Meeting of Shareholders was released on March 11, 2024.
(B) C	**ROLE OF STAKEHOLDERS**			
(B) C.1	**The rights of stakeholders that are established by law or through mutual agreements are to be respected**			
(B) C.1.1	Does the Company adhere to international standards in preparing its Sustainability Report?	✓	✓	The Sustainability Report is developed in accordance with international standards, including the Global Reporting Initiative (GRI) and the 17 United Nations Sustainable Development Goals (SDGs).
(B) D	**DISCLOSURE AND TRANSPARENCY**			
(B) D.1	**Quality of the Annual Report**			
(B) D.1.1	Are the audited annual financial report/statement released within 60 days from the financial year end?	✓	✓	The audited financial statements are released in compliance with applicable regulations.
(B)D.1.2	Does the Company disclose detailed information on the Chief Executive Officer's remuneration?	✓	✓	This information is provided in the Annual Report and Financial Statements.
(B) E	**BOARD DUTIES AND RESPONSIBILITIES**			
(B) E.1	**Board Competencies and Diversity**			
(B) E.1.1	Does the Company have at least one female independent Board Member?			
(B) E.1.2	Does the Company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	✓	✓	The criteria for Board Members are outlined in the Charter and Internal Regulation on Bank Governance.
(B) E.2	**Board structure**			
(B) E.2.1	Is the Nominating Committee composed entirely of independent Board Members?			
(B) E.2.2	Does the Nominating Committee undertake the process of identifying the quality of Board Members aligned with the Company's strategic directions?	✓	✓	The Nominating Committee advises the Board on human resources matters.
(B) E.3	**Board Appointments and Re-Election**			
(B) E.3.1	Does the Company use professional search firms or other external sources of candidates when searching for candidates to the Board of Directors?	✓	✓	The Company engages BCG consultants to assist in identifying suitable candidates for the position of independent Board Member.
(B) E.4	**Board structure & composition**			
(B) E.4.1	Do independent non-executive Board Members make up more than 50% of the Board of Directors for a company with an independent Chairperson?	◎	◎	The Chairperson is an independent Board Member.
(B) E.5	**Risk management**			
(B) E.5.1	Does the Board of Directors describe the governance process around IT issues to ensure that all key risks are identified, managed and reported to the Board?	✓	✓	This information is disclosed in the Annual Report.
(B) E.6	**Board performance**			
(B) E.6.1	Does the Company have a separate board-level Risk Committee?	✓	✓	The Risk Committee operates under the Board of Directors.

PENALTY SCORECARD

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
(P) A	**RIGHTS OF SHAREHOLDERS**			
(P) A.1	**Basic shareholder rights**			
(P) A.1.1	Did the Company fail or neglect to offer equal treatment for share repurchases to all shareholders?	✓	✓	None in 2024.
(P) A.2	**The right to participate in decisions concerning fundamental corporate changes**			
(P) A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	✓	✓	None in 2024.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
(P) A.3	**Right to participate effectively in and vote in the GMS and should be informed of the rules, including voting procedures, that govern general shareholder meetings**			
(P) A.3.1	Did the Company include any additional and unannounced agenda item into the notice of AGM/EGM?	✓	✓	Information is always disclosed and notified in advance to shareholders.
(P) A.3.2	Did the Chairman of the Board, Head of the Internal Audit Committee, and CEO attend the most recent AGM?	✓	✓	Fully attended.
(P)A.4	**Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed**			
(P) A.4.1	Has the Company failed to disclose the existence of shareholder agreements?	✓	✓	None.
(P) A.4.2	Has the Company failed to disclose the existence of voting caps?	✓	✓	None.
(P) A.4.3	Has the Company failed to disclose the existence of shares with multiple voting rights?	✓	✓	None.
(P) A.5	**Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed**			
(P) A.5.1	Is a pyramid ownership structure or cross-holding structure apparent?	✓	✓	None.
(P) B	**EQUITABLE TREATMENT OF SHAREHOLDERS**			
(P) B.1	**Insider trading and abusive self-dealing**			
(P) B.1.1	Has there been any conviction of insider trading involving members of the Board of Directors, members of the Board of Management, and employees in the past three years?	✓	✓	None.
(P) B.2	**Protecting minority shareholders from abusive actions**			
(P) B.2.1	Have there been any cases of non-compliance with the laws, rules, and regulations related to significant or material related-party transactions in the past three years?	✓	✓	None.
(P) B.2.2	Were there any related-party transactions that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	✓	✓	None.
(P) C	**ROLE OF STAKEHOLDERS**			
(P) C.1	**The rights of stakeholders that are established by law or through mutual agreements are to be respected**			
(P) C.1.1	Have there been any violations of any laws pertaining to labor/employment/consumer/insolvency/commercial/ competition or environmental issues?	✓	✓	None.
(P) C.2	**Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights**			
(P)C.2.1	Has the Company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	✓	✓	None.

No.	Criteria	Compliance at HDBank 2023	Compliance at HDBank 2024	Evaluation basis for 2024
(P) D	**DISCLOSURE AND TRANSPARENCY**			
(P) D.1	**Sanctions from regulators for financial reports**			
(P) D.1.1	Did the Company receive a "qualified opinion" in its external audit report?	✓	✓	Unqualified opinion.
(P) D.1.2	Did the Company receive an "adverse opinion" in its external audit report?	✓	✓	Unqualified opinion.
(P) D.1.3	Did the Company receive a "disclaimer of opinion" in its external audit report?	✓	✓	Unqualified opinion.
(P) D.1.4	Has the Company revised its financial statements for reasons other than changes in accounting policies?	✓	✓	None.
E	**BOARD DUTIES AND RESPONSIBILITIES**			
(P) E.1	**Compliance with listing rules, regulations and applicable laws**			
(P) E.1.1	Is there any evidence that the Company has not complied with any listing rules and regulations apart from disclosure rules over the past year?	✓	✓	Fully complied.
(P) E.1.2	Have there been any instances where non-executive Board Members have resigned and raised any issues of governance-related concerns?	✓	✓	None.
(P) E.2	**Board structure**			
(P) E.2.1	Does the Company have any independent Board Member who have served for more than nine years or two terms of five years each in the same capacity?	✓	✓	None.
(P) E.2.2	Does the Company fail to identify who is the independent Board Member(s)?	✓	✓	None.
(P) E.2.3	Does the Company have any independent/non-executive Board Member who serve on a total of more than five boards of publicly listed companies?	✓	✓	None.
(P) E.3	**Independent auditor**			
(P) E.3.1	Is any of the Board Members or executives a former employee or partner of the current external auditor in the past two years?	✓	✓	None.
(P) E.4	**Board structure & composition**			
(P) E.4.1	Has the Chairperson been the Company's CEO in the last three years?	✓	✓	None
(P) E.4.2	Do independent non-executive Board Members receive stock options or bonus shares?	✓	✓	None

SHAREHOLDER AND INVESTOR RELATIONS

IMPRESSIVE FIGURES ON HDBANK STOCKS AND INVESTOR RELATIONS IN 2024

HDBANK'S 2024 MARKET CAPITALIZATION GROWTH RATE

51.8%

HDBank's market position has been significantly strengthened thanks to strong and sustainable business growth, the trust and support of investors and persistent efforts in investor/ shareholder relations over the years. By the end of 2024, the bank's market capitalization reached VND 89,124 billion, ranking among the top three companies in the VN30 index with the highest capitalization growth.

HDBANK'S 2024 STOCK PRICE INCREASE

56.9%

HDB shares closed at VND 25,500 per share on December 31, 2024, marking a 56.9% increase from the beginning of the year. Despite market fluctuations, HDB shares significantly outperformed the market level, growing at 3 times the VN30 Index increase (18.9%) and 4.7 times the VN-Index increase (12.1%).

THE 2024 DIVIDEND PAYOUT RATIO FOR HDBANK'S SHAREHOLDERS

30%

HDBank has consistently maintained a high and stable dividend payout over the years. In 2024, the bank successfully completed a 30% dividend payout, including 10% in cash dividends and 20% in stock dividends, following the Resolution approved by the General Meeting of Shareholders. Being the industry's top dividend-paying stock reflects HDBank's strong performance and unwavering commitment to maximizing shareholder and investor benefits.



Investor Conference 2024 is a regular event organized by HDBank to update business operations, as well as affirm its commitment to information transparency and strengthen deeper connections with shareholders, investors, and stakeholders.

MAINTAINING A STRONG PRESENCE IN LEADING MARKET INDEXES

VN30
VN DIAMOND
VNSI
VNCG50

HDBank has continued to solidify our standing in Vietnam's financial market by maintaining our position in top-tier indexes such as VN30, VN-Diamond, and VNSI. Notably, HDBank was honored to be included in the 2024 VNCG50 index, which recognizes the 50 listed companies with best corporate governance practices. This achievement not only reinforces our reputation among investors but also highlights our comprehensive and sustainable growth. Consistently securing a place among key indexes demonstrates HDBank's ability to meet standards of financial strength, operational performance, corporate governance, and sustainable development. This reinforces our investor confidence and solidifies our position as one of the leading companies in Vietnam's stock market.

SIX CONSECUTIVE YEARS OF RECOGNITION AT THE PRESTIGIOUS VIETNAM LISTED COMPANY AWARDS

6 YEARS

Organized annually by HOSE, HNX, and Vietnam Investment Review, the Vietnam Listed Company Awards (VLCA) recognized HDBank's outstanding achievements in 2024. HDBank was honored with the "Best Annual Report Award - Companies in Financial Sectors - Large-Cap Group" for six consecutive years, the "Listed Company Award - the Best AGM Oganizer" for two consecutive years, and the "Excellence in Corporate Governance Award (Large Cap)". These awards not only underscore our commitment to transparency and advanced corporate governance but also reflect our continuous efforts in fostering transparent, efficient, and sustainable corporate governance.

SHAREHOLDER AND INVESTOR RELATIONS

In 2024, we continued to reinforce our leadership in building long-standing and transparent relationships with our shareholders and investors. The bank not only ensured strict compliance with corporate governance regulations but also proactively enhanced service quality to best meet stakeholders' rights and information needs.

1. With a shareholder-centric strategy, HDBank has implemented a series of groundbreaking initiatives in investor relations. One key highlight is the continued maintenance and upgrade of the hybrid GMS model, enabling both physical and virtual attendance to facilitate global participation. The online platform has been optimized with a user-friendly interface and high security, allowing shareholders to conveniently exercise their voting rights via mobile devices. Meeting documents are publicly available on the website 22 days before the GMS in both Vietnamese and English, demonstrating our respect and commitment to maximizing shareholder benefits. We have also placed emphasis on. The high approval rate for the proposals at the meeting reflects the strong support and trust of shareholders, proving that we have successfully built strong relationships and received high consensus from our investors. We have also placed a strong emphasis on collecting shareholder opinions entirely online. The high approval rate for proposals submitted at the meetings has reflected the strong support and trust of our shareholders, proving that we have successfully built a strong relationships and received high consensus from our investors.

2. In 2024, we successfully executed our dividend distribution plan, paying a 30% dividend in cash and shares, as approved by the GMS, upholding our policy of efficient shareholder dividend distribution and safeguarding their rights. By maintaining consistent dividend payouts and adhering to our dividend distribution timelines, HDBank has reinforced investor confidence in the bank's stability and growth potential.

3. Our relentless efforts to enhance shareholder and investor relations have been widely recognized. At the 2024 Vietnam Listed Company Awards (VLCA), HDBank was honored with prestigious awards, demonstrating our commitment to building a transparent, professional, and sustainable investment environment. Our notable achievements include six consecutive "Best Annual Report Award", two consecutive "Best Annual General Meeting Organization" awards, and a Top 10 ranking in "Excellence in Corporate Governance Award (Large Cap)", which underscore our best corporate governance practices.

4. Bilateral dialogues with domestic and international investors remained one of our 2024 focuses. Business update sessions were held quarterly in both Vietnamese and English via online platforms such as YouTube, Zoom Webinar, and Workplace, ensuring timely disclosure and publicly available information.

6. In the domestic market, HDBank increased investor meetings in various formats, bringing operational insights and development strategies closer to investors in the stock market. One notable event was the 2024 Investors Conference, successfully held on November 27, 2024, at the Galaxy Innovation Hub in Saigon Hi-Tech Park. The conference not only provided business updates but also enabled over 500 shareholders and investors to directly experience HDBank's digital and innovative space, fostering open discussions on the bank's growth prospects. Collaboration with securities firms was also strengthened to enhance communication and engagement with brokers and investors.

7. At the same time, HDBank also actively participated in diverse investor events across the globe and partnered with major financial institutions, reflecting our commitment to transparency and strong standing in the global capital markets.

8. HDBank has established a professional, 24/7 support system, including the hotline and email to address all inquiries from investors, shareholders. Investors are able to conveniently access HDBank updates through a variety of information channels, including:

- **The Ho Chi Minh City Stock Exchange (HOSE) website**

  https://www.hsx.vn/Modules/Listed/Web/SymbolView/706

- **HDBank's official website**

  https://hdbank.com.vn/vi/investor

- **HDBank's hotline**

  1900 6060

- **Contact HDBank's Investor Relations Department**

  Investor Relations Department - Board of Directors Office, Ho Chi Minh City Development Joint Stock Commercial Bank

- **Phone**

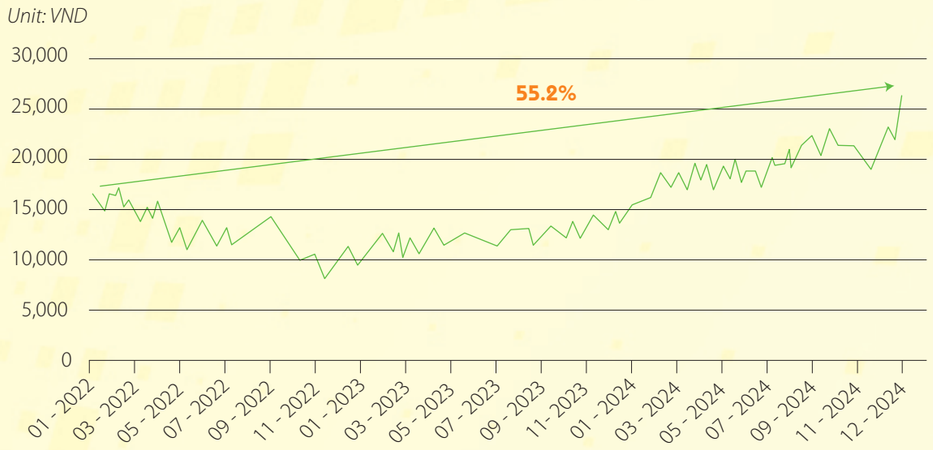
  +84 28 7308 8786 (Ext 100)

- **Email**

  ir@hdbank.com.vn

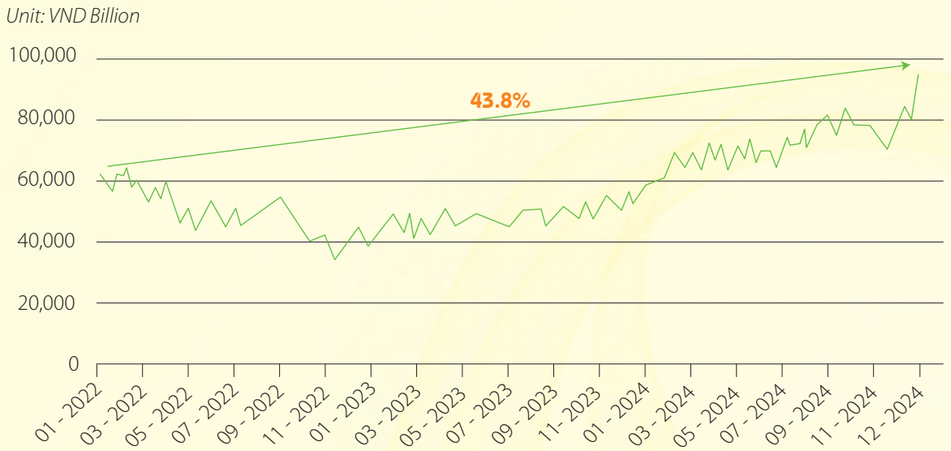
Entering 2025, HDBank continues to deepen its Investor Relations efforts, focusing on streamlining processes and enhancing the effectiveness of engagement. The Bank proactively adopts the most advanced international practices, strengthens research, and optimizes specialized communication channels to ensure that shareholders and investors receive comprehensive support in exercising their rights and fulfilling their obligations. The ultimate goal is to build a transparent and professional investment environment, firmly reinforcing HDBank's reputation and position in the financial market.

HDB's stock price growth (2022 - 2024)



The HDB stock price increased by 55.2% over three years from 2022 to 2024.

HDB's market capitalization growth (2022 - 2024)



HDB's market capitalization grew by 43.8% over three years from 2022 to 2024.

2024 EVENTS

Date	Event
January 15, 2024	J.P. Morgan's Vietnam Tour
February 1, 2024	Investors Conference: HDBank's Q4 2023 Business Results Report for domestic and international investors
February 27, 2024	Maybank IBG's Discover Vietnam 2.0, hosted by Maybank Securities Limited
February 28, 2024	Vietnam Access Day 2024, hosted by Vietcap Securities Joint Stock Company
March 3, 2024	HDBank's Investor & Customer Appreciation Conference 2024
March 4-5, 2024	UBS's OneASEAN Summit 2024, including meetings with institutional investors in Singapore
April 4, 2024	HDBank's Annual General Meeting of Shareholders 2024 (FY2023)
May 14, 2024	Investors Conference: HDBank's Q1 2024 Business Results Report for domestic and international investors
May 27-28, 2024	UBS's Asian Investment Conference 2024, including meetings with institutional investors in Hong Kong
June 19, 2024	Emerging Vietnam 2024, hosted by Ho Chi Minh City Securities Corporation (HSC)
August 7, 2024	Investors Conference: HDBank's Q2 2024 Business Results Report for domestic and international investors
October 15, 2024	Online seminar "HDBank's and Banking Sector Outlook," co-hosted by HDBank and BIDV Securities JSC (BSC) for brokers and investors
November 8, 2024	Investors Conference: HDBank's Q3 2024 Business Results Report for domestic and international investors
November 27, 2024	Investors Conference for retail customers held at Galaxy Innovation Hub

2025 EVENTS

Date	Event
February 12, 2025	Investors Conference: HDBank's Q4 2024 Business Results Report for domestic and international investors
February 19, 2025	UBS's Vietnam Tour
February 26, 2025	Vietnam Access Day 2024, hosted by Vietcap Securities Joint Stock Company
March 3-4, 2025	UBS's OneASEAN Summit 2024 in Singapore
April 24, 2025	HDBank's Annual General Meeting of Shareholders 2025 (FY2024)
May 2025	Investors Conference: HDBank's Q1 2025 Business Results Report for domestic and international investors
June 2025	Emerging Vietnam 2025, hosted by Ho Chi Minh City Securities Corporation (HSC)
August 2025	Investors Conference: HDBank's Q2 2025 Business Results Report for domestic and international investors
November 2025	Investors Conference: HDBank's Q3 2025 Business Results Report for domestic and international investors

SHAREHOLDER, SHARE, AND SHARE PRICE BREAKDOWNS SHARES

HDBank's total ordinary shares as of December 31, 2024, was 3,510,142,254, equivalent to the Charter Capital of VND 35,101,422,540,000, including:

OUTSTANDING SHARES

3,510,142,254 shares

TREASURY SHARES

15,081,522 shares

UNRESTRICTED SHARES ESTIMATED (*)

3,218,673,182 shares

RESTRICTED SHARES ESTIMATED (*)

291,469,072 shares

HDBank shares are not traded in foreign countries and territories.
In 2024, the Bank did not conduct any treasury stock transactions.

HISTORY OF DIVIDEND PAYMENTS

Payment history	2018	2019	2020	2021	2022	2023	2024
1. Dividend payment to charter capital	13%	10%	50%	25%	25%	25%	30%
2. Bonus shares to charter capital	-	20%	15%	-	-	-	-
Total	13%	30%	65%	25%	25%	25%	30%
Payment method	In cash	In shares	In shares	In shares	In shares	In cash: 10% In shares: 15%	In cash: 10% In shares: 20%

The 2023 stock dividend was issued in 2024 in accordance with Resolution of the General Meeting of Shareholders No. 07/2024/NQ-ĐHĐCĐ dated April 26, 2024.

SHAREHOLDER STRUCTURE AS OF DECEMBER 31, 2024

HDBank's shareholder breakdown according to the percentage of ownership (major shareholders - owning more than 5% of equity, and minority shareholders):

No.	Subject	Number of shareholder(s)	Number of shares	Ownership percentage
1	Major shareholder (*)	1	417,744,361	14.27%
2	Minority shareholder	19,118	2,509,887,771	85.73%
	Total	19,119	2,927,632,132	100.00%

(*) Sovico Holdings Company is HDBank's only major shareholder (owning more than 5% of the Bank's voting share capital), currently owning 14.37% of the Bank's voting share capital. All other shareholders own less than 5% of HDBank's.

OWNERSHIP STRUCTURE BY TYPE OF SHAREHOLDERS (*)

No.	Subject	Number of shares	Ownership percentage (%)	Number of shareholder(s)	Shareholder structure (*)	
					Organization(s)	Individual(s)
1	State-owned shareholder	89,312,437	3.05%	5	5	0
2	Major shareholder	417,744,361	14.27%	1	1	-
3	The Bank's Labor Union	724,146	0.02%	1	1	-
4	Treasury shares	15,081,522	0.52%	1	1	-
5	Others	2,404,769,666	82.14%	19,111	238	18,873
	▸ *Domestic*	*1,907,952,638*	*65.17%*	*18,404*	*120*	*18,284*
	▸ *Foreign*	*496,817,028*	*16.97%*	*707*	*118*	*589*
TOTAL		**2,927,632,132**	**100%**	**19,119**	**246**	**18,873**
In which:						
▸ *Domestic*		*2,430,815,104*	*83.03%*	*18,412*	*128*	*18,284*
▸ *Foreign*		*496,817,028*	*16.97%*	*707*	*118*	*589*

(*) On December 26, 2024, the State Bank of Vietnam approved HDBank's new Charter Capital of VND 35,101,422,540,000 under Decision No. 2785/QD-NHNN. As of December 31, 2024, the procedures for additional listing and depository for 2023 dividends are being completed, therefore the total number of shares as of December 31, 2024 according to the list provided by VSDC has not recorded the number of shares additionally issued.

HISTORY OF CAPITAL INCREASE

Time	After the increase (VND billion)	Capital raised (VND billion)	Note
02/1989	3	0	Initial charter capital
06/1992	5	2	Issuance of additional shares to existing shareholders
10/1993	10	5	Issuance of additional shares to existing shareholders
04/1994	22	12	Issuance of additional shares to existing shareholders
01/1998	42	20	Issuance of additional shares to existing shareholders
08/1998	50	8	Issuance of additional shares to existing shareholders
02/1999	60	10	Issuance of additional shares to existing shareholders
06/2002	70	10	Private issuance of shares
12/2004	150	80	Issuance of additional shares to existing shareholders
08/2005	200	50	Issuance of additional shares to existing shareholders
12/2005	300	100	Issuance of additional shares to existing shareholders
12/2006	500	200	Issuance of additional shares to existing shareholders
11/2007	1.000	500	Issuance of additional shares to existing shareholders and employees
10/2008	1.550	550	Issuance of additional shares to existing shareholders and employees
08/2010	2.000	450	Issuance of additional shares to existing shareholders and employees
01/2011	3.000	1.000	Issuance of additional shares to existing shareholders and employees
06/2012	5.000	2.000	Issuance of additional shares to existing shareholders and employees
12/2013	8.100	3.100	Increase through the merger of Dai A Commercial Joint Stock Bank
10/2017	8.829	729	Issuance of stock dividend and issuance of shares from equity to raise capital
12/2017	9.810	981	Private issuance of shares
10/2020	12.708	2.898	Issuance of stock dividend and issuance of bonus shares from equity
12/2020	16.089	3.381	Issuance of stock dividend
10/2021	20.073	3.984	Issuance of stock dividend
07/2022	20.273	200	Issuance of additional shares to employees
11/2022	25.303	5.030	Issuance of stock dividend
09/2023	29.076	3.773	Issuance of stock dividend
03/2024	29.276	200	Issuance of additional shares to employees
12/2024	35.101	5.825	Issuance of stock dividend

DRIVEN BY PRACTICALITY

FOR COMMUNITY BENEFITS

CHAPTER 6. SUSTAINABLE DEVELOPMENT

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OVERVIEW OF THE SUSTAINABLE DEVELOPMENT REPORT



OVERVIEW

The Sustainable Development chapter is prepared annually and included in HDBank's Annual Report to present and disclose information related to the Bank's sustainable development goals. HDBank annually discloses Environmental, Social, and Governance (ESG) information to managing authorities, shareholders, investors, clients, employees, media, local communities, and other stakeholders, providing an overview of the Bank's operations and evaluating the ESG impact of its business performance and the sustainable development strategies integrated into its overall business strategy. The Bank also prepares an independent Sustainability Report to provide details about its operations and sustainable development goals.

The Bank also prepare an independent Sustainability Report to provide details about operations and sustainable development goals.

SCOPE OF INFORMATION DISCLOSURE

» **Scope:** HDBank's operations in Vietnam covers the parent bank and HD SAISON headquartered in Ho Chi Minh City, along with our nationwide branches and transaction offices. The information and statistics used for disclosure are updated in accordance with the parent bank's and HD SAISON's fiscal year.

» **Reporting period:** January 1, 2024 to December 31, 2024.

APPLIED STANDARD

» Compliance with Circular No. 96/2020/TT-BTC guiding Information Disclosure.

» Reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines published by the Global Sustainability Standards Board (GSSB) in 2016 and amended in 2021.

» Reference to the United Nations' 17 Sustainable Development Goals (as the basis for the goals and activities under each key focus area).

INFORMATION

The highest-ranking official in charge of putting Sustainable Development policy into action	Mr. Kim Byoungho - Chairman of the Board of Directors, Independent Board Member, and Chief of the ESG Committee
The person in charge of putting Sustainable Development policy into action	Mr. Pham Quoc Thanh - Chief Executive Officer - Head of the ESG Steering Committee Mr. Tran Hoai Phuong - Head of the Commercial Banking Division, Standing Deputy Head of the ESG Steering Committee, and Chief of the Environmental and Social Council
Email:	vphdqt@hdbank.com.vn
Telephone:	(028) 62 915 916
Website:	www.hdbank.com.vn
Address:	HD Tower Building, 25Bis Nguyen Thi Minh Khai, Ben Nghe Ward, District 1, Ho Chi Minh City

SUSTAINABLE GOVERNANCE

SUSTAINABLE GOVERNANCE MODEL

The year 2024 marks a significant milestone in HDBank's ESG governance with the establishment of the Environmental, Social and Governance (ESG) Committee, which advises and supports the Board of Directors in directing, formulating, and implementing business and investment strategies and ESG policies. HDBank's strong commitment to realizing our sustainable development strategies across the bank is also evident in the establishment of the ESG Project Team under the direct leadership of the CEO.

The Bank's sustainable development model, centered on Environmental, Social, and Governance (ESG) factors, draws active contributions from the Board of Directors, Board of Management, Divisions, functional departments, and all employees. This demonstrates the Board of Directors' strong commitment to integrating Sustainable Development Goals into the Bank's overall strategy.

HDBank's commitments include:



Ensuring the Bank's sustainability in customer services and partnerships

Respecting human life and creating positive impacts on the environment

Complying with the law and international practices on environment, social, and governance

BOARD OF DIRECTORS

- Overall direction on strategic issues of the Bank related to Sustainable Development
- Approves objectives and action programs

ESG COMMITTEE

- The ESG Committee is an advisory body assisting the Board of Directors and implementing tasks authorized or assigned by the Board of Directors in directing, planning, and implementing the business strategy, investment strategy, ESG policies for HDBank's sustainable development, and researching, appraising, and evaluating investment projects under the decision-making authority of the BOD

CEO AND BOARD OF MANAGEMENT

- Develops and submits to the Board of Directors the objectives and action programs for HDBank's Sustainable Development
- Implements the Sustainable Development strategy, objectives, and plans throughout the Bank
- Ensures the Sustainable Development plan achieves its set objectives

ESG STEERING COMMITTEE

- Reviews significant Environmental, Social, and Governance issues related to HDBank's business operations and advises the CEO
- Submits implementation, evaluation, and monitoring reports on the ESG Regulations to the Board of Directors;
- Evaluates and monitors the implementation of ESG practices at the Bank
- Assesses the risk of impact from Environmental and Social issues on the Bank's operations

RISK MANAGEMENT & SUSTAINABLE DEVELOPMENT DEPARTMENTS

- Monitors the implementation of Environmental and Social Management by HDBank and its credit clients or HDBank's investment projects
- Monitors the implementation of HDBank's Environmental and Social Management System

DIVISIONS AND FUNCTIONAL DEPARTMENTS

- Implement and realize the sustainable development plan according to the set direction
- Propose appropriate recommendations to enhance the effectiveness of the sustainable development plan

EMPLOYEES

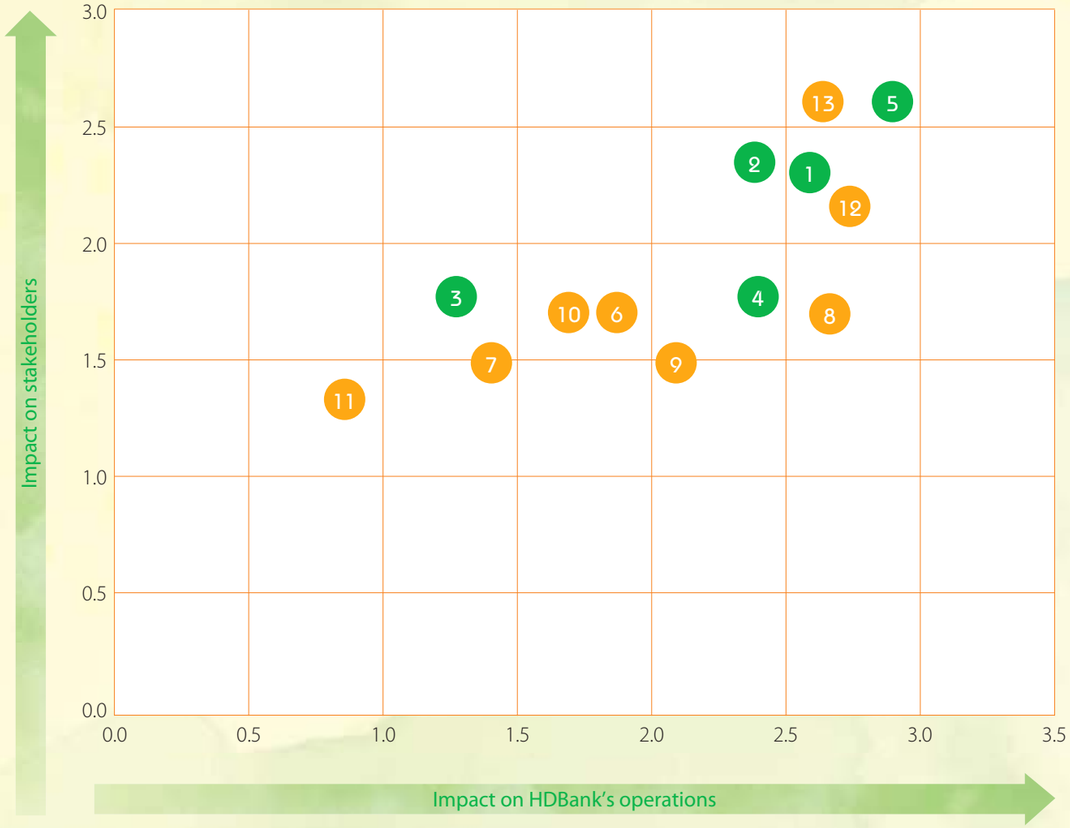
- Perform daily tasks related to HDBank's sustainable development goals
- Report in case of detecting issues related to being affected by the Bank's operations

MATERIAL TOPICS

THE MATERIALITY MATRIX

The materiality matrix facilitates HDBank's appropriate resource prioritization and allocation, supporting the Board of Directors and Board of Management in directing, overseeing, and managing business operations to achieve sustainability and maximize benefits for all stakeholders. Identifying and ranking key focus areas for the preparation of the Sustainability Report enables us to disclose relevant information and respond promptly to stakeholder interests.

Below is the key focus area matrix used for our 2024 assessment:



RESPONSIBLE CREDIT

- Material Topic 1 — Sustainable development in credit risk management
- Material Topic 2 — Sustainable finance
- Material Topic 3 — Financial inclusion
- Material Topic 4 — Customer values
- Material Topic 5 — Economic values

RESPONSIBLE OPERATIONS

- Material Topic 6 — Resource optimization
- Material Topic 7 — Environmental impact reduction
- Material Topic 8 — Human resources development
- Material Topic 9 — Employee's welfare and compensation
- Material Topic 10 — Diversity, equality and human rights
- Material Topic 11 — Community and social contributions
- Material Topic 12 — Digital transformation and data security
- Material Topic 13 — Legal compliance

ENGAGEMENT WITH KEY STAKEHOLDERS

HDBank recognizes the pivotal role of collaboration and support from stakeholders on the bank's sustainable development journey. HDBank's key stakeholders are identified as those who either influence our development strategy or are directly affected by our operations. We also focus on identifying stakeholder interests and effective interaction channels as well as setting forth concrete action plans to fulfill the expectations of all stakeholders.

HDBank seeks to receive support from key stakeholders, including: shareholders, investors, clients, employees, managing authorities, media, vendors, and local communities. Stakeholder needs and expectations will be the driving force to help HDBank conquer new milestones, while shaping our sustainable business strategy.

	Shareholders and investors	Clients	Employees	Managing authorities	Media	Vendors	Local communities
HDBank's commitment	HDBank is committed to transparently and promptly providing information to shareholders and investors as well as actively listening to their inputs and improving the quality of shareholder and investor relations.	HDBank pledges to proactively communicate with clients, listen to their inputs to understand their needs and offer suitable financial services.	HDBank has developed two-way communication channels with employees, ensuring bank-wide implementation of our development directions and prompt response to employees' inquiries.	HDBank commits to fully complying with applicable legislation and proactively communicating with managing authorities regarding the enforcement of regulations.	HDBank employs a range of communication strategies, enhancing our brand reputation to the public and promptly addressing any inquiries pertaining to the Bank.	HDBank implements a sustainable procurement approach, placing emphasis on suppliers and partners that demonstrate a strong dedication to upholding sustainable standards.	HDBank has long been focusing on driving our contribution to the development of local communities by offering a wide range of financial solutions and sponsoring social security initiatives.
Interaction channels	» General Meeting of Shareholders and consultation	» Online channels: Website and social media channels (official HDBank Fanpage, and Tik Tok and YouTube channels).	» Development of diverse and specialized training programs.	» Participation in conferences and workshops organized by ministries, departments, and organizations.	» Press conferences and interviews.	» In-person dialogues.	» In-person meetings and dialogues.
	» Investors Conferences for Quarterly Business Updates and other in-person events throughout the year.	» In-person interactions: Branches, transaction offices, and customer relations employees.	» Trade unions and youth unions.	» Participation in meetings and bilateral and multilateral collaborations.	» Participation in forums and seminars organized by news agencies.	» Phone and emails.	» Communication and collaboration with local authorities.
	» Periodic investor newsletters.	» Local workshops across the country.	» Online monthly KPI evaluation system.	» Reports seeking inputs and recommendations on implementation.	» Press releases.	» Supplier evaluation, classification, and selection at the beginning of the fiscal year.	» Press communications.
	» Phone and emails.	» Suggestion box at transaction points.	» Internal communication channels (Workplace).				
	» HDBank's official website.		» Sports and performance events.		» HDBank's official website and social media channels.		» Customer Service Center.
	» The Investor Relations Department's regular communication and consultation with shareholders and investors to understand their insights and expectations.		» Grievance hotline.		» Phone and emails.		» Website and emails.

	Shareholders and investors	Clients	Employees	Managing authorities	Media	Vendors	Local communities
Issues of concern	» Business performance and shareholder, investor, and stakeholder benefits.	» Tech-enabled financial products and services for better customer .experience.	» Work environment, and compensation and benefits policies.	» Compliance with the law.	» HDBank's periodic business performance and short- and long-term development strategies.	» Quality of services and products .	» Financial inclusion for all retail and commercial clients .
	» Transparent and prompt disclosure of information.	» Customer experience through fast, safe and modern technology.	» Career path and motivation.	» Risk management, economic stability contribution, inflation control, and economic sustainability advancement.	» HDBank's key information and events.	» Fulfillment of agreements' obligations and commitments, including those related to risk management, environmental and social issues, and social responsibility.	» Job opportunities for the local .
	» HDBank's responsibilities to shareholders, investors, and stakeholders.	» Feedback on the quality of the bank's financial services.	» Training programs to develop professional skills..	» Environmental and social impact management.		» Occupational safety and health.	» Local economic and community development programs.
		» Customer data security.	» Occupational safety and health.	» Communication in the process of regulatory enforcement.			
		» Transparent consultation process; clear information on financial products .	» Equality and human rights.				
			» Personal data security.				



	Shareholders and investors	Clients	Employees	Managing authorities	Media	Vendors	Local communities
HDBank's actions to fulfill stakeholder expectations	» Consistently achieving a return on equity (ROE) of above 20% since the bank's initial public offering (IPO). In 2024, ROE stood at 25.7%.	» Enhancing customer experience by adopting fast, safe and modern technology.	» Communicating and training on anti-discrimination regulations and grievance processes.	» Fully complying with regulations established by competent authorities across all operations.	» Ensuring close collaboration for timely and transparent disclosure of information to the public.	» Respecting and fulfilling all responsibilities and commitments.	» Actively contributing to local economic sustainability and job creation.
	» Completing a 30% dividend payout in 2024 (10% in cash dividends and 20% in stock dividends).	» Offering a range of flexible financial solutions, facilitating quick access to funds, and providing assistance during financially challenging times to support retail and commercial clients.	» Guaranteeing compensation, benefits, and social security policies for employee.	» Pioneering the implementation of the government and SBV's policies on green credit, high-tech agricultural credit, rural development, renewable energy, and funding for SMEs and households, etc.	» Communicating regularly and periodically about the bank's notable programs and events.	» Raising vendors' and partners' awareness of corporate governance and environmental impact management practices.	» Continuing and driving community assistance initiatives that focus on education, healthcare, and social housing.
	» Organizing the Annual General Meeting of Shareholders and soliciting written polls which achieved high approval rates.	» Consistently conducting service quality surveys.	» Adopting technology in the management and assessment of employee competencies.	» Being selected for the mandatory transfer of an under-performing bank.	» Promptly addressing any inquiries pertaining to the bank.	» Prioritizing suppliers and partners who have sustainable social and environmental policies.	» Sponsoring and organizing annual social and community events aimed at enhancing community knowledge, health, and cultural well-being.
	» Fully complying with disclosure obligations as required by law.	» Ensuring security and privacy of customer data.	» Organizing training courses and competitions to promote employees' engagement and upskilling.	» Being recognized for the fifth consecutive year by the People's Committee of Ho Chi Minh City as a company with outstanding compliance with tax regulations and state budget obligations..			
	» Organizing online quarterly Investors Conferences and joining retail and institutional investors events.	» Establishing a system for periodic and ad-hoc training and oversight of customer consultation on the bank's products and services.	» Conducting surveys to gather employee feedback on their jobs, training, benefits, and work environment.				
	» Organizing large-scale events in Ho Chi Minh City to meet domestic investors, which have drawn significant attention from shareholders and investors.		» Developing a variety of recruiting initiatives to attract highly skilled talents.				
	» Focusing on listening to shareholders' and investors' inputs to improve operations .		» Implementing talent retention initiatives (e.g., ESOP, senior and mid-level management and potential leadership training).				
			» Ensuring information security and privacy .				

NOTABLE FIGURES IN HDBANK'S SUSTAINABLE DEVELOPMENT EFFORTS

SUSTAINABLE BUSINESS

- **25.7% Return on Equity (ROE),** remaining one of the industry-leading banks.
- **The bank selected by the Government and the SBV** for the transfer of DongA Bank.
- **VND 16,731 billion in consolidated profit before tax, a remarkable increase of 28.5%** from 2023.
- A **21.5% 10-year CAGR in Total Assets**, positioning HDBank **among the fastest-growing players in the banking sector.**
- **30%-2024 dividend payout ratio for HDBank's shareholders,** with 10% in cash.

RESPONSIBLE CREDIT

- **Environmental and social risk assessment** for **100% credit facilities** (both new and refinancing) granted to commercial clients.
- **44% of outstanding loans, equivalent to VND 183,000 billion,** for clients in Tier 2 cities, rural areas and agriculture.
- **12% of outstanding loans, equivalent to VND 48,700 billion,** for social policy credit (agriculture, women-owned businesses, education, and healthcare), with **VND 4,4 trillion disbursed** to women-owned small and medium-sized enterprises by the end of 2024.
- **VND 31,000 billion in disbursement for green projects** by the end of 2024**. Green credit disbursement in 2024 increased by 95%** from 2023.
- Successful issuance of **VND 3 trillion in domestic green bonds** in 2024 under the **"Sustainable Finance Framework," which is developed in alignment with ICMA and LMA standards** with IFC's technical support and a "very good" rating by Moody's.
- **VND 25 trillion -** HD SAISON's 2022-2024 loan **balance** for workers in industrial and export zones, with VND 15 trillion disbursed successfully so far.

SUSTAINABLE OPERATIONS

- **2.474 tons of paper saved** compared to 2023 through digital transformation.
- **40% decrease in bank-wide plastic consumption** compared to 2023.
- **40% decrease in gasoline consumption** from 2023 at the Head Office.

BENEFITS FOR EMPLOYEES, THE COMMUNITY, AND SOCIETY

- **20 million shares issued in 2024 under the employee stock ownership plan (ESOP) for managers.**
- Holder of the **"Best Companies to Work for In Asia"** award for **7 consecutive years.**
- **914,910** in total training hours for employees in 2024, equivalent to an average of 49.4 hours of training per employee.
- **40%** Employees with more than 5 years of tenure, with a high employee satisfaction rate of 85.7%
- Launch and widespread roll-out of the **MediPay Kiosk** initiative - a major milestone in the digital transformation of the healthcare sector.
- **300 workshops to raise awareness about predatory lending** for retail clients in 2024.
- **VND 12 trillion** in preferential credit packages for clients affected by Typhoon Yagi.
- **VND 80 billion** contribution to the national program for reducing temporary and dilapidated housing.
- **2,500 HDBank-sponsored free eye surgeries** for those struggling financially.
- **1,000 scholarships** totaling **VND 1 billion** for the Vu A Dinh Scholarship Fund and the "Vi Truong Sa - Hoang Sa than yeu" (For Truong Sa - Hoang Sa) Club.

OUTSTANDING ACHIEVEMENTS IN SUSTAINABLE DEVELOPMENT

With the aim of ensuring sustainable economic growth, HDBank is among the first commercial banks to issue green credit policies, protect the environment, and encourage social development since 2019.

Throughout 2020 and 2021, with the support of reputable international financial institutions and banks, including the International Finance Corporation (IFC), LeapFrog Investments, Deutsche Investitions-und Entwicklungsgesellschaft (DEG), Affinity Equity Partners, and the Asian Development Bank (ADB), HDBank pioneered a commitment to refrain from financing coal-related activities, including coal mining, coal transportation, or coal-fired power plant construction, as well as other related infrastructure services. We are also a trailblazer in applying the Policy on Environmental and Social Risk Management (ESMS) in Credit Extension to 100% of corporate loans, and providing recommendations to ensure compliance with that Policy from 2023 onwards.

In 2024, to fully implement green and sustainable credit initiatives, HDBank collaborated with international consulting partners to organize in-depth training programs for our employees on environmental and social risk assessment in credit extension procedure. We also intensified our efforts in advising and supporting clients in adopting green operations. We have increased lending to priority sectors, with 44% of our outstanding customer loans going to clients in Tier 2 cities, rural areas and agriculture. Additionally, 12% of the outstanding loan portfolio is allocated to social credit, including agriculture and rural development, women-owned SMEs, education and training, and healthcare. Green credit disbursements in 2024 increased by 95% year-over-year. HDBank successfully issued VND 3 trillion in domestic green bonds under the "Sustainable Finance Framework", which not only complies with ICMA and LMA standards, but also receives a "very good" rating from Moody's.

Furthermore, HDBank collaborated with local authorities to enhance awareness against predatory lending and hosted a livestream series for the One Commune One Product (OCOP) National Program to assist farmers and artisans from traditional craft villages in expanding their e-commerce presence along with product marketing and sales. HD SAISON, HDBank's consumer finance company, continued to play a crucial role in combating predatory lending practices, enhancing financial inclusion for individuals, particularly those with low incomes, by offering preferential loan packages totaling VND 25 trillion during the 2022-2024 period.

In our operations, HDBank has long been committed to adopting decarbonization solutions. This is achieved through promoting end-to-end digital initiatives as well as practical actions such as raising awareness about greenhouse gas emissions among employees and the community. In 2024, we saved 2,474 tons of paper and reduced plastic consumption by 40% compared to 2023 through bank-wide digital initiatives. Total energy consumption from gasoline and diesel oil also saw a significant decrease in 2024. Initiatives such as green delivery also contributed to HDBank's significant carbon footprint reduction.

HDBank places a strong emphasis on investment in human resources. Throughout 2024, HDBank focused on in-depth training programs to foster holistic employee development, featuring training programs for the leadership and key personnel (e.g., Next Leaders, Mini MBA), alongside programs for advancing professional expertise and technology proficiency. In 2024, we reached 914,910 hours of employee training, averaging 49.4 training hours per employee. Additionally, by fostering a positive work environment, as well as maintaining an employee retention rate of over 40% for those with 5+ years of service and an employee satisfaction rate of 85.7%, we earned the "Best Companies to Work for in Asia" award by HR Asia magazine for the seventh consecutive year. To recognize the contributions of our managers, HDBank issued 20 million shares under the ESOP program in 2024.

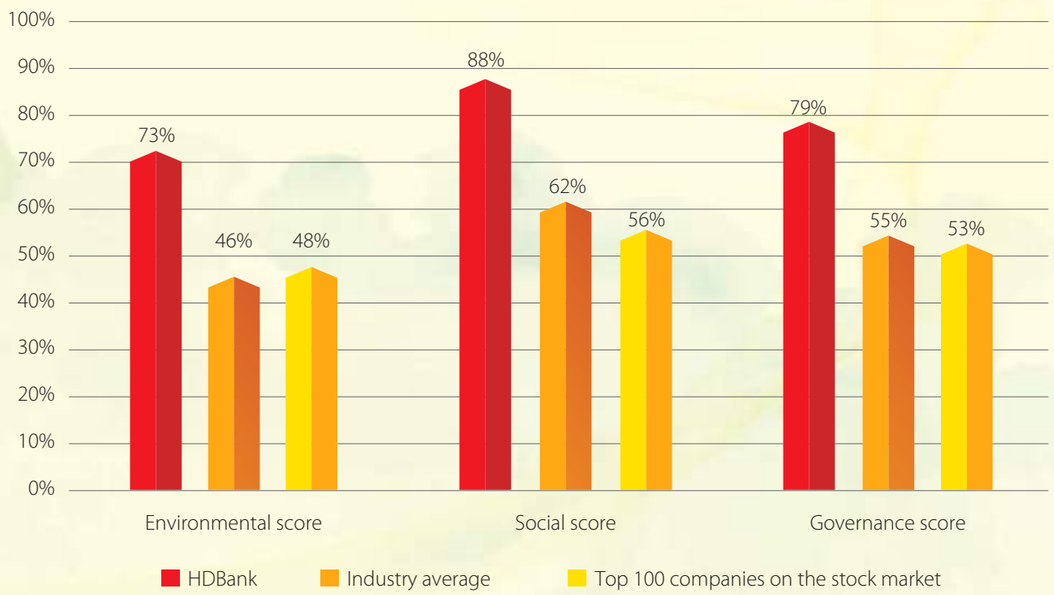
Over 35 years of growth, HDBank has built a brand with a strong humane culture, driving our commitment to delivering positive values to the community. Throughout the past years, HDBank has been dedicated to spreading kindness through long-term initiatives, including providing health insurance coverages and eye surgeries for impoverished patients, building charity homes, awarding scholarships to outstanding students, and constructing bridges for disadvantaged communities. HDBank has also been a long-standing partner of various cultural and sporting events, including the HDBank Cup International Chess Tournament and the HDBank National Futsal Championship. In 2024, HDBank continued to broaden our operations by introducing digital initiatives in education and healthcare (e.g., EduPay, Kiosk MediPay), hosting hundreds of seminars to raise awareness about predatory lending, and offering credit packages to support customers affected by Typhoon Yagi.

With a commitment to responsible and sustainable banking practices that contribute to socioeconomic prosperity, HDBank has been recognized and honored by domestic and international organizations for our efforts over the years.

In the 2024 assessment of the enterprises within the Vietnam Sustainability Index (VNSI) by the Ho Chi Minh City Stock Exchange (HoSE), HDBank maintained our leading position with a score surpassing the industry average for the fifth consecutive year. Based on HoSE's assessment, HDBank achieved a total score of 81%, with strong performance across all three pillars: Environmental (73%), Social (88%), and Governance (79%).



Environmental - Social - Governance Ratings in the stock market by HoSE



AWARDS



Mr. Bui Hoang Hai - Vice Chairman of the State Securities Commission presented the Top 10 Best Corporate Governance Practices award to HDBank. Mr. Pham Van Dau - Chief Financial Officer of HDBank represents HDBank in receiving the award.

HDBank has excelled by winning three distinguished awards at the 2024 Vietnam Listed Company Awards (VLCA), co-hosted by the Ho Chi Minh City Stock Exchange (HoSE), the Hanoi Stock Exchange (HNX), and the Vietnam Investment Review. This recognition underscores HDBank's pioneering role in the financial and banking sector, as well as our commitment to transparent disclosure and professional governance practices. For the sixth year in a row, HDBank has been recognized with the "Best Annual Report Awards - Companies in Financial Sectors". This reflects HDBank's unwavering commitment to improving our information disclosure practices to meet international standards like the ASEAN Corporate Governance Scorecard.

Regarding corporate governance, HDBank was honored among the Top 10 "Companies with Best Corporate Governance - Large-Cap Group", and also received the "Best Annual General Meeting Organization" awards for the second consecutive year.



Representatives of HDBank's management receive The Asian Banker Vietnam Excellence Awards 2024.

Furthermore, in 2024, HDBank marked a significant milestone in our green and sustainable growth journey by receiving the prestigious "Best Green Financing in Vietnam" award at The Asian Banker Vietnam Excellence Awards.



Representatives of HDBank's management receive The Asian Banker Vietnam Excellence Awards 2024.

At the award ceremony for Sustainable Companies 2024, which was hosted by the Vietnam Chamber of Commerce and Industry (VCCI), HDBank continued to meet all 153 criteria of the Corporate Sustainability Index (CSI) to receive this title for the sixth consecutive year. Among the leading Sustainable Companies in Vietnam 2024, HDBank will continue our "greening" and sustainable development journey, thereby fostering the image of a sustainable and happy green bank.

STAKEHOLDER VIEWS ON HDBANK'S SUSTAINABLE DEVELOPMENT PERFORMANCE

FINANCIAL INSTITUTIONS

Asian Development Bank (ADB)

In 2024, HDBank reaffirmed their commitment to sustainable development through a strategic partnership with the Asian Development Bank (ADB). Key initiatives, including the Environmental and Social Management System (ESMS) for Trade Finance and the Climate Tagging Project, played a pivotal role in the bank's sustainable finance strategy. HDBank also joined ADB's programs to drive financial inclusion and climate resilience in Vietnam.

The bank began by assessing their current portfolio to identify potential green and low-carbon lending sectors. By 2025, HDBank will continue to collaborate with ADB and our technical partner (PwC) to develop more green loan products for customers in Vietnam. These initiatives contribute to strengthening green finance, managing environmental and social risks, and promoting climate-positive trade finance transactions.

CLIENTS

Mr. Le Van Thom - Retail client from Cai Be, Tien Giang

I'm a well-respected member of My Loi A commune, Cai Be district, Tien Giang province. After being introduced to the bank at the Agricultural Seminar, I'm delighted to welcome HDBank here, particularly as we are undergoing a major shift from rice farming to fruit cultivation (e.g., durian). During the seminar, other local farmers and I were actively asking questions and receiving comprehensive, satisfactory answers that addressed our concerns from HDBank Cai Be employees. With a strong reputation and over 30 years of growth, HDBank has established a nationwide presence. I am confident that we will build a strong and long-term relationship. I will encourage other members and credit groups in the commune to contact HDBank without hesitation when needed, and I look forward to HDBank's continued support and collaboration with our community.

Ms. Nguyen Thi Thuy - Retail client from Loc Ha, Ha Tinh

Through media channels and direct consultations with local HDBank employees, I was very satisfied and submitted a loan application at HDBank Loc Ha. I was introduced to the Agricultural and Rural Development loan product, which offered various benefits and was well-suited to my family's business of livestock farming. The staff was also very helpful in guiding me through the procedures and ensuring swift loan disbursement. Furthermore, I joined the Referral program to refer my friends and acquaintances to HDBank Loc Ha, with the aim of fostering better local agricultural economic growth.

A women-owned SME

As a woman-owned enterprise, we consistently face numerous challenges in expanding our operations, particularly in accessing suitable funding to ensure sustainable growth. With regard to those challenges, HDBank's preferential financial products for women-owned enterprises have offered us more funding options to invest in and expand our operations.

Beyond providing tailored financial products and services, HDBank has demonstrated exceptional banking performance through their expanding transaction network, infrastructure, employee expertise, information security policies, and more, thereby showcasing their strong commitment to driving sustainable development.

We hope that HDBank will develop more products with even greater benefits, empowering women-owned enterprises to pursue long-term investments, scale up operations, and enhance socio-economic impact.

Indefol Solar Joint Stock Company

As a company in the renewable energy sector, Indefol Solar JSC continuously seeks flexible, efficient, and suitable financial solutions to implement clean energy projects, contributing to sustainable development. In our partnership, HDBank has demonstrated their reliability as a financial partner, not only providing pioneering green finance products but also supporting our company through every stage of development.

During our collaboration with HDBank, we are highly satisfied with the service quality and the dedicated support from the bank's team. HDBank's convenient transaction network and modern facilities enable us to streamline our operations and boost efficiency. The professionalism and high expertise of the bank's employees are also crucial in building our trust in this partnership. We can confidently conduct financial transactions thanks to HDBank's fast and transparent transaction processing and robust information security system.

Notably, HDBank has demonstrated their clear commitment to sustainable finance. The bank's green credit products are among the industry's best and align with our company's needs. Based on our positive experience with HDBank's green credit products and services, we look forward to the bank's ongoing partnership and continuous efforts to embrace new technologies and project models

INVESTOR

Leapfrog Investments

HDBank, a top-tier Vietnamese listed commercial and retail bank, has demonstrated robust performance, consistently achieving a return on equity (ROE) and annual credit growth of over 20%. HDBank's customer base of over 20 million and their particular emphasis on retail clients and micro, small, and medium enterprises (MSMEs) closely align with LeapFrog's objective of driving financial inclusion. LeapFrog's investment in HDBank has enhanced the bank's capital capacity to help them expand their lending initiatives to more retail clients and MSMEs and prioritize support for women-owned and women-led businesses.

Over the past years, LeapFrog has assisted HDBank in enhancing their environmental, social, and governance (ESG) practices and provided guidance on best practices to implement the Environmental and Social Management System (ESMS) and employee training. We are delighted to see the progress HDBank has made in integrating ESG into lending through the ESMS. We believe the bank's commitment to ESG best practices will make a difference and establish a solid foundation for meeting the international standards. Furthermore, LeapFrog is actively working with HDBank's leadership to support the bank's strategy to enhance life insurance sales, ensure compliance with new regulations, and solidify their position among the leading banks in life insurance distribution. Overall, our experience with HDBank has been highly satisfactory, and we are keen to further this partnership to achieve impactful results and sustainable growth.

Our partnership with HDBank has yielded positive results, contributing to our investment portfolio diversification and driving financial inclusion at a key market in Southeast Asia. As of the end of 2024, HDBank disbursed VND 4.4 trillion (approximately USD 176 million) in loans to women-owned MSMEs, who often face limitations such as lack of collateral and higher perceived risk. By supporting HDBank's ESG initiatives, we not only enable them to comply with ESG policies and best practices, but also allow us to achieve our goal of enhancing the sustainability of businesses within our investment portfolio.

MANAGING AUTHORITIES

Mr Tran Dinh Cuong - Deputy Director - Ho Chi Minh City Branch of the State Bank of Vietnam

The State Bank of Vietnam - Ho Chi Minh City Branch acknowledges and commends the collective efforts of HDBank's Board of Directors, Board of Supervisors, Board of Management, and all employees in achieving positive results and growth in total funding and total deposits while maintaining strong credit quality and an low non-performing loan ratio within the region. Moreover, HDBank's sustainable development strategy is highly regarded by the SBV for their focus on aligning credit growth to safe and effective credit restructuring, strict credit quality control, and adoption of and compliance with the Basel II safety standards.

MEDIA

Ms. Dang Khanh - Deputy Editor-in-chief - The Voice of Vietnam

Over years of collaboration, the Voice of Vietnam highly appreciates HDBank's communications. The bank consistently provides timely, comprehensive, and transparent updates on their products, services, and activities, enabling clients, shareholders, and partners to make informed decisions on the most suitable financial solution. HDBank also actively communicates their extensive and regular nationwide social security activities, thereby bringing positive values to the community.

With a strong and sincere partnership, the Voice of Vietnam and HDBank will continue to collaborate in communicating financial and banking information and spreading positive values to the community, contributing to driving economic growth for a better life and future.

VENDORS

MM Mega Market Vietnam Company Limited

As a strategic partner, MM Mega Market greatly appreciates the professional and reliable collaboration with HDBank's team. The bank's streamlined and transparent workflows enable them to consistently fulfill their commitments. The transparent disclosure of information during supplier selection demonstrates their environmental responsibility throughout all operations.

MM Mega Market is committed to sustainable development, aiming for net-zero emissions by 2040. We are a pioneer in implementing waste segregation models that significantly reduce food waste. MM Mega Market believes that our collaboration with partners like HDBank, who share our vision for sustainable development, will have a meaningful impact on our community.

FPT IS Company Limited

Driven by a strong commitment to environmental protection and sustainable development, FPT IS aims to be a pioneer in Vietnam in reducing greenhouse gas emissions, targeting Net Zero by 2040. In collaboration with HDBank, FPT IS is developing digital technology initiatives to minimize environmental impact and improve operational efficiency. FPT IS highly values our partnership with HDBank, whose professionalism, effective coordination, fulfillment of all contractual responsibilities and obligations, and transparency in all procedures have been consistently demonstrated.

DHL Group

As a global leader in logistics, DHL is committed to pioneering sustainable development. We have been implementing our GoGreen products since 2008, aiming for significant reductions in greenhouse gas emissions and upholding global standards for corporate social responsibility and governance.

In this journey, as one of our key partners, HDBank is held in high regard for their effective collaboration and dedicated support. Notably, HDBank's choice of DHL's GoGreen Plus service demonstrates our shared commitment to sustainable development. HDBank's commitment to using GoGreen Plus, with a reduction of 30% emissions by March 2024 and 90% by January 1, 2025, underscores our strong partnership and shared vision for a more sustainable future.

LOCAL COMMUNITIES

Mr. Tran Thanh Long, Chairman of the Sponsoring Association for Poor Patients Ho Chi Minh City, shared

As a leading bank in Vietnam, HDBank has long been recognized for their extensive engagement in nationwide charity programs. Since 2007, HDBank has provided substantial financial support to the Sponsoring Association for Poor Patients HCMC, offering eye surgeries for impoverished patients, scholarships to underprivileged yet academically-motivated students, health insurance coverage, and construction of charity homes for near-poor and disadvantaged families. This contribution has resulted in over 12,500 eye surgeries, 20,500 health insurance coverages, scholarships, and hundreds of charity homes, which gradually improves the quality of life, and spreads joy and optimism among communities across the country.

Ms. Nguyen Thi Hoan - Principal of Thai Hoc Elementary School, Vu Minh Commune, Nguyen Binh District, Cao Bang Province

In the days leading up to the Lunar New Year 2025, our teachers and students were truly delighted to receive meaningful gifts from HDBank. Moreover, the HDBank team also showed genuine care during their visit to our school. This has given us, the students and teachers in the highlands, significant motivation to overcome difficulties, pursue education, and strive for a brighter future.

EMPLOYEES

Mr. Nguyen Tan Luc - Director of Application Development

As a potential leader participating in the Next Leaders program, I am honored to share my journey with HDBank - a place that has shaped my career path and ignited my inspiration.

One of the contributions I am most proud of is in the technology field - where my team and I implemented digital transformation solutions, enhanced customer experience, and optimized banking operations. At HDBank, I have the opportunity to work with talented individuals who are always willing to share their knowledge and experience. I have grown professionally thanks to internal training programs and have been recognized and appointed after outstanding achievements in key projects. This has motivated me to continuously improve myself and spread value to the team. For me, learning is not just about receiving, but also a way to connect, share, and move forward together.

Over 15 years of commitment, I have witnessed HDBank's strong transformation, pioneering in the digital era. Every step forward of HDBank is associated with the collective efforts of the entire system, and I am proud to have contributed to that development. With my TOP 1 result in the Next Leaders program, I am even more motivated to continue accompanying and bringing youthful energy and creativity to help HDBank reach new heights.

I would like to thank the Board of Directors for their trust and my colleagues for their support. I will continue to inspire young colleagues to join hands for the development of HDBank."

Ms. Do Thi Lan Anh - Deputy Branch Director cum Head of Customer Service, Customer Service and Treasury Department, Saigon Branch

During my time working at HDBank, I have found it to be an organization with a very modern, dynamic, and professional working environment. The bank regularly organizes and provides training opportunities for both skills and professional knowledge, enabling employees to work confidently and develop throughout their careers. In addition, HDBank offers competitive salaries and benefits, with bonus programs to encourage and appropriately recognize the contributions of individuals like myself in particular and the entire staff in general.

Not only focusing on investing in skills and expertise, HDBank also pays great attention to the health of its employees by providing insurance and healthcare policies for employees as well as benefits for the relatives of staff members throughout their employment.

As a "Green" bank, HDBank designs a modern workspace and a professional environment that creates a friendly and safe feeling for both employees and customers when transacting. For me personally, HDBank has always been an ideal working organization where I can be attached, contribute, learn, and develop myself.

Ms. Nguyen Thi Thu Huyen - Priority Banking Relationship Manager - Priority Banking Department, Saigon Branch

In my role as Head of Priority Banking Relationship Management at HDBank Saigon Branch, I appreciate the professional and modern working environment along with the clear guidance from the leadership. Strong support from head office departments and business units, combined with favorable welfare policies and business conditions, not only enhances work efficiency but also creates long-term commitment. The smooth operating system, fast processing procedures, and flexible communication help us update and provide optimal financial solutions for customers. The comprehensive compensation policy, including a good working space, attractive salary and bonus system, healthcare programs, and clear career development opportunities, further strengthens my belief in HDBank's sustainable development.

This is not only a place that helps me improve my professional skills but also an organization that I want to be attached to for a long time, contributing to the sustainable development of the bank.

PROSPERITY THROUGH CONNECTION

FOR FAR-REACHING BENEFITS

CHAPTER 7. CONSOLIDATED FINANCIAL STATEMENT

THE BANK'S INFORMATION

Establishment and Operation licence	No. 26/GP-NHNN dated 12 February 2020 The Establishment and Operation Licence No. 00019/NH-GP dated 6 June 1992 was initially issued by the State Bank of Vietnam ("SBV") and was replaced by the Licence No. 26/GP-NHNN dated 12 February 2020 and Decisions for amendment, supplement of the Establishment and Operation Licence for a period of 99 years from the date of the initial licence.	
Enterprise Registration Certificate	No. 0300608092 dated 11 August 1992 was initially issued by the Department of Planning and Investment of Ho Chi Minh City with the latest 33rd amendment dated 5 September 2023.	
Board of Directors	Mr. Kim Byoungho	Chairman, Independent member
	Ms. Nguyen Thi Phuong Thao	Permanent Vice Chairwoman
	Mr. Luu Duc Khanh	Vice Chairman
	Mr. Nguyen Thanh Do	Vice Chairman
	Mr. Nguyen Huu Dang	Vice Chairman *(to 8 January 2025)*
	Mr. Le Manh Dung	Independent member
	Mr. Pham Quoc Thanh	Member
Board of Management	Mr. Pham Quoc Thanh	General Director
	Mr. Nguyen Minh Duc	Deputy General Director
	Mr. Le Thanh Tung	Deputy General Director
	Mr. Nguyen Van Hao	Deputy General Director
	Mr. Nguyen Dang Thanh	Deputy General Director
	Mr. Tran Hoai Nam	Deputy General Director *(re-appointed on 27 February 2025)*
	Mr. Nguyen Canh Vinh	Deputy General Director
	Mr. Tran Thai Hoa	Deputy General Director *(re-appointed on 26 May 2024)*
	Mr. Tran Xuan Huy	Deputy General Director *(re-appointed on 16 October 2024 discharged on 15 January 2025)*
	Mr. Le Thanh Trung	Deputy General Director *(to 16 December 2024)*
	Mr. Pham Van Dau	Chief Financial Officer
	Ms. Ho Dang Hoang Quyen	Chief Accountant
Board of Supervisors	Mr. Dao Duy Tuong	Head of Board of Supervisors
	Ms. Duong Thi Thu	Member
	Ms. Bui Thi Kieu Oanh	Member
	Mr. Nguyen Le Hieu	Member
Legal Representative	Mr. Pham Quoc Thanh	General Director
Head Office	25Bis Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

STATEMENT OF THE BOARD OF MANAGEMENT

STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE BANK IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank") is responsible for preparing the consolidated financial statements which give a true and fair view of the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing the consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Bank and its subsidiary will continue in business.

The Board of Management of the Bank is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Bank and its subsidiary and enable consolidated financial statements to be prepared which comply with the basis of accounting as set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Bank and its subsidiary and hence for taking reasonable steps for the prevention and detection of fraud or error.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby, approve the accompanying consolidated financial statements as set out on pages 222 to 306. The consolidated financial statements which give a true and fair view of the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of the consolidated financial statements applicable to credit institutions operating in Vietnam.

On behalf of the Board of Management



Pham Quoc Thanh
General Director
Legal representative

Ho Chi Minh City, Vietnam
31 March 2025

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

We have audited the accompanying consolidated financial statements of Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank") and its subsidiary which were prepared on 31 December 2024 and approved by the Board of Management of the Bank on 31 March 2025. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 222 to 306.

The Board of Management's Responsibility

The Board of Management of the Bank is responsible for the preparation and the true and fair presentation of the consolidated financial statements of the Bank and its subsidiary in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Bank and its subsidiary are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank and its subsidiary's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and its subsidiary's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of the consolidated financial statements applicable to credit institutions operating in Vietnam.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited

Nguyen Hoang Nam Audit Practising Licence No. 0849-2023-006-1 Authorised signatory	Mai Tran Bao Anh Audit Practising Licence No. 4166-2022-006-1

Report reference number: HCM16978
Ho Chi Minh City, 31 March 2025

Form B02/TCTD-HN

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Note	As at 31.12.2024 VND million	As at 31.12.2023 VND million
A	**ASSETS**			
I	**Cash on hand, gold, silver, precious metals**	3	**3,105,355**	**2,810,044**
II	**Balances with SBV**	4	**26,680,270**	**41,481,638**
III	**Placements with and loans to other credit institutions**		**101,600,254**	**96,514,863**
1	Placements with other credit institutions	5.1	94,225,901	88,120,085
2	Loans to other credit institutions	5.2	7,374,353	8,394,778
IV	**Trading securities**		**21,955,775**	**18,580,932**
1	Trading securities	6.1	21,955,775	18,580,932
V	**Derivatives financial instruments and other financial assets**	7	**-**	**110,079**
VI	**Loans to customers**	8	**436,606,237**	**339,349,838**
1	Loans to customers		442,484,841	343,404,295
2	Provisions for losses on loans to customers		(5,878,604)	(4,054,457)
VIII	**Investment securities**		**48,751,284**	**44,092,289**
1	Available-for-sale investment securities	9.1	31,407,524	31,871,688
2	Held-to-maturity investment securities	9.2	17,436,610	12,304,873
3	Provisions for diminution in value of investment securities	9.6	(92,850)	(84,272)
IX	**Investments in other entities and long-term investments**	10	**857,783**	**143,781**
3	Investments in an associate		729,739	-
4	Other long-term investments		146,546	163,921
5	Provisions for diminution in value of long-term investments		(18,502)	(20,140)
X	**Fixed assets**		**1,765,927**	**1,422,759**
1	Tangible fixed assets	11.1	887,455	713,141
a	*Historical cost*		*1,983,500*	*1,702,786*
b	*Accumulated depreciation*		*(1,096,045)*	*(989,645)*
3	Intangible fixed assets	11.2	878,472	709,618
a	*Historical cost*		*1,291,428*	*1,076,187*
b	*Accumulated amortisation*		*(412,956)*	*(366,569)*
XII	**Other assets**		**56,043,573**	**57,808,636**
1	Other receivables	12.1	48,316,273	48,942,933
2	Interests and fees receivables	12.2	5,383,522	6,602,101
3	Deferred tax assets	31	155,916	76,708
4	Other assets	12.3	2,234,788	2,233,415
5	Provisions for losses on other assets		(46,926)	(46,521)
	TOTAL ASSETS		**697,366,458**	**602,314,859**

The notes on pages 228 to 306 are an integral part of these consolidated financial statements.

Form B02/TCTD-HN

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

		Note	As at 31.12.2024 VND million	As at 31.12.2023 VND million
B	**LIABILITIES AND EQUITY**			
I	**Borrowings from the Government and SBV**	13	**15,434**	**26,590**
1	Deposits and borrowings from the Government and SBV		15,434	26,590
II	**Placements and borrowings from other credit institutions**		**99,460,579**	**112,086,978**
1	Placements from other credit institutions	14.1	74,877,046	62,597,686
2	Borrowings from other credit institutions	14.2	24,583,533	49,489,292
III	**Deposits from customers**	15	**437,505,165**	**370,777,888**
IV	**Derivative financial instruments and other financial liabilities**	7	**18,449**	**-**
V	**Funds, entrusted investments and borrowings received that the Bank bears risks**	16	**2,788,443**	**2,811,129**
VI	**Valuable papers issued**	17	**81,349,744**	**50,938,148**
VII	**Other liabilities**	18	**19,571,383**	**19,273,804**
1	Interests and fees payables	18.1	8,013,166	10,346,499
3	Other liabilities	18.2	11,558,217	8,927,305
	TOTAL LIABILITIES		**640,709,197**	**555,914,537**
VIII	**Equity**	19	**56,657,261**	**46,400,322**
1	Capital		35,224,020	29,198,918
a	*Charter capital*		*35,101,423*	*29,076,321*
b	*Investment and construction capital*		*89*	*89*
c	*Shares premium*		*535,956*	*535,956*
d	*Treasury shares*		*(413,448)*	*(413,448)*
2	Reserves		6,313,202	4,708,243
5	Retained earnings		12,953,881	10,561,698
6	Non-controlling interests		2,166,158	1,931,463
	TOTAL EQUITY		**56,657,261**	**46,400,322**
	TOTAL LIABILITIES AND EQUITY		**697,366,458**	**602,314,859**

The notes on pages 228 to 306 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

CONSOLIDATED OFF STATEMENT OF FINANCIAL POSITION ITEMS

		Note	As at 31.12.2024 VND million	As at 31.12.2023 VND million
1	Borrowing guarantees	36.1	808,743	809,436
2	Foreign exchange transactions commitments	36.1	199,138,079	259,213,350
	- Buying foreign currency commitments		*6,816,847*	*4,293,490*
	- Selling foreign currency commitments		*8,977,349*	*4,542,374*
	- Swap commitments		*183,343,883*	*250,377,486*
4	Letters of credit ("L/C") commitments	36.1	46,476,948	2,191,087
5	Other guarantees	36.1	24,924,802	15,548,620
6	Other commitments	36.1	12,364,361	5,318,378
7	Interests and fees receivables not yet collected	37.1	3,336,440	2,364,349
8	Bad debts written-off	37.2	20,134,777	15,584,338
9	Other assets and documents	37.3	47,589,161	27,061,445
			354,773,311	**328,091,003**

Ho Dang Hoang Quyen
Chief Accountant

Pham Van Dau
Chief Financial Officer

Pham Quoc Thanh
General Director
31 March 2025

CONSOLIDATED INCOME STATEMENT

		Note	For the year ended 31 December 2024 VND million	For the year ended 31 December 2023 VND million
1	Interest and similar income	20	57,995,528	52,640,577
2	Interest and similar expenses	21	(27,138,452)	(30,456,603)
I	**Net interest income**		**30,857,076**	**22,183,974**
3	Fee and commission income	22	3,295,623	2,830,168
4	Fee and commission expenses	23	(1,879,045)	(642,366)
II	**Net fee and commission income**		**1,416,578**	**2,187,802**
III	**Net gain from trading in foreign currencies**	**24**	**843,813**	**564,703**
IV	**Net gain from trading of trading securities**	**25**	**68,929**	**41,723**
V	**Net gain from trading of investment securities**	**26**	**68,253**	**1,167,005**
5	Other income		869,862	541,644
6	Other expenses		(163,991)	(282,491)
VI	**Net other income**	**27**	**705,871**	**259,153**
VII	**Income from investments in other entities**	**28**	**71,664**	**9,325**
VIII	**Operating expenses**	**29**	**(11,980,755)**	**(9,129,202)**
IX	**Operating profit before provisions for credit losses**		**22,051,429**	**17,284,483**
X	**Provisions for credit losses**	**30**	**(5,321,434)**	**(4,267,751)**
XI	**Profit before tax**		**16,729,995**	**13,016,732**
7	Corporate income tax ("CIT") expenses - current	31	(3,561,555)	(2,724,629)
8	CIT income - deferred	31	79,208	43,910
XII	**CIT expenses**		**(3,482,347)**	**(2,680,719)**
XIII	**Net profit after tax**		**13,247,648**	**10,336,013**
	Attributable to:			
	Shareholders of the Bank		*12,762,953*	*10,070,898*
	Non-controlling interests		*484,695*	*265,115*
XV	**Basic earnings per share (VND/share)**	**19.2**	**3,671**	**2,899**

Ho Dang Hoang Quyen
Chief Accountant

Pham Van Dau
Chief Financial Officer

Pham Quoc Thanh
General Director
31 March 2025

The notes on pages 228 to 306 are an integral part of these consolidated financial statements.

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CONSOLIDATED CASH FLOW STATEMENT

(Direct method)

		Note	For the year ended 31 December 2024 VND million	2023 VND million
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	Interest and similar income received		58,776,168	50,366,284
02	Interest and similar expenses paid		(29,501,519)	(25,602,661)
03	Net fee and commission income received		1,688,787	2,596,238
04	Net amount received from trading activities (foreign currencies, golds and securities)		1,428,830	1,654,834
05	Other income		285,759	88,876
06	Recoveries of written-off loans		333,106	290,855
07	Payments to employees and for administrative expenses		(10,962,548)	(8,980,790)
08	CIT paid during the year	34	(4,466,688)	(2,241,447)
	NET CASH INFLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES		**17,581,895**	**18,172,189**
	Changes in operating assets			
09	Decrease in placements with and loans to other credit institutions		1,020,425	415,052
10	Decrease/(increase) in securities trading		5,473,554	(12,165,396)
11	Decrease/(increase) in derivatives financial instruments and other financial assets		110,079	(110,079)
12	Increase in loans to customers		(99,080,546)	(79,547,912)
13	Utilisations of provisions for losses on loans to customers	8.8	(3,497,287)	(3,314,866)
14	Decrease/(increase) in other operating assets		137,731	(14,661,360)
	Changes in operating liabilities			
15	Decrease in borrowings from the Government and SBV		(11,156)	(10,794,668)
16	(Decrease)/increase in placements and borrowings from other credit institutions		(12,626,399)	19,433,778
17	Increase in deposits from customers		66,727,277	154,980,714
18	Increase in valuable papers issued		30,411,596	6,776,508
19	Decrease in funds, entrusted investments and borrowings received that the Bank bears risks		(22,686)	(49,026)
20	Increase/(decrease) in derivatives financial instruments and other financial liabilities		18,449	(226,480)
21	Increase in other operating liabilities		2,517,620	1,778,906
22	Payments from reserves		(18,159)	(30,315)
I	**NET CASH INFLOWS FROM OPERATING ACTIVITIES**		**8,742,393**	**80,657,045**

The notes on pages 228 to 306 are an integral part of these consolidated financial statements.

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CONSOLIDATED CASH FLOW STATEMENT (continued)

(Direct method)

		Note	For the year ended 31 December 2024 VND million	2023 VND million
	CASH FLOWS FROM INVESTING ACTIVITIES			
01	Purchases of fixed assets		(541,148)	(273,921)
02	Proceeds from disposals of fixed assets		1,764	753
07	Payments for investment in other entities		(658,075)	-
08	Proceeds from investment in other entities		17,375	-
09	Dividends and shared profits received from long-term investments		-	9,325
II	**NET CASH OUTFLOWS FROM INVESTING ACTIVITIES**		**(1,180,084)**	**(263,843)**
	CASH FLOWS FROM FINANCING ACTIVITIES			
01	Proceeds from issuance of shares	19.1	200,000	-
04	Dividends paid to shareholders	19.1	(2,912,550)	(2,515,261)
III	**NET CASH OUTFLOWS FROM FINANCING ACTIVITIES**		**(2,712,550)**	**(2,515,261)**
IV	**NET CASH INFLOWS FOR THE YEAR**		**4,849,759**	**77,877,941**
V	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**		**132,411,767**	**54,533,826**
VII	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	**32**	**137,261,526**	**132,411,767**

Ho Dang Hoang Quyen
Chief Accountant

Pham Van Dau
Chief Financial Officer

Pham Quoc Thanh
General Director
31 March 2025

The notes on pages 228 to 306 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 december 2024

1. GENERAL INFORMATION

Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank" or "HDBank") is a commercial joint stock bank registered in Vietnam pursuant to the initial Establishment and Operation licence No. 00019/NH-GP issued by SBV on 6 June 1992 and was replaced by the Licence No. 26/GP-NHNN dated 12 February 2020 for a period of 99 years from 6 June 1992. As at 31 December 2024, the Bank's charter capital was VND35,101,422,540,000 pursuant to Decision No. 2785/QĐ-NHNN dated 26 December 2024 issued by SBV.

The Bank is listed on Ho Chi Minh City Stock Exchange with stock trading code HDB.

The Bank obtained the Enterprise Registration Certificate No. 0300608092 dated 11 August 1992, which was issued by the Department of Planning and Investment of Ho Chi Minh City and commenced its operation from the date of the licence. The Bank obtained the latest 33rd amendment of the Enterprise Registration Certificate on 5 September 2023.

The principal activities of the Bank are to mobilise and receive short, medium and long-term of deposits from organisations and individuals; to grant short, medium and long-term loans to organisations and individuals based on the nature and capabilities of the Bank's capital resources; to trade foreign currencies; to provide international trade finance services; to discount commercial notes, bonds and other valuable papers; to provide settlement services and to provide other banking services as authorised by SBV.

The Bank's Head Office is located at 25Bis Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City. As at 31 December 2024, the Bank had 1 Head Office, 1 northern representative office, 1 representative office in Myanmar, 83 branches and 285 transaction offices (as at 31 December 2023: 1 Head Office, 1 northern representative office, 1 representative office in Myanmar, 79 branches and 273 transaction offices) in provinces and cities across Vietnam.

As at 31 December 2024, the Bank and its subsidiary had 18,533 employees (as at 31 December 2023: 17,345 employees).

As at 31 December 2024 the Bank had 1 subsidiary and 1 associate (as at 31 December 2023: the Bank had 1 subsidiary and none associate). Details are as follows:

	Nature of business	Place of incorporation and operation	31.12.2024		31.12.2023	
			Percentage of equity owned	Percentage of voting rights	Percentage of equity owned	Percentage of voting rights
			%	%	%	%
Subsidiary						
HD Saison Finance Co., Ltd. ("HD SAISON")	Finance/ Banking	Ho Chi Minh City	50.00	50.00	50.00	50.00
Associate						
HD Securities Corporation ("HDS")	Securities	Ho Chi Minh City	29.99	29.99	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 december 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and regulations on the preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam. The consolidated financial statements have been prepared under the historical cost convention except for investments in an associate as presented in Note 2.4.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated results of financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in Vietnamese are the official statutory financial statements of the Bank and its subsidiary. The consolidated financial statements in English have been translated from the Vietnamese version.

2.2 Fiscal year

The Bank and its subsidiary's fiscal year is from 1 January to 31 December.

2.3 Currency

The Bank and its subsidiary's accounting currency is Vietnamese Dong ("VND" or "Dong"). The consolidated financial statements are prepared in Vietnamese Dong and presented rounded to the nearest million ("VND million"). The Bank and its subsidiary determine its accounting currency in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and relevant current regulations applicable to credit institutions operating in Vietnam.

All transactions are recorded in original currencies. Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at month end are translated at the exchange rate prevailing at the month end date. Foreign exchange differences arising from these translations are recognised in the foreign exchange differences item in the consolidated statement of financial position at month end and transferred to the consolidated income statement at year end.

2.4 Basis of consolidation

Subsidiary

Subsidiary is an entity over which the Bank has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank controls another entity. The subsidiary is fully consolidated from the date on which control is transferred to the Bank. It is de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between the Bank and its subsidiary are eliminated.

The financial statements of the subsidiary are prepared for the same financial year and accounting policies of the subsidiary is consistent with the policies adopted by the Bank.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Basis of consolidation (continued)

Non-controlling transactions and interests

The Bank and its subsidiary apply a policy for transactions with non-controlling interests as transactions with external parties to the Bank and its subsidiary. Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Bank's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Bank's share of net assets of the subsidiary and any consideration paid or received from divestment of the Bank's interest in the subsidiary is recorded directly in the retained earnings under equity.

In a divestment of the Bank's interest in a subsidiary that results in a loss of control, the difference between the Bank's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associate

The Bank recognises an associate in accordance with Accounting Standard No. 07 *"Accounting for Investments in Associates"*. Accordingly, an associate is a company in which the Bank has significant influence but not control over. Investment in an associate is accounted for using the equity method and is initially recognised at cost.

The Bank's share of the post-acquisition profits or losses of its associate is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Accounting policies of an associate have been changed where necessary to ensure consistency with the policies adopted by the Bank and its subsidiary.

2.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Bank's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated year of benefit but not exceeding a period of 10 years.

On disposal of the investments in subsidiary, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation, and is periodically tested for impairment. If there is evidence that the impairment during the year is higher than the goodwill charge, the Bank records the impairment immediately in the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 december 2024
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, gold, balances with SBV, demand and term deposits at other credit institutions which have original terms within 3 months or less, and securities which have collection periods or original maturities within 3 months or less from purchase dates.

2.7 Placements with and loans to other credit institutions

Deposits with other credit institutions include demand deposits; deposits with original terms within 3 months or less at local credit institutions, foreign bank branches and deposits at foreign credit institutions. Loans to other credit institutions are loans with original terms of less than 1 year to other credit institutions.

Term deposits and loans to other credit institutions are stated at the amount of principal outstanding less specific provisions.

Before 1 July 2024, debt classification and credit risk provisioning for deposits and loans to other credit institutions were made in accordance with Circular No. 11/2021/TT-NHNN issued by SBV on 30 July 2021 regulating asset classification, provisioning levels, risk provisioning methods and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches ("Circular 11"), being similar to those policies on loans to customers as presented in Note 2.8.

From 1 July 2024, for deposits and loans to other credit institutions, debt classification is made in accordance with Circular No. 31/2024/TT-NHNN issued by SBV on 30 June 2024 regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches ("Circular 31") and provisioning shall be implemented in accordance with Decree No. 86/2024/NĐ-CP issued by the Government on 11 July 2024 regulating the level of provisioning, the method of provisioning for risk, the use of provisioning to handle risks in the operations of credit institutions, foreign bank branches, and cases in which credit institutions allocate forgivable interest ("Decree 86"); similar to the policy applied to loans to customers as presented in Note 2.8.

Pursuant to Decree 86, the Bank and its subsidiary do not make general provisions for the following items:

i. Deposits at credit institutions and foreign bank branches;
ii. Loans, purchases of valuable papers with credit term between credit institutions and foreign bank branches in Vietnam;
iii. Purchases of certificates of deposits, bonds issued domestically by other local credit institutions and foreign bank branches;
iv. Repurchases of Government bonds on securities market;
v. Other debts arising from activities between credit institutions and foreign bank branches in Vietnam as prescribed in Clause 2 Article 3 of Decree 86.

2.8 Loans to customers

2.8.1 Accounting for loans to customers

Measurement and recognition of loans to customers

Short-term loans are those with repayment terms within 1 year from disbursement date; medium-term loans are those with repayment terms over 1 to 5 years from disbursement date and long-term loans are those with repayment terms of more than 5 years from disbursement date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Loans to customers are stated at the amount of principal outstanding less provisions for credit losses.

According to the Law on Credit Institutions No. 32/2024/QH15 issued by the National Assembly on 18 January 2024 and Circular 21/2024/TT-NHNN issued by SBV on 28 June 2024 regulating letters of credit ("L/C") operations and other business activities relating to L/C, from 1 July 2024, L/C operation is defined as a form of credit granting through the issuance, confirmation, payment negotiation and repayment of L/C. The Bank has made appropriate accounting recognition in accordance with these regulations.

Classification of loans to customers

Before 1 July 2024, loans classification and provisions for credit losses were made in accordance with Circular 11.

From 1 July 2024, debt classification, including customer loans, debts arising from the issuance of L/C, payment negotiation of L/C, and repayment of L/C (collectively referred to as "debts"), was made in accordance with Circular 31; and provisioning for credit risks was made in accordance with Decree 86.

According to Circular 31, loans to customers are classified into five debt groups based on the repayment status and quantitative factors as follows:

Group 1: Current loans

i. Current loans assessed as fully and timely recoverable, both principals and interests; or
ii. Loans overdue less than 10 days and assessed as fully recoverable, both overdue principals and interests, and fully and timely recoverable, both remaining principals and interests; or
iii. Loans classified into group 1 as meeting criteria to be classified into groups with lower level of risk.

Group 2: Special-mentioned loans

i. Loans overdue up to 90 days, except those specified in point (ii) of Current loans and those classified into a group with higher level of risk as prescribed by regulations; or
ii. Loans are rescheduled for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed by regulations; or
iii. Loans classified into group 2 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed by regulations.

Group 3: Sub-standard loans

i. Loans overdue between 91 days and 180 days, except those classified into a group with higher level of risk as prescribed by regulations; or
ii. Loans are extended for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and or loans classified into a group with higher level of risk as prescribed by regulations; or
iii. Loans are exempted or reduced interests because customers are not able to pay the interests according to credit contracts, except those classified into a group with higher level; or

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 december 2024
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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Classification of loans to customers (continued)

Group 3: Sub-standard loans (continued)

iv. Loans falling in one of these following cases that have not yet been collected within less than 30 days from the issuance date of debt collection decision:
   - Loans violating regulations specified in clauses 1, 3, 4, 5, 6 of Article 134 of Law on Credit Institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 3, 4, 5, 6 of Article 126 of Law on Credit Institutions No. 47/2010/QH12 (before 1 July 2024); or
   - Loans violating regulations specified in clauses 1, 2, 3, 4 of Article 135 of Law on credit institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 2, 3, 4 of Article 127 of Law on credit institutions No. 47/2010/QH12 (before 1 July 2024); or
   - Loans violating regulations specified in clauses 1, 2, 5, 9 of Article 136 of Law on credit institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 2, 5 of Article 128 of Law on credit institutions No. 47/2010/QH12 (before 1 July 2024).

v. Loans in the collection process under inspection conclusions; or
vi. Loans collected under premature debt collection decisions by the Bank and its subsidiary due to customers' breach of agreements without being collected within less than 30 days from the issuance date of debt collection decision; or
vii. Loans are classified into group 3 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed by regulations; or
viii. Loans must be classified into group 3 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

Group 4: Doubtful loans

i. Loans overdue between 181 days to 360 days, except those classified into a group with higher level of risk as prescribed by regulations; or
ii. Loans are restructured for the first time and overdue less than 90 days according to the first restructured payment term, except those classified into a group with higher level of risk as prescribed by regulations; or
iii. Loans are restructured for the second time and undue, except those meeting criteria to be classified into a group with lower level of risk or classified into a group with higher level of risk as prescribed by regulations; or
iv. Loans are specified in point (iv) of Sub-standard loans remain uncollected for a period of 30 to 60 days from the issuance date of debt collection decision; or
v. Loans in the collection process under inspection conclusions but being overdue up to 60 days according to inspection conclusions; or
vi. Loans recovered under premature debt collection decisions of the Bank and its subsidiary due to customers violating the agreement which remain uncollected for a period of 30 to 60 days from the issuance date of debt collection decisions; or
vii. Loans that are classified into group 4 as meeting criteria to be classified into a group with lower level of risk or classified into a group with higher level of risk as prescribed by regulations; or
viii. Loans that are classified into group 4 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Classification of loans to customers (continued)

Group 5: Loss loans

i. Loans overdue more than 360 days; or
ii. Loans are restructured for the first time and overdue from 91 days according to the first restructured terms of repayments; or
iii. Loans are restructured for the second time and overdue according to the second restructured terms of repayments; or
iv. Loans are restructured for the third time or more, except those meeting criteria to be classified into a group with lower level of risk; or
v. Loans specified in point (iv) of Sub-standard loans which remain uncollected for more than 60 days from the issuance date of collection decision; or
vi. Loans in the collection process under inspection conclusions but being overdue for more than 60 days according to inspection conclusions; or
vii. Loans recovered under premature debt collection decisions of the Bank and its subsidiary due to customers violating the agreement which remain uncollected for more than 60 days from the issuance date of debt collection decision; or
viii. Loans to other credit institutions announced under special control status, or to foreign bank's branches of which capital and assets are blockaded; or
ix. Loans that are classified into group 5 as meeting criteria to be classified into a group with higher level of risk as prescribed by regulations; or
x. Loans that are classified into group 5 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

Loans shall be classified in a group with lower level of risk (including Group 1) in these following cases:

Overdue loans

- Customers fully paid overdue principal and interest (including interest on overdue principals) and principals, interest of following payment schedules (if any) for at least 3 (three) months in respect of medium and long-term loans and 1 (one) month in respect of short-term loans since the date overdue principals and interest are fully repaid; and
- The Bank and its subsidiary have sufficient basis of information and documents to assess and conclude that customers are capable of fully repaying principals and interest in a timely manner.

Restructured loans

- Customers fully paid principal and interest under restructuring (if any), for at least 3 (three) months in respect of medium and long-term loans and 1 (one) month in respect of short-term loans, since the date principal and interest under restructuring are fully paid; or from the commence date of full repayment of such principal and interest in cases where the repayment schedules for principal and interest are congruent;
- The Bank and its subsidiary have sufficient basis of information and documents to assess and conclude that customers are capable of fully repaying principals and interest in a timely manner.

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For the year ended 31 december 2024
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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Loans shall be classified in a group with higher level of risk in these following cases:

- Norms on profitability, solvency, ratio of debts to capital, cash flows leading to capability of customers to repay debts deteriorating continuously for 3 consecutive times of assessment or loan classification; or
- Customers fail to supply fully, timely and truly financial information at the request of the Bank and its subsidiary to assess debt repayment capability of customers; or
- Loans which are classified in Group 2, Group 3, Group 4 for 1 (one) year or longer but not qualified to classify in a group with lower level of risk; or
- Loans whose credit extension is administratively sanctioned.

Non-performing loans are loans classified into Group 3, 4 and 5.

The Bank and its subsidiary are required to use the results of loan classification as provided by the Credit Information Center of the SBV ("CIC") to classify its loans to customers into a group with higher level of risk between the group assessed by the Bank and its subsidiary and the group provided by the CIC.

When a customer owes more than one loan to the Bank, and has any loan classified into a group with higher level of risk, the Bank classifies the remaining loans of such customer into the loan group with highest level of risk.

When the Bank and its subsidiary participate in a syndicated loan, the Bank and its subsidiary reclassify all loans (including the outstanding syndicated loan) of the customer into the group with the highest level of risk as determined by the lenders.

Classification of payments for off-balance sheet commitments

Payments under off-balance sheet commitments are amounts that the Bank and its subsidiary settled on behalf of customers when customers who are guaranteed by the Bank and its subsidiary are not able to settle the amount when it falls due.

According to Circular 31, off-balance sheet commitments are classified as follows:

Group 3: Sub-standard - If overdue for less than 30 days.

Group 4: Doubtful - If overdue from 30 days and less than 90 days;

Group 5: Loss - If overdue for 90 days or more.

If the payment under off-balance sheet commitment is classified in a group with lower level of risk than a group in which the off-balance sheet commitment is classified, the Bank and its subsidiary must reclassify the payment into the same group of the off-balance sheet commitment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Provisions for losses on loans to customers

Provisions for losses on loans to customers include specific provisions and general provisions.

Specific provisions

Specific provisions for losses on loans to customers are calculated using set rates applied to each loan group as follows:

	Provisions rate
Group 1 - Current loans	0%
Group 2 - Special-mentioned loans	5%
Group 3 - Sub-standard loans	20%
Group 4 - Doubtful loans	50%
Group 5 - Loss loans	100%

Specific provisions are calculated based on customer's loan balances on the last working day of each month less the discounted value of collateral assets.

According to Decree 86, the maximum discount rate for each type of collateral asset is determined as follows:

Types of collateral assets	Maximum discounted ratio
(i) Deposits, certificates of deposits ("CD") in VND at the Bank	100%
(ii) Government bonds, gold billets in accordance with laws and regulations on gold trading activities; deposits, CDs in foreign currencies at the Bank	95%
(iii) Municipal bonds, Government-guaranteed bonds; transferable instruments, bonds issued by the Bank; deposits, CDs, issued by other credit institutions, foreign branches:	
• With a remaining term of less than 1 year	95%
• With a remaining term of from 1 year to 5 years	85%
• With a remaining term of over 5 years	80%
(iv) Securities issued by other credit institutions and listed on Stock Exchanges	70%
(v) Securities issued by enterprises (except credit institutions) and listed on Stock Exchanges	65%
(vi) Unlisted securities, valuable papers, except for types of securities specified in (iii) of this Clause, issued by listed credit institutions;	50%
Unlisted securities, valuable papers, except for types of securities specified in (iii) of this Clause, issued by unlisted credit institutions.	30%
(vii) Unlisted securities, valuable papers issued by listed enterprises;	30%
Unlisted securities, valuable papers issued by unlisted enterprises.	10%
(viii) Real estates	50%
(ix) Others	30%

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Provisions for losses on loans to customers (continued)

Specific provisions (continued)

Collateral assets are movable properties, real estates and collaterals other than gold billets, Government bonds listed on Stock Exchanges, securities issued by enterprises or other credit institutions with a value above VND50 billion for loans to customers who are related parties of the Bank and its subsidiary and other entities as prescribed in Article 135 of the Law on Credit Institutions 2024 and collateral assets with a value for deduction above VND200 billion must be valued by external valuers. For other cases, collateral assets are valued according to the Bank and its subsidiary's internal regulations and procedures.

Any collateral asset that does not fully satisfy the conditions specified in Article 4, Clause 4, Clause 5 of Decree 86 (before 11 July 2024: apply Article 12, Clause 3 of Circular 11) shall have its value considered as zero.

General provisions

According to Decree 86, the amount of general provision required at the end of the financial year is determined by 0.75% of the total outstanding balance of debts classified from group 1 to group 4 at the end of the financial year, except for balances as stated in Note 2.5.

Written-off bad debts

Bad debts could be written-off using provisions in the following cases:

- Customer is an organisation, which is dissolved, goes bankrupt as prescribed by laws or an individual who dies or is missing; or
- Debts which are classified in Group 5.

For at least 5 (five) years, after using provisions against credit risks and after all measures for debt recovery of the Bank and its subsidiary's Credit Committee have been implemented but debts are still irrevocable, the Bank and its subsidiary shall be entitled to release the unsettled debts from the off-balance sheet in accordance with the approval of the Bank and its subsidiary's Credit Committee.

2.8.2 Loan restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic

From 17 May 2021, loan restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic were carried out in accordance with Circular 03/2021/TT-NHNN ("Circular 03/2021") effective from 17 May 2021 and Circular 14/2021/TT-NHNN ("Circular 14/2021") effective from 7 September 2021.

As at 31 December 2023, the Bank and its subsidiary made 100% of additional specific provisions required to be made for customers whose outstanding loan balances were restructured in accordance with Circular 03/2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.3 Restructuring loan repayment terms and retention of loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans

From 24 April 2023, restructuring loan repayment terms, including the principal and/or interest, to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans is carried out in accordance with Circular 02/2023/TT-NHNN ("Circular 02/2023") issued by the SBV on 23 April 2023, upon the customers' requests and the Bank and its subsidiary's financial capabilities.

On 18 June 2024, SBV issued Circular 06/2024/TT-NHNN ("Circular 06/2024") on amending and supplementing Circular 02/2023, extending the implementation time of policies at Circular 02/2023 until 31 December 2024.

According to Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary restructure repayment terms of outstanding principals and/or interest of loans to customers satisfying all of these following conditions:

- Being a loan with principal arisen before 24 April 2023 from lending and finance leases;
- The obligation of principal repayment and/or interest repayment arises during the period from 24 April 2023 to 31 December 2024;
- The loan to be rescheduled is undue or has been overdue up to 10 days from the due date of payment schedule according to contract or agreement;
- The Bank and its subsidiary determine that customers are unable to repay principal and/or interest on schedule under loan agreement due to decreasing revenue or income compared to revenue or income as specified in the repayment of principal and/or interest plan under contract or agreement;
- Customers apply for loan restructuring and the Bank and its subsidiary determine that customers are able to fully repay principal and/or pay interest under the restructured schedules;
- Loan violates laws and regulations shall not be restructured by the Bank and its subsidiary;
- The restructured term (including loan extension) is decided in conformity with the degree of difficulty of each customer and is not permitted to exceed 12 months from the original maturity date of the respective rescheduled amount;
- Loan restructuring under Circular 02/2023 and Circular 06/2024 is carried out from 24 April 2023 to 31 December 2024.

Details of loan classification and loan group retention:

The Bank and its subsidiary retain loan group for the loan whose principal and/or interest are restructured ("restructured loan") at the latest classification before the loan was restructured.

- For restructured loans that are undue during the restructured period, the Bank and its subsidiary do not apply to adjust, reclassify into a group with higher level of risk as prescribed in Circular 31 (from 1 July 2024) and Circular 11 (before 1 July 2024);
- For restructured loans that are overdue during the restructured period and the Bank and its subsidiary do not continue to apply loan restructuring as prescribed in Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary shall classify those restructured loans in accordance with Circular 31 (from 1 July 2024) and Circular 11 (before 1 July 2024).

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.3 Restructuring loan repayment terms and retention of loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans (continued)

For the interest receivables on loans that are being restructured according to Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary do not record income (accrued interest) and recognises them as off-statement of financial position to for following up and urge collection. Interest income is recorded in the consolidated income statement upon receipts.

2.8.4 Provisions for losses on loans to customers whose principals and/or interests are restructured in accordance with Circular 02/2023 and Circular 06/2024

From 24 April 2023, the Bank and its subsidiary make provisions for losses on loans to customers whose loans are restructured as prescribed by Circular 02/2023 and Circular 06/2024 as follows:

Additional specific provisions shall be determined as follows:

Additional specific provisions = A - B

Whereas:

- A: Specific provisions made for all outstanding loans of customers according to loan classifications regulated by Circular 31 (prior to 1 July 2024, according to Circular 11).
- B: Specific provisions made for all outstanding loans of customers according to loan classifications regulated by Circular 02/2023 and Circular 06/2024.

If the aforementioned additional specific provision is positive, the Bank and its subsidiary make additional specific provisions for credit losses as follows:

- By 31.12.2023: At least 50% of additional specific provisions;
- By 31.12.2024: 100% of additional specific provisions.

The Bank and its subsidiary make general provisioning for the entire outstanding balance of customers based on the loan classification results determined according to Circular 31 (prior to 1 July 2024: according to Circular 11).

2.8.5 Debt selling activities

According to the guidance of Circular 09/2015/TT-NHNN, the treatment of the difference between the selling price and the book price for the debt is as follows:

For debts currently recorded on the on-statement of financial position:

- If the selling price exceeds the book value of the debt, the difference is recognised as other income within the fiscal year.
- If the selling price is lower than the value of the debt, the difference is recorded as an expense of the Bank in the fiscal year, after being offset by compensation from parties, insurance from the designated insurance organisation, and, if applicable, the financial risk reserve fund.

For debts that have been removed from the consolidated financial statements and are being monitored off-statement of financial position, the proceeds from debt sales are recorded as other income of the Bank.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Off-balance sheet commitments

Off-balance sheet commitments comprise guarantees, settlement acceptances and irrevocable credit commitments.

From 1 July 2024, the classifications of off-balance sheet commitments are made in accordance with Circular 31 as follows:

Group 1: Undue commitments, as assessed by the Bank and its subsidiary, which could be fully settled when due.

Group 2: Undue commitments, as assessed by the Bank and its subsidiary, which could not be fully settled when they fall due.

A commitment is classified into Group 3 or a group of higher risk: Commitments meet any of the specified conditions and remains uncollected for a period less than 30 days from the issuance date of the Bank and its subsidiary's collection decision:

- Commitments violating the provisions in Clauses 1, 3, 4, 5, 6, Article 134 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 3, 4, 5, 6 Article 126 of the Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11); or
- Commitments violating the provisions in Clauses 1, 2, 3, 4, Article 135 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 2, 3, 4, Article 127 Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11); or
- Commitments that violate the provisions of Clauses 1, 2, 5, 9, Article 136 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 2, 5, Article 128 of the Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11).

Provisions for off-balance sheet commitments

According to Decree 86 (from 11 July 2024) and Circular 11 (before 1 July 2024), the classification of off-balance sheet commitments is conducted solely for risk management, credit quality supervision. Therefore, provisions are not made for off-balance sheet commitments.

2.10 Investments in securities

The Bank classified investments in securities into categories in accordance with Letter 2601/NHNN-TCKT dated 14 April 2009 issued by SBV: (i) trading securities, (ii) held-to-maturity investment securities and (iii) available-for-sale investment securities. The Bank is required to classify their securities at the purchase date.

2.10.1 Trading securities

Classification and recognition

Trading securities include debt securities or equity securities which are acquired and are held for trading primarily for the purpose of selling in short-term, not exceeding one year to earn short-term profits.

Trading securities are recognised at the time the Bank becomes a party to the purchase contracts of these trading securities, details are as follows:

- Listed securities are recorded at the time of orders matching;
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investments in securities (continued)

2.10.1 Trading securities (continued)

Measurement

Trading securities which are certificates of deposits or unlisted bonds are recognised at costs less provisions for credit losses. The classification of debts and provisioning for these securities are similar to those for "Loans to customers" as presented in Note 2.8. According to Decree 86 (from 11 July 2024) and Circular 11 (before 1 July 2024), the Bank do not make general provisions for certificates of deposits and bonds issued by local credit institutions.

Other trading securities are initially recognised at their carrying value less provisions for diminution in value. Provisions for diminution in value are made when the market value of these trading securities is lower than their book value.

- For listed equity securities: the market price of equity securities is the closing price on the most recent trading day up to the end of the fiscal year.
- For listed debt securities: the market price of debt securities is the most recent trading price at the Stock Exchange within 10 days up to the end of the fiscal year.

The Bank does not make provisions for Government bonds, municipal bonds and Government-guaranteed bonds.

The difference between the provision made at the end of the current financial year and the provision made at the end of the previous financial year is recognised in the consolidated income statement during the year. Provisions for trading securities as mentioned above are reverted when the recoverable amount of trading securities increases after the provisions are made as results of objective events. A reversal of provisions, if any, is made only to the extent original costs of trading securities.

Gains or losses from sales of trading securities are recognised in the consolidated income statement as *"Net gain from trading of trading securities"*. Cost is determined by the specific identification method.

Interests received from trading securities during holding periods are recognised in the consolidated income statement upon receipts.

Derecognition

Trading securities are derecognised when the rights to receive cash flows from these securities are terminated or the Bank transfer substantially all the risks and rewards from ownerships of these securities.

2.10.2 Available-for-sale investment securities

Classification and recognition

Available-for-sale investment securities include debt and equity securities, which are intended to be held for investing purposes and may be sold at any time if deemed advantageous.

Available-for-sale investment securities are recognised when the Bank becomes a party to the purchase contracts of these securities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investments in securities (continued)

2.10.2 Available-for-sale investment securities (continued)

Measurement

Available-for-sale investment securities which are certificates of deposits or unlisted bonds are recorded at costs less provisions for credit losses.

Other available-for-sale investment securities are stated at their carrying value less provisions for diminution in value. Provisions for diminution in value of available-for-sale investment securities is made when the carrying value is higher than the market price.

The provision for credit losses and provision for diminution in value of available-for-sale investment securities are made similar to the principles applied to trading securities as presented in Note 2.10.1.

Available-for-sale debt securities are recognised at par value at purchased date. Accrued interest receivables before purchased date (for debt securities with interest payments in arrears) or deferred interest awaiting for allocation (for debt securities with interest payments in advance) is recognised in a separate account. Discount/premium, which is the negative/positive difference between the cost and the amount of par value plus (+) accrued interest receivables before the purchased date (if any) or minus (-) deferred interest awaiting for allocation (if any) is also recognised in a separate account.

In subsequent holding periods, these debt securities are recognised at par value, and the discount/premium (if any) are amortised to the consolidated income statement on a straight-line basis over the remaining terms of these debt securities.

Cumulative interest before purchased date is recognised as a decrease in the accrued interest receivables account upon receipt. Accrued interest incurred after purchased date is recognised as income of the Bank based on an accrual basis. Interest received in advance is amortised into interest income from investment securities based on a straight-line basis over the terms of investment securities.

Gains or losses from sales of available-for-sale investment securities are recognised in the consolidated income statement as *"Net gain from trading of investment securities"*. Cost is determined by the specific identification method.

Derecognition

Available-for-sale investment securities are derecognised when the rights to receive cash flows from these securities are terminated or the Bank transfers substantially all the risks and rewards of ownerships of these securities

2.10.3 Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank purchases with investing purpose to earn interests and the Bank has capabilities and intentions to hold these investment securities until maturities. According to Official Letter No. 2601/NHNN-TCKT issued by SBV on 14 April 2009, the Bank is allowed to reclassify maximum onetime after purchasing for held-to-maturity investment securities.

Held-to-maturity debt investment securities are recognised and measured similarly as available-for-sale debt investment securities as presented in Note 2.10.2.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Other long-term investments

Other long-term investments are investments of equal or less than 11% of the voting rights in the equity of unlisted entities, and the investments are held not for sale for 12 months or more from the consolidated statement of financial position date. These investments are initially accounted at cost of acquisition.

Subsequently, these other long-term investments are recognised at costs less provisions. Regarding investments whose fair value can be determined reliably, the provision for diminution in value is made when the cost is higher than market value. For other investments, provision for diminution in value is made when the investees make losses.

The difference between the provision made at the end of the current financial year and the provision made at the end of the previous financial year is recognised in operating expenses during the year. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.12 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets and bringing them to their suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is recognised as operating expense when incurred during the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amounts over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Buildings, structures	5 - 50 years
Machinery	7 - 14 years
Motor vehicles	6 - 10 years
Office equipment	3 - 10 years
Software	3 - 8 years
Others	4 - 10 years
Definite land use rights	6 - 49 years

Land use rights comprise land use rights granted by the State for which land use fees are collected, land use rights acquired through a legitimate transfer, and prepaid land use rights obtained under land rental contracts effective before the effective date of Land Laws 2003 (which is 1 July 2004), and land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consist of purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

Indefinite land use rights are stated at costs and not amortised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Fixed assets (continued)

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with carrying amount of fixed assets and are recognised as income or expenses in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for business, rental or administrative purposes; or for purposes not yet determined, which are recognised at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; project management expenditure and construction consulting costs. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended uses.

2.13 Other receivables

Receivables, other than receivables from credit activities of the Bank and its subsidiary, are recognised at costs. Subsequently, other receivables are recognised at costs less provisions for doubtful debts.

Provisions for doubtful debts are made for each outstanding amount based on overdue days in payment according to the initial payment commitment or based on the estimated loss that may arise. Provision expense is recognised as *"Operating expenses"* in the consolidated income statement during the year.

2.14 Prepaid expenses

Prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period or a business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.15 Deposits from other credit institutions, deposits from customers and valuable papers issued

Deposits from other credit institutions, deposits from customers and valuable papers issued are recorded at their principal balances at the end of financial year. At the time of initial recognition, the issuance costs of valuable papers issued are recorded as a reduction in the principal balance of valuable papers issued. Subsequently, the Bank allocates these costs to the item *""Interest and similar expenses"* on a straight-line basis over the term of valuable papers issued.

2.16 Funds, entrusted investments and borrowings received that the Bank bears risks

The Bank receives funds, entrusted investments and borrowings from the Governments and local organisations to use according to assigning purposes. The Bank is responsible for repayment of the amount when they fall due. Funds, entrusted investments and borrowings received are recognised as a liability in the consolidated statement of financial position.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Convertible bonds

Convertible bonds are bonds that may be converted into the common shares of the Bank under the conditions identified in the bond issuance scheme.

Upon initial recognition, the Bank calculates and determines separately the value of the debt component and equity component of convertible bonds using the effective interest rate method. The debt component of convertible bonds is recorded as a liability; the equity component (share options) of convertible bonds is recorded as an owner's equity item. Subsequently, the Bank periodically records bond interest using the effective interest rate. The costs of issuing bonds are deducted from the bond's liability component and allocated to financial expenses on a straight-line basis. At maturity, equity components which are share options are transferred to the share premium account regardless whether the bond holder exercised the option or not.

Bonds that may be converted into a number of undetermined shares at maturity are accounted for as straight bonds.

2.18 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the year.

2.19 Derivatives

Derivatives are recognised in the consolidated statement of financial position at contract value on the contract date and subsequently are revalued at the rate of exchange prevailing at the month end. Realised gains or losses are recognised in the consolidated income statement. Unrealised gains or losses are recognised in the foreign exchange differences item in the consolidated statement of financial position and are transferred to the consolidated income statement at year end.

2.20 Sales and repurchase agreements

Securities sold with a commitment to repurchase at a specified future date are still recognised in the consolidated financial statements. The proceeds received under this agreement are recognised as a borrowing in the consolidated statement of financial position and the difference between the sale price and the purchase price is amortised on a straight-line basis using the contractual interest rate to the consolidated income statement over the life of the agreement.

Securities purchased with a commitment to resell at a specified future date are not recognised in the consolidated financial statements. The cash payment under this agreement is recognised as a loan in the consolidated statement of financial position and the difference between the purchase price and the sale price is amortised on a straight-line basis using the contractual interest rate to the consolidated income statement over the life of the agreement.

2.21 Operating leases

Leases where a significant portion of the risks and rewards of ownerships are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the terms of the leases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Provisions

Provisions are recognised when the Bank and its subsidiary have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provisions will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to passage of time is recognised as a financial expense. Changes in the provision balances during the year are recognised in operating expenses.

2.23 Owners' capital

Owners' capital is recorded according to the actual amounts contributed by shareholders at par value of shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Other owners' capital represents other capital held by the shareholders at the reporting date.

Treasury shares including:

- Treasury shares bought before the effective date of the Law on Securities (1 January 2021) are shares issued by the Bank and bought back by the Bank itself, but these securities are not cancelled yet and may be re-issued in the future in accordance with securities laws and regulations. The amount received will be recorded as an increase in equity, and any surplus or deficit from these transactions will be recorded in the share premium account.
- Treasury shares, which are repurchased after the effective date of the Law on Securities (1 January 2021), are cancelled and adjusted to reduce in the Bank's charter capital.

Retained earnings record the Bank and its subsidiary's results (profits) after CIT at the reporting date.

2.24 Statutory reserves

Supplement charter capital reserve

Before 1 July 2024, according to Law on Credit Institutions No. 47/2010/QH12 issued by the National Assembly on 16 June 2010, effective until 30 June 2024 and Decree No. 93/2017/ND-CP issued by the Government on 7 August 2017, the Bank and its subsidiary make appropriation of 5% of profit after tax to supplement charter capital reserve until it reaches the maximum balance of the Bank and its subsidiary's charter capital.

Since 1 July 2024, according to the Law on Credit Institutions No. 32/2024/QH15 issued by the National Assembly on 18 January 2024, the Bank and its subsidiary make appropriation of 10% of profit after tax to supplement charter capital reserve until it reaches the maximum balance of the Bank and its subsidiary's charter capital.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Statutory reserves (continued)

Financial reserve

According to Law on Credit Institutions No. 47/2010/QH12 issued by the National Assembly on 16 June 2010 and Decree No. 93/2017/ND-CP, the Bank and its subsidiary make appropriation of 10% of profit after tax to financial reserve.

The purpose of financial reserve is to offset residual asset losses and damage occurring in the course of business after such losses have been offset with compensation paid by organisations, individuals who caused them, indemnity paid by insurers and with the allowance set up and accounted for in expenses, and shall be used for other purposes in accordance with the laws.

These statutory reserves are not allowed to be distributed and are recognised as part of equity.

2.25 Appropriation of profit

The Bank and its subsidiary's dividends are recognised as a liability in the Bank's consolidated financial statements during the year in which the dividends are approved by the General Meeting of Shareholders.

Profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Bank and its subsidiary's charter and Vietnamese regulations.

Other reserves including in equity are appropriated from profit after tax. The appropriation from profit after tax and the utilisations of other reserves must be approved by the resolution of the General Meeting of Shareholders. These reserves are not regulated by laws and are allowed to be fully distributed.

The bonus and welfare fund is appropriated from the Bank and its subsidiary's profit after tax after approval by the General Meeting of Shareholders and is presented as a liability on the consolidated statement of financial position. The Bank and its subsidiary uses the fund in accordance with purposes as specified in accordance with Decree 93.

2.26 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the net profit attributable to the ordinary shareholders of the Bank, after deducting the bonus and welfare fund made during the year, by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.27 Income and expenses recognition

Interest income

Interest income is recognised in the consolidated income statement on an accrual basis, over time, and at effective interest rate for each year when two conditions are simultaneously satisfied: (i) it is probable that the economic benefits associated with the transaction will flow to the Bank and its subsidiary; and (ii) the amount of interest income can be measured reliably. Accrued interest income is derecognised and recognised into off-balance sheet items when a loan is not classified as Current loan or is subject to the application of Circular 03/2021, Circular 14/2021 as described in Note 2.8.2, or the application of Circular 02/2023 and Circular 06/2024 as described in Note 2.8.3. Interest income from these loans is recognised in the consolidated income statement upon receipts.

Other income from credit activities

Other income from credit activities primarily comprises fees such as loan withdrawal commitment fees, standby credit limit fees, early repayment fees, and other fees associated with credit activities, which is recognised when the completion of the work as per the agreed-upon work under the contract/agreement can be reliably determined at the date of preparation of the consolidated financial statements.

Fee and commission income

Fee and commission income includes fee received from insurance agency services, bonds services, settlement services, treasury services and other services, which are recognised on an accrual basis in the consolidated income statement, by reference to completion of the specific transaction assessed on the basis of actual service provided as a proportion of total services to be provided. Fee and commission income is only recognised when all four (4) of the following conditions are satisfied:

- The amount of income can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Bank and its subsidiary;
- The percentage of completion of the transaction at the consolidated statement of financial position date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Income from investing activities

Gains or losses from securities trading are determined based on the difference between the selling price and the cost of such securities.

Dividend income

Cash dividend income is recognised when the Bank establishes the right to receive dividend from investees and when it is probable that economic benefits associated with the transaction will flow to the Bank and income can be measured reliably. Stock dividends and bonus shares received are not recognised as income of the Bank, but only the number of shares is updated.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.27 Income and expenses recognition (continued)

Other income

Other income is recognised on an accrual basis, by reference to completion level of services.

According to Circular 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance, receivables which have been accounted as income but then are assessed as uncollectible or can not be collected by due date, the Bank and its subsidiary shall revert such income if it is in the same financial year, or recognise as an expense if it is not in the same financial year and monitor these receivables in off-balance sheet items for subsequent collection. The Bank and its subsidiary shall recognise these receivables as income in the consolidated income statement upon receipt.

Interest expenses

Interest expenses are recognised in the consolidated income statement on an accrual basis.

2.28 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises of current income tax expense and deferred income tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the consolidated income statement of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated statement of financial position date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.29 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Bank and its subsidiary, including holding companies, subsidiaries, associates and fellow subsidiaries are related parties of the Bank and its subsidiary. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank and its subsidiary that gives them significant influence over the Bank and its subsidiary, key management personnel, including members of the Bank's Board of Directors, Board of Supervisors, Board of Management, and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Bank and its subsidiary consider the substance of the relationships, and not merely the legal form.

2.30 Segment reporting

A segment is component which can be separated by the Bank and its subsidiary engaged either in providing related products or rendering of services (business segment), or in providing products or rendering of services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. The Board of Management of the Bank has determined that the business's risk and profitability are primarily influenced by the fact that the Bank and its subsidiary operate in various geographical areas. As a result, the primary segment reporting of the Bank and its subsidiary's is presented in respect of the Bank and its subsidiary's geographical segments.

2.31 Critical accounting estimates

The preparation of consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- Loan classifications and provisions for losses on loans to customers (Note 2.8).

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Bank and its subsidiary and that are assessed by the Board of Management to be reasonable under the circumstances.

2.32 Items which have no balance

Items or balances required by Decision 16/2007/QĐ-NHNN dated 18 April 2007 and Circular 49/2014/TT-NHNN dated 31 December 2014 stipulating the financial reporting mechanism for credit institutions issued by SBV that are not shown in these consolidated financial statements indicate nil balances.

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3 CASH ON HAND, GOLD, SILVER AND PRECIOUS METALS

	31.12.2024 VND million	31.12.2023 VND million
Cash on hand in VND	2,264,414	1,956,741
Cash on hand in foreign currencies	829,081	829,669
Monetary golds	11,860	23,634
	3,105,355	2,810,044

4 BALANCES WITH SBV

	31.12.2024 VND million	31.12.2023 VND million
In VND	25,099,301	38,391,317
In foreign currencies	1,580,969	3,090,321
	26,680,270	41,481,638

Balances with SBV comprise of compulsory reserves and current accounts.

Under SBV's regulations relating to compulsory reserve, the Bank and its subsidiary are permitted to maintain a floating balance within the month for the compulsory reserve requirement ("CRR"). The monthly average balance of the reserve must not be less than CRR rates multiplying with the preceding month's average balances of each type of deposit in scope.

CRR rates required on preceding month's average deposit balances:

	31.12.2024 %	31.12.2023 %
For deposits from customers:		
- Demand deposits and deposits with term less than 12 months in VND	3.00	3.00
- Deposits with term of 12 months and above in VND	1.00	1.00
- Demand deposits and deposits with term less than 12 months in foreign currencies	8.00	8.00
- Deposits with term of 12 months and above in foreign currencies	6.00	6.00
For deposits from overseas credit institutions:		
- Deposits in foreign currencies	1.00	1.00

Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Within the compulsory reserve requirement in VND	0.50	0.50
Within the compulsory reserve requirement in foreign currencies	0.00	0.00
Exceed the compulsory reserve requirement in VND	0.00	0.00
Exceed the compulsory reserve requirement in foreign currencies	0.00	0.00

5 PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

5.1 Placements with other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	9,245,384	16,994,192
- In foreign currencies	12,510,877	18,127,183
	21,756,261	35,121,375
Term deposits		
- In VND	68,910,000	48,800,000
- In foreign currencies	3,559,640	4,198,710
	72,469,640	52,998,710
	94,225,901	88,120,085

5.2 Loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Refinancing UPAS L/C loans (*)		
- In VND	1,157,667	8,394,778
Loans to other credit institutions		
- In VND	6,216,686	-
In which: Discounting, rediscounting	*4,216,686*	-
	7,374,353	8,394,778

(*) Refinancing UPAS L/C loans (usance payable at sight letter of credit) is a form of financing funds as per requests from other credit institutions to finance for foreign import settlements or payments for local goods and services whose payment method is either import UPAS L/C or domestic UPAS L/C. The Bank acts as the reimbursing bank/financing bank to release payments to the beneficiary of L/C as per requests from the issuing bank. The issuing bank is responsible to repay principals, interests and fees (if any) to the Bank at the end of the refinancing terms with agreed refinancing interest rates and fees.

5.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Term deposits in VND	3.80 - 7.50	0.70 - 4.50
Term deposits in foreign currencies	4.40 - 5.00	5.00 - 5.50
Refinancing UPAS L/C loans in VND	7.80 - 10.00	7.80 - 9.68
Loans to other credit institutions in VND	4.25 - 6.00	Not applicable

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5 PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS (continued)

5.4 Analysis of quality of term deposits with and loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current *(excluding demand deposits)*	79,843,993	61,393,488

6 TRADING SECURITIES

6.1 Debt securities

	31.12.2024 VND million	31.12.2023 VND million
Government bonds	778,827	-
Bonds and certificates of deposits issued by other local credit institutions	21,176,948	18,580,932
	21,955,775	18,580,932

6.2 Analysis of listing status of trading securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Listed	778,827	-
Unlisted	21,176,948	18,580,932
	21,955,775	18,580,932

6.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Government bonds	2.10 - 7.40	Not applicable
Bonds and certificates of deposits issued by other local credit institutions in VND	5.10 - 7.00	4.00 - 10.30

6.4 Analysis of quality of trading securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current *(excluding Government bonds)*	21,176,948	18,580,932

7 DERIVATIVES AND OTHER FINANCIAL ASSETS/LIABILITIES

	Total contract value (at foreign exchange rate at the contract date)	Total book value (at foreign exchange rate at reporting date)	
	VND million	Assets VND million	Liabilities VND million
As at 31.12.2024			
Foreign currency derivatives			
- Currency forward contracts	3,420,583	-	3,182
- Currency swap contracts	91,090,987	-	11,467
Other derivatives			
- Cross currency swap contracts	977,800	-	3,800
	95,489,370	-	18,449
Net amount			18,449
As at 31.12.2023			
Foreign currency derivatives			
- Currency forward contracts	5,400,768	12,816	-
- Currency swap contracts	114,288,732	95,893	-
Other derivatives			
- Cross currency swap contracts	972,630	1,370	-
	120,662,130	110,079	-
Net amount		110,079	

8 LOANS TO CUSTOMERS

8.1 By types of loans

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Loans to local economic organisations and individuals	423,085,075	335,070,515
Overdrafts and credit cards	5,233,030	5,460,246
Loans from funds, trusted investments	2,713,908	2,673,694
Discounting commercial notes and valuable papers	248,071	197,563
Payments on behalf of customers	25,835	2,277
Loans to oversea economic organisations and individuals	150	-
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024 (*)	11,178,772	-
	442,484,841	343,404,295

8 LOANS TO CUSTOMERS (continued)

8.1 By types of loans (continued)

(*) This refers to the balance arising from deferred payment L/C with at sight or pre-maturity payment terms, issued prior to the effective date of the Law on Credit Institutions 2024 No. 32/2024/QH15 and Circular 21/2024/TT-NHNN. These balances have been reclassified by the Bank from the *"Other Assets"* category to the *"Loans to customers"* category.

8.2 By types of customers

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Household businesses and individuals	159,619,463	149,935,604
Limited liability companies	155,438,528	105,980,794
Joint stock companies	109,598,655	81,177,458
Foreign invested enterprises	3,844,723	3,402,200
State-owned enterprises	2,725,717	2,802,782
Co-operatives and inter-cooperatives	47,555	50,808
Private enterprises	1,000	2,139
Others	30,428	52,510
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024		
Joint stock companies	6,363,484	-
Limited liability companies	4,815,288	-
	11,178,772	-
	442,484,841	343,404,295

8.3 By loan groups

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Group 1 - Current (*)	401,834,768	319,238,925
Group 2 - Special-mentioned (*)	20,915,070	18,005,407
Group 3 - Sub-standard	4,199,973	2,610,402
Group 4 - Doubtful	1,967,085	1,907,723
Group 5 - Loss	2,389,173	1,641,838
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024		
Group 1 - Current	11,178,772	-
	442,484,841	343,404,295

8 LOANS TO CUSTOMERS (continued)

8.3 By loan groups (continued)

(*) As at 31 December 2024, included in current and special-mentioned loan balance was VND45,177 million (as at 31 December 2023: VND1,806,396 million) of drawdowns which were subject to the applications of Circular 02/2023 and Circular 06/2024; of which VND7,244 million (as at 31 December 2023: VND1,676,240 million) was restructured repayment terms and retained loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans in accordance with Circular 02/2023 and Circular 06/2024. As at 31 December 2024, the Bank and its subsidiary recognised VND686 million of accrued interest income of these drawdowns in off-balance sheet items (as at 31 December 2023: VND46,627 million).

8.4 By term

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Short-term	227,158,574	183,332,216
Medium-term	138,247,896	93,389,645
Long-term	65,899,599	66,682,434
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024		
Short-term	11,178,772	-
	442,484,841	343,404,295

8.5 By currency

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
In VND	418,599,063	333,518,834
In foreign currencies	12,707,006	9,885,461
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024		
In VND	4,915,109	-
In foreign currencies	6,263,663	-
	11,178,772	-
	442,484,841	343,404,295

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8 LOANS TO CUSTOMERS (continued)

8.6 By business sector of customers

Classification of loans to customers according to the main business sector on the Enterprise Registration certificates of customers are as follows

	31.12.2024 VND million	31.12.2023 VND million (*)
Loans to customers		
Activities of households as employers, producing goods and services of households for owned uses	159,619,463	149,935,623
Real estates trading activities	68,291,984	58,248,505
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	68,168,362	44,478,894
Constructions	42,189,961	24,523,050
Financial services and insurance	30,706,538	12,772,640
Manufacturing and processing	18,627,260	11,447,303
Accommodation and food service activities	9,570,183	3,813,877
Transportation, warehouses	7,705,745	5,313,622
Electricity, gas, steam and air conditioning manufacturing and distributions	7,052,267	9,966,904
Agriculture, forestry and aquaculture	2,996,341	5,643,253
Others	16,377,965	17,260,624
	431,306,069	343,404,295
Issuance of deferred L/C arising before 1.7.2024		
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	6,252,692	-
Real estates trading activities	2,860,998	-
Manufacturing and processing	977,614	-
Constructions	414,344	-
Others	673,124	-
	11,178,772	-
	442,484,841	343,404,295

(*) The balances as at 31 December 2023 have been reclassified to confront with this year's presentation.

8 LOANS TO CUSTOMERS (continued)

8.7 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Loans in VND		
- Short-term	0.00 - 69.30	0.00 - 79.02
- Medium-term	3.50 - 69.30	3.50 - 70.00
- Long-term	3.50 - 25.00	3.50 - 25.00
Loans in foreign currencies		
- Short-term	4.60 - 8.13	5.00 - 8.70
- Long-term	7.63 - 9.52	6.68 - 10.52
Issuance of deferred L/C arising before 1.7.2024		
- Short-term in VND	6.40 - 10.08	Not applicable
- Short-term in foreign currencies	1.70 - 7.06	Not applicable

8.8 Provisions for losses on loans to customers

	General provisions VND million	Specific provisions (*) VND million	Total VND million
As at 1 January 2023	1,970,361	1,131,211	3,101,572
Charge for the year (Note 30)	592,855	3,674,896	4,267,751
Utilisation of provisions to write-off loans during the year	-	(3,314,866)	(3,314,866)
As at 31 December 2023	2,563,216	1,491,241	4,054,457
Charge for the year - loans to customers (Note 30)	653,657	4,583,936	5,237,593
Charge for the year - issuance of deferred L/C arising before 1.7.2024 (Note 30)	83,841	-	83,841
Utilisation of provisions to write-off loans during the year	-	(3,497,287)	(3,497,287)
As at 31 December 2024	3,300,714	2,577,890	5,878,604

(*) Included in the specific provisions balance of the Bank and its subsidiary as at 31 December 2024 was VND507 million (as at 31 December 2023: VND11,014 million) additional provisions for loans to customers whose loans were restructured the repayment terms and retained loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans in accordance with Circular 02/2023 and Circular 06/2024.

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9 INVESTMENT SECURITIES

9.1 Available-for-sale investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Government bonds	18,783,841	13,040,960
Bonds and certificates of deposits issued by other local credit institutions	6,771,743	10,190,526
Bonds issued by local economic organisations (*)	5,625,005	8,354,980
	31,180,589	31,586,466
Equity securities		
Equity securities issued by local economic organisation	226,935	285,222
	31,407,524	31,871,688
Provisions for available-for-sale investment securities		
General provisions for unlisted corporate bonds	(41,850)	(62,662)
Specific provisions for unlisted corporate bonds	(45,000)	(9,000)
	31,320,674	31,800,026

(*) Bonds issued by several economic organisations are secured by land use rights, real estate projects, shares and deposits opened at the Bank as collaterals.

9.2 Held-to-maturity investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Government bonds	3,386,590	4,285,409
Treasury bills issued by SBV	13,250,000	-
Bonds issued by local economic organisations	800,020	1,681,266
Bonds and certificates of deposits issued by other local credit institutions	-	6,338,198
	17,436,610	12,304,873
Provisions for held-to-maturity investment securities		
General provisions for unlisted corporate bonds	(6,000)	(12,610)
	17,430,610	12,292,263

9 INVESTMENT SECURITIES (continued)

9.3 Analysis of listing status of investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities (*)		
Listed	22,170,431	17,326,369
Unlisted	26,446,768	26,564,970
	48,617,199	43,891,339
Equity securities		
Listed	226,935	285,222
	48,844,134	44,176,561

(*) As at 31 December 2024 and as at 31 December 2023, several Government bonds were being pledged to borrow funds and to be granted for transaction limits with SBV or to conduct discounting and rediscounting transactions (Note 35.2).

9.4 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Government bonds in VND	1.10 - 8.80	1.10 - 8.80
Treasury bills issued by SBV in VND	4.00	Not applicable
Bonds and certificates of deposits issued by other local credit institutions in VND	5.10 - 6.28	4.20 - 10.00
Bonds issued by local economic corporations in VND	8.90 - 13.10	8.90 - 14.00

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9 INVESTMENT SECURITIES (continued)

9.5 Analysis of quality of investment securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current *(exclude Government bonds and treasury bills issued by SBV)*	13,151,768	24,034,975
Group 2 - Special mentioned	-	2,484,995
Group 3 - Sub-standard	-	45,000
Group 5 - Loss	45,000	-
	13,196,768	26,564,970

9.6 Provisions for losses on investment securities

	General provisions VND million	Specific provisions VND million	Total VND million
As at 1 January 2023	30,004	-	30,004
Charge for the year (Note 26)	45,268	9,000	54,268
As at 31 December 2023	75,272	9,000	84,272
(Reversal)/charge for the year (Note 26)	(27,422)	36,000	8,578
As at 31 December 2024	47,850	45,000	92,850

10 LONG TERM INVESTMENTS

10.1 By types of investments

	31.12.2024 VND million	31.12.2023 VND million
Investment in associate	729,739	-
Other long-term investments (*)	146,546	163,921
Less:		
Provisions for diminution in value of long-term investments	(18,502)	(20,140)
	857,783	143,781

(*) Other long-term investments are investments in unlisted local economic organisations.

10.2 Investment in associate

Name	31.12.2024 Cost VND million	31.12.2024 Book value(*) VND million	31.12.2024 Ownership (%)	31.12.2023 Cost VND million	31.12.2023 Book value (*) VND million	31.12.2023 Ownership (%)
HD Securities Corporation ("HDS") (i)	658,075	729,739	29,99	-	-	-

(i) According to Resolution No. 34/2024/NQ-HĐQT dated 6 June 2024, the Board of Directors of HDS approved the result of a private share offering of 43,842,571 shares to the strategic shareholder, Ho Chi Minh City Development Joint Stock Commercial Bank, at a price of VND15,000 per share, with a three-year transfer restriction period. The State Securities Commission acknowledged in Official Letter No. 3721/UBCK-QLKD dated 12 June 2024, that all necessary documents regarding the result of HDS's private share offering had been received, and HDS officially became an associate of the Bank.

(*) Movements of the investment in an associate during the year were as follows:

	2024 VND million	2023 VND million
As at 1 January	-	-
Increased investment in an associate during the year	658,075	
The Bank's share of the profits of its associate	71,664	-
As at 31 December	729,739	-

11 FIXED ASSETS

11.1 Tangible fixed assets

	Buildings, structures VND million	Machinery VND million	Motor vehicles VND million	Office equipment VND million	Others VND million	Total VND million
Historical cost						
As at 1 January 2024	511,622	366,248	426,796	377,505	20,615	1,702,786
New purchases	82,684	127,173	54,510	42,577	8,973	315,917
Disposals	(527)	(24,132)	(3,734)	(6,276)	(80)	(34,749)
Others	-	-	-	(454)	-	(454)
As at 31 December 2024	593,779	469,289	477,572	413,352	29,508	1,983,500
Accumulated depreciation						
As at 1 January 2024	158,733	207,824	280,975	328,737	13,376	989,645
Charge for the year	21,859	41,561	48,889	25,770	2,665	140,744
Disposals	(527)	(24,132)	(3,173)	(5,978)	(80)	(33,890)
Others	-	-	-	(454)	-	(454)
As at 31 December 2024	180,065	225,253	326,691	348,075	15,961	1,096,045
Net book value						
As at 1 January 2024	352,889	158,424	145,821	48,768	7,239	713,141
As at 31 December 2024	413,714	244,036	150,881	65,277	13,547	887,455

As at 31 December 2024, the Bank and its subsidiary's historical cost of tangible fixed assets that were fully depreciated but still in use was VND643,809 million (as at 31 December 2023: VND579,835 million).

11 FIXED ASSETS (continued)

11.2 Intangible fixed assets

	Definite land use rights VND million	Indefinite land use rights VND million	Software VND million	Others VND million	Total VND million
Historical cost					
As at 1 January 2024	109,626	531,404	427,194	7,963	1,076,187
New purchases	6,312	80,359	138,560	-	225,231
Disposals	-	-	(3,524)	(6,098)	(9,622)
Others	-	-	497	(865)	(368)
As at 31 December 2024	115,938	611,763	562,727	1,000	1,291,428
Accumulated amortisation					
As at 1 January 2024	14,372	-	347,029	5,168	366,569
Charge for the year	2,134	-	51,676	574	54,384
Disposals	-	-	(3,049)	(4,578)	(7,627)
Others	-	-	443	(813)	(370)
As at 31 December 2024	16,506	-	396,099	351	412,956
Net book value					
As at 1 January 2024	95,254	531,404	80,165	2,795	709,618
As at 31 December 2024	99,432	611,763	166,628	649	878,472

As at 31 December 2024, the Bank and its subsidiary's historical cost of intangible fixed assets that were fully amortised but still in use was VND328,891 million (as at 31 December 2023: VND322,809 million).

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12 OTHER ASSETS

12.1 Other receivables

	31.12.2024 VND million	31.12.2023 VND million
Negotiation under L/C without recourse issued by the Bank (i)	33,641,885	-
Negotiation under L/C without recourse issued by other credit institutions (ii)	3,610,437	-
Receivables from card organisations	5,652,930	5,232,530
Construction in progress, advances for purchases of fixed assets (iii)	2,400,710	2,369,330
Advances for saving deposits with upfront interest payments (iv)	1,981,418	897,326
Receivables from disposals of fixed assets (v)	205,000	410,000
Advances for operating activities	147,382	34,594
Deposits for office rentals, tools and equipment	104,716	90,135
Advances for collateral handling costs	93,442	65,892
Commission receivables from agency	61,440	74,449
Receivables from UPAS L/C (vi)	-	25,621,589
Receivables from deferred L/C (vii)	-	12,230,410
Deposits for purchases of certificates of deposits	-	1,000,000
Receivables from selling equity securities	-	351,646
Others	416,913	565,032
	48,316,273	48,942,933

(i) This refers to a transaction where the Bank purchases and receives the documents under L/C issued by the Bank itself, which has not yet been paid, from the customer (the beneficiary of the documents). The Bank will receive the payment from the customer (the L/C applicant) on the maturity date, and it does not have recourse to the beneficiary of the documents if the Bank does not receive full payment from the L/C applicant.

Details of negotiation under L/C without recourse issued by the Bank are as follows:

	31.12.2024 VND million	31.12.2023 VND million
By types of customers		
Limited liability companies	22,520,708	-
Joint stock companies	11,121,177	-
	33,641,885	-

	31.12.2024 VND million	31.12.2023 VND million
By currency		
In VND	22,982,969	-
In foreign currencies	10,658,916	-
	33,641,885	-

12 OTHER ASSETS (continued)

12.1 Other receivables (continued)

(i) Details of negotiation under L/C without recourse issued by the Bank are as follows (continued):

	31.12.2024 VND million	31.12.2023 VND million
By business sector of customers		
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	16,701,248	-
Real estates trading	5,435,369	-
Constructions	3,438,672	-
Financial services and insurance	2,556,500	-
Manufacturing and processing	636,127	-
Others	4,873,969	-
	33,641,885	-

Annual fee rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Receivables in VND		
- Short-term	0.24 - 9.73	Not applicable
Receivables in foreign currencies		
- Short-term	2.00 - 6.64	Not applicable

(ii) This refers to a transaction where the Bank purchases and receives the documents under L/C issued before the maturity date and which has not yet been paid, from the customer (the beneficiary of the documents). The Bank will receive the payment from the issuing bank or the confirming bank on the maturity date, and it does not have recourse to the customer (the beneficiary of the documents) if the Bank does not receive full payment from the issuing bank or the confirming bank.

(iii) Details of construction in progress, advances for purchasing fixed assets were as follows:

	31.12.2024 VND million	31.12.2023 VND million
Houses and head office	1,995,980	2,069,934
In which: Construction project at Ho Chi Minh City Hi-Tech Park	*1,492,886*	*1,485,490*
Software	246,020	134,439
Repair and maintenance expenses	70,127	57,329
Purchases of other fixed assets	88,583	107,628
	2,400,710	2,369,330

(iv) Saving deposit with upfront interest payment is a product where customers receive interest upfront at the time they make deposits. These products are eligible for individuals and economic organisations who are currently living and operating legally in Vietnam.

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12 OTHER ASSETS (continued)

12.1 Other receivables (continued)

(v) Receivables related to the transfers of assets to several economic organisations, which are expected to be settled within 7 years at an interest rate of 7% per annum and due on 28 June 2025. Deferred principals and interests are paid annually.

(vi) Receivables from UPAS L/C are receivables from the Bank's customers for the services of financing from other credit institutions as payables at sight to beneficiaries for deferred sets of documents under Letter of credit issued by the Bank. Subsequently, the Bank shall collect principal and fee from customers and repay to the reimbursing bank on the due date of sets of documents.

(vii) Receivables from deferred L/C services represent receivables from the Bank's customers arising from financing transactions wherein the Bank facilitates early payments to the beneficiary based on the Bank's acceptance of payment and the beneficiary's request for early payment. Subsequently, upon the maturity date of the payment documents, the Bank shall collect the principal and fees from the customer.

12.2 Interests and fees receivables

	31.12.2024 VND million	31.12.2023 VND million
Interest receivables from credit activities	3,754,327	3,613,888
Fees receivables from UPAS L/C and deferred L/C	592,308	975,307
Interest receivables from investment securities	521,369	1,118,124
Fees receivables from negotiation under L/C without recourse	259,889	-
Interest receivables from deposits	121,651	16,786
Other interests and fees receivables	133,978	877,996
	5,383,522	6,602,101

12.3 Other assets

	31.12.2024 VND million	31.12.2023 VND million
Prepaid expenses awaiting for allocations (i)	1,849,528	1,791,630
Collateral assets awaiting for resolutions (ii)	229,044	290,642
Tools, equipment	152,766	147,693
Other assets	3,450	3,450
	2,234,788	2,233,415

(i) Prepaid expenses mainly comprised of commission payable to agencies and sales staff, tools, equipment and supplies, prepayments for services, rental expenses, transmission line rental, repair and maintenance expenses.

(ii) These are collaterals pledged to settle for obligations of guarantors, which have been transferred ownerships to the Bank and are awaiting for resolutions. The Bank already obtained all legal documents proving ownership rights from these assets.

12 OTHER ASSETS (continued)

12.4 Analysis of quality of other assets classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Current	50,813,634	52,500,121
Loss	47,437	46,799
	50,861,071	52,546,920

13 BORROWINGS FROM THE GOVERNMENT AND THE SBV

	31.12.2024 VND million	31.12.2023 VND million
Deposits from the State Treasury	1	2,104
Other borrowings		
- *Japan Bank of International Cooperation (i)*	*8,377*	*19,749*
- *Small and Medium Enterprise Development Fund*	*7,056*	*4,737*
	15,434	26,590

(i) These borrowings were made under phase II and III of the credit financing for small and medium enterprises project, funded by Japan Bank of International Cooperation (JBIC) through SBV.

14 PLACEMENTS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

14.1 Placements from other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	3,862,541	9,002,298
- In foreign currencies	7,555	3,883
	3,870,096	9,006,181
Term deposits		
- In VND	69,100,000	50,400,000
- In foreign currencies	1,906,950	3,191,505
	71,006,950	53,591,505
	74,877,046	62,597,686

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14 PLACEMENTS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS (continued)

14.2 Borrowings from other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Payables related to UPAS L/C		
- In VND	1,373,932	13,628,051
- In foreign currencies	9,650,163	21,828,724
	11,024,095	35,456,775
Borrowings from other credit institutions		
- In VND	2,950,000	3,932,440
In which: Discounting and rediscounting borrowings	-	*1,825,440*
- In foreign currencies	10,609,438	10,100,077
	13,559,438	14,032,517
	24,583,533	49,489,292

14.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Term deposits in VND	3.50 - 6.10	0.60 - 3.70
Term deposits in foreign currencies	4.30 - 4.45	5.00 - 5.60
Payables related to UPAS L/C in VND	5.64 - 8.08	3.42 - 11.06
Payables related to UPAS L/C in foreign currencies	0.85 - 6.35	0.98 - 7.09
Borrowings in VND	6.00 - 7.00	0.30 - 10.15
Borrowings in foreign currencies	1.55 - 7.20	1.55 - 8.10

15 DEPOSITS FROM CUSTOMERS

15.1 By types of deposits

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	48,661,736	38,233,609
- In foreign currencies	2,640,817	2,009,167
Term deposits		
- In VND	65,693,290	70,300,227
- In foreign currencies	10,933	-
Saving deposits		
- In VND	318,365,813	258,924,614
- In foreign currencies	1,147,098	435,606
Marginal deposits		
- In VND	549,742	731,607
- In foreign currencies	12,208	46,352
Specialised fund deposits		
- In VND	364,447	62,897
- In foreign currencies	59,081	33,809
	437,505,165	370,777,888

15.2 By types of customers, businesses

	31.12.2024 VND million	31.12.2023 VND million
Individuals	332,943,590	272,059,759
Joint stock companies	49,905,050	39,271,602
Limited liability companies	31,805,535	30,084,669
State-owned enterprises	9,088,249	13,581,547
Foreign invested enterprises	4,979,624	6,153,571
Business and administrative units, Party, union and association	4,549,652	3,862,861
Co-operatives and inter-cooperatives	822,981	3,794,797
Others	3,410,484	1,969,082
	437,505,165	370,777,888

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15 DEPOSITS FROM CUSTOMERS (continued)

15.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Demand deposits in VND	0.00 - 0.50	0.00 - 0.50
Demand deposits in foreign currencies	0.00 - 0.20	0.00 - 0.20
Term deposits, savings deposits in VND	0.10 - 9.50	0.10 - 11.90
Term deposits, savings deposits in foreign currencies	0.00 - 1.80	0.00 - 1.90
Marginal deposits in VND	0.10 - 6.35	0.10 - 9.50
Marginal deposits in foreign currencies	0.00 - 0.20	0.00 - 0.20
Specialised funds deposits in VND	0.10 - 0.50	0.10 - 0.50
Specialised funds deposits in foreign currencies	0.00 - 0.10	0.00 - 0.10

16 FUNDS, ENTRUSTED INVESTMENTS AND BORROWINGS RECEIVED THAT THE BANK BEARS RISKS

	31.12.2024 VND million	31.12.2023 VND million
Funds, entrusted investments and borrowings denominated in foreign currencies		
- Funds received for the program to support the development of reforming policies for power sector - Phase III (*)	2,736,762	2,753,542
- Funds received for the construction of Nhon Trach water supply system project - Phase III	50,991	56,839
- Funds received from the Rural Development Fund	690	748
	2,788,443	2,811,129

(*) The borrowing amounting to USD128 million was funded by World Bank through the Ministry of Finance to finance for the program to support the development of reforming policies for power sector - Phase III, for a period of 29 years from 4 August 2015 to 4 August 2043. From 1 January 2022, the borrowing bears interest rate of SOFR plus a spread adjusted periodically.

17 VALUABLE PAPERS ISSUED

	31.12.2024 VND million	31.12.2023 VND million
Certificates of deposits in VND		
- Less than 1 year	11,705,000	15,352,000
- From 1 year to less than 5 years	12,756,000	2,619,000
- Above 5 years	80,000	157,000
Straight bonds in VND		
- From 1 year to less than 5 years	16,550,000	9,800,000
- Above 5 years	32,031,000	15,152,063
Convertible bonds in USD (i)		
- Above 5 years	8,263,450	7,887,750
Valuable papers issuing expenses	(35,706)	(29,665)
	81,349,744	50,938,148

(i) Details of convertible bonds are as follows:

The Bank issued 3 batches of convertible bonds to foreign investors with total value of USD325 million at par value of USD100,000 per each convertible bond. These convertible bonds were issued privately to foreign investors with a term of 5 years 1 day, bearing interest rate of 4.5% per annum, interest is paid annually, principal is paid at maturity date if they are not converted, details are as follows:

Date of issuance	Number of issued bonds (Quantities)	Par value (USD)	Expected conversion price (VND/share)	Conversion time
4.11.2020	300	30,000,000	41,800	Bondholders may convert (in whole, but not in part) into shares of the Bank at any time after 12 months and 1 day and no later than 59 months from the issuance date of bonds.
24.12.2020	1,300	130,000,000	41,800	
29.12.2021	1,650	165,000,000	43,061	Bondholders have the right to convert all or part into shares of the Bank at any time after 12 months and no later than 59 months from the issuance date of bonds.

Expected conversion price may be adjusted for future dilution events according to the agreement.

The Bank classified these convertible bonds entirely as liabilities because they were issued in United States Dollars (a currency different from the Bank's functional currency, which is Vietnamese Dong).

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17 VALUABLE PAPERS ISSUED (continued)

Annual interest rates applied for the valuable papers issued by the Bank and its subsidiary are as follows:

	31.12.2024 %	31.12.2023 %
Certificates of deposits less than 1 year in VND	3.90 - 7.00	4.80 - 13.50
Certificates of deposits from 1 year to less than 5 years in VND	4.70 - 6.50	7.30 - 15.00
Certificates of deposits above 5 years in VND	11.00 - 14.00	11.00 - 14.00
Bonds from 1 year to less than 5 years in VND	4.20 - 5.70	3.80 - 4.20
Bonds above 5 years in VND	6.20 - 8.70	6.30 - 9.10
Bonds above 5 years in USD	4.50	4.50

18 OTHER LIABILITIES

18.1 Interest and fee payables

	31.12.2024 VND million	31.12.2023 VND million
Interest payables for deposits	6,006,415	7,713,126
Interest payables for valuable papers issued	1,354,935	1,518,297
Interest payables for borrowings	457,048	952,098
Interest payables for derivatives forward, swap contracts	140,021	110,286
Interest payables for funds, entrusted investments received	54,747	52,692
	8,013,166	10,346,499

18.2 Other liabilities

	31.12.2024 VND million	31.12.2023 VND million
Internal payables	1,012,394	238,604
External payables		
- Remittance-in-transit payables	4,677,439	4,188,693
- Cash held-on-behalf and awaiting for settlements	1,662,059	488,371
- Tax and other payables to the State (Note 34)	1,074,508	1,928,845
- Accrued expenses	236,401	191,299
- Payables to agency	61,121	195,043
- Other payables	687,059	431,057
Unearned revenue	2,100,473	1,223,782
Bonus and welfare funds	46,763	41,611
	11,558,217	8,927,305

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19 OWNERS' EQUITY

19.1 Movements in owners' equity

				Reserves of credit institution							
	Charter capital VND million	Share premium VND million	Treasury shares VND million	*Financial reserve VND million*	*Supplement charter capital reserve VND million*	*Other reserve VND million*	Total reserves VND million	Investment and construction capital VND million	Retained earnings VND million	Non - controlling interest VND million	Total VND million
As at 1 January 2023	25,303,429	535,956	(413,448)	*2,352,091*	*1,048,387*	*127,249*	3,527,727	89	7,999,785	2,041,348	**38,994,886**
Profit for the year	-	-	-	-	-	-	-	-	10,070,898	265,115	**10,336,013**
Stock dividends (i)	3,772,892	-	-	-	-	-	-	-	(3,772,892)	-	**-**
Cash dividends (ii)	-	-	-	-	-	-	-	-	(2,515,261)	-	**(2,515,261)**
Dividends of subsidiary	-	-	-	-	-	-	-	-	-	(375,000)	**(375,000)**
Appropriation to reserves	-	-	-	*790,110*	*395,722*	*25,000*	1,210,832	-	(1,210,832)	-	**-**
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	-	(10,000)	-	**(10,000)**
Utilisations of reserves during the year	-	-	-	-	-	*(30,316)*	(30,316)	-	-	-	**(30,316)**
As at 31 December 2023	29,076,321	535,956	(413,448)	*3,142,201*	*1,444,109*	*121,933*	4,708,243	89	10,561,698	1,931,463	**46,400,322**
Shares issued to employees (iii)	200,000	-	-	-	-	-	-	-	-	-	**200,000**
Profit for the year	-	-	-	-	-	-	-	-	12,762,953	484,695	**13,247,648**
Stock dividends (iv)	5,825,102	-	-	-	-	-	-	-	(5,825,102)	-	**-**
Cash dividends (v)	-	-	-	-	-	-	-	-	(2,912,550)	-	**(2,912,550)**
Dividends of subsidiary	-	-	-	-	-	-	-	-	-	(250,000)	**(250,000)**
Appropriation to reserves	-	-	-	*1,064,604*	*533,514*	*25,000*	1,623,118	-	(1,623,118)	-	**-**
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	-	(10,000)	-	**(10,000)**
Utilisations of reserves	-	-	-	-	-	*(18,159)*	(18,159)	-	-	-	**(18,159)**
As at 31 December 2024	35,101,423	535,956	(413,448)	*4,206,805*	*1,977,623*	*128,774*	6,313,202	89	12,953,881	2,166,158	**56,657,261**

(i) According to the Resolution of the General Meeting of Shareholders No. 06/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 175/2023/NQ-HĐQT dated 10 May 2023 and the Official Letter No. 4279/NHNN-TTGSNH dated 5 June 2023 from SBV, the Bank distributed stock dividends of the year 2022 at the rate of 15% appropriation from undistributed retained earnings of the financial year 2022 to increase its charter capital, according to the list of shareholders finalised at the last registration date on 20 July 2023.

(ii) According to the Resolution of the General Meeting of Shareholders No. 06/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 174/2023/NQ-HĐQT dated 10 May 2023, the Bank distributed cash dividends at the rate of 10% of the total outstanding shares, appropriation from undistributed retained earnings of the financial year 2022. The Bank made payments for this cash dividend on 12 June 2023.

19 OWNERS' EQUITY (continued)

19.1 Movements in owners' equity (continued)

(iii) According to the Resolution of the General Meeting of Shareholders No. 07/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 408/2023/NQ-HĐQT dated 2 October 2023 and the Official Letter No. 9252/NHNN-TTGSNH dated 1 December 2023 from SBV, the Bank approved a plan to issue 20,000,000 shares to employees under the Employee Stock Ownership Plan ("ESOP") program at an issuance price of VND10,000 per share. On 29 March 2024, the State Securities Commission of Vietnam issued the Official Letter No. 1951/UBCK-QLCB confirmed the receipt of the report on the results of the ESOP share issuance of the Bank dated 25 March 2024. Accordingly, the Bank distributed 20,000,000 shares to employees. On 8 October 2024, SBV issued Decision No. 2240/QĐ-NHNN to amend the charter capital content in the Bank's Establishment and Operation license.

(iv) According to the Resolution of the General Meeting of Shareholders 08/2024/NQ-ĐHĐCĐ dated 26 April 2024, the Board of Directors' Resolution No. 351/2024/NQ-HĐQT dated 2 July 2024 and the Official Letter No. 8873/NHNN-TTGSNH dated 28 October 2024 from SBV, the Bank distributed stock dividends of the year 2023 at the rate of 20% appropriation from undistributed retained earnings of the financial year 2023 to increase its charter capital, according to the list of shareholders finalised at the last registration date on 12 December 2024. On 26 December 2024, SBV issued Decision No. 2785/QĐ-NHNN to amend the charter capital content in the Bank's Establishment and Operation License.

(v) According to the Resolution of the General Meeting of Shareholders No. 07/2024/NQ-ĐHĐCĐ dated 26 April 2024, the Resolution of the Board of Directors No. 350/2024/NQ-HĐQT dated 2 July 2024, the Bank distributed cash dividends at the rate of 10% of the total outstanding shares, appropriation from undistributed retained earnings of the financial year 2023. The Bank made payments for this cash dividend on 26 July 2024.

19.2 Shares

19.2.1 Number of shares

	31.12.2024 Ordinary shares	31.12.2023 Ordinary shares
Number of shares registered	3,510,142,254	2,907,632,132
Number of shares issued	3,510,142,254	2,907,632,132
Number of shares repurchased	(15,081,522)	(15,081,522)
Number of existing shares in circulation	3,495,060,732	2,892,550,610

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19 OWNERS' EQUITY (continued)

19.2 Shares (continued)

19.2.2 Movements of charter capital

	Number of ordinary shares Shares	Ordinary shares at par value VND million
As at 1 January 2023	2,530,342,922	25,303,429
Stock dividends	377,289,210	3,772,892
As at 31 December 2023	2,907,632,132	29,076,321
New shares issuance	20,000,000	200,000
Stock dividends	582,510,122	5,825,102
As at 31 December 2024	3,510,142,254	35,101,423

All ordinary shares have a par value of VND10,000.

19.2.3 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the appropriations to bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus shares issued during the year. Details are as follows:

	2024	2023 Recalculated (*)
Net profit attributable to shareholders (VND million)	12,762,953	10,070,898
Adjustments to appropriation to bonus and welfare fund (VND million)	-	(10,000)
	12,762,953	10,060,898
Weighted average of ordinary shares outstanding at the reporting date (shares)	3,476,568,929	3,471,060,732
Basic earnings per share (VND)	3,671	2,899

19 OWNERS' EQUITY (continued)

19.2 Shares (continued)

19.2.3 Earnings per share (continued)

(*) Basic earnings per share of the year ended 31 December 2023 was recalculated by adjusting number of existing shares in circulation from distribution of stock dividends from retained earnings and the appropriation to bonus and welfare funds (Note 19.1), details are as follows:

	For the year ended 31.12.2023		
	As previously reported	Adjustments	As recalculated
Net profit attributable to shareholders (VND million)	10,070,898	(10,000)	10,060,898
Weighted average of ordinary shares outstanding at the reporting date (shares)	2,892,550,610	578,510,122	3,471,060,732
Basic earnings per share (VND)	3,482		2,899

During the year, the Bank did not have any dilutive potential ordinary shares. Accordingly, the requirement for presentation of the diluted earnings per share was not applicable.

20 INTEREST AND SIMILAR INCOME

	2024 VND million	2023 VND million
Interest income from loans	42,802,465	38,543,102
Interest income from trading, investment of debt securities:	3,637,261	2,709,684
- Interest income from investment securities	*2,954,066*	*2,618,802*
- Interest income from trading securities	*683,195*	*90,882*
Income from UPAS L/C and deferred L/C	2,903,355	2,582,206
Interest income from deposits	1,571,993	1,039,402
Income from guarantee activities	349,554	70,570
Other income from credit activities (*)	6,730,900	7,695,613
	57,995,528	52,640,577

(*) Mainly included capital withdrawal commitment fees, standby credit limit fees, early repayment fees and other fees related to credit activities.

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21 INTEREST AND SIMILAR EXPENSES

	2024 VND million	2023 VND million
Interest expenses on deposits	20,578,179	23,657,737
Interest expenses on valuable papers issued	3,531,995	3,412,816
Interest expenses on borrowings	2,984,870	3,353,894
Other expenses on credit activities	43,408	32,156
	27,138,452	30,456,603

22 FEE AND COMMISSION INCOME

	2024 VND million	2023 VND million
Card services	1,537,868	418,885
Insurance agency services	1,082,915	1,396,733
Settlement services	341,740	721,210
Other services	333,100	293,340
	3,295,623	2,830,168

23 FEE AND COMMISSION EXPENSES

	2024 VND million	2023 VND million
Card services	1,052,711	307,333
Insurance agency services (*)	473,808	115,004
Brokerage fees	205,804	27,858
Settlement services	73,313	109,382
Other services	73,409	82,789
	1,879,045	642,366

(*) Included in the expenses related to insurance agency services are expenses incurred arising from not meeting the required insurance KPI targets.

24 NET GAIN FROM TRADING IN FOREIGN CURRENCIES

	2024 VND million	2023 VND million
Income from trading in foreign currencies		
- Income from currency derivatives instruments	1,447,279	975,726
- Income from foreign currency spots trading	1,056,852	1,393,712
- Income from golds trading	4,350	2,793
	2,508,481	2,372,231
Expenses from trading in foreign currencies		
- Expenses from currency derivatives instruments	(1,199,983)	(862,706)
- Expenses from foreign currency spots trading	(463,140)	(944,551)
- Expenses from golds trading	(1,545)	(271)
	(1,664,668)	(1,807,528)
Net gain from trading in foreign currencies	843,813	564,703

25 NET GAIN FROM TRADING OF TRADING SECURITIES

	2024 VND million	2023 VND million
Income from trading of trading securities	412,368	194,305
Expenses from trading of trading securities	(343,439)	(152,582)
Net gain from trading of trading securities	68,929	41,723

26 NET GAIN FROM TRADING OF INVESTMENT SECURITIES

	2024 VND million	2023 VND million
Income from trading of investment securities - debt securities	194,408	173,649
Income from trading of investment securities - equity securities	103,462	1,251,449
Expenses from trading of investment securities - debt securities	(221,039)	(203,825)
Charge of provisions for diminution in value of investment securities (Note 9.6)	(8,578)	(54,268)
Net gain from trading of investment securities	68,253	1,167,005

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27 NET OTHER INCOME

	2024 VND million	2023 VND million
Other income		
Income from negotiation under L/C without recourse	353,290	-
Income from recoveries of written-off loans	276,551	270,198
Overpayments received from customers	52,071	131,225
Income from interest rate and commodity derivatives	38,012	14,171
Deferred interests from disposals of assets	21,519	32,270
Other income	128,419	93,780
	869,862	541,644
Other expenses		
Expenses from interest rate and commodity derivatives	(27,915)	(4,326)
Other sponsorships	(95,308)	(227,289)
Other expenses	(40,768)	(50,876)
	(163,991)	(282,491)
Net other income	705,871	259,153

28 INCOME FROM INVESTMENTS IN OTHER ENTITIES

	2024 VND million	2023 VND million
Profit sharing from investments in associate	71,664	-
Dividends received from other long-term investments	-	9,325
	71,664	9,325

29 OPERATING EXPENSES

	2024 VND million	2023 VND million
Tax and duties	342,322	3,415
Staff costs		
- Salaries and allowances	6,318,273	4,628,862
- Salary-related contributions	391,032	337,367
- Other expenses for staffs	205,848	163,950
Assets-related expenses		
- Rental expenses	510,494	458,062
- Repair and maintenance expenses	300,759	243,195
- Depreciation and amortisation	195,128	156,673
- Other expenses on assets	155,665	138,572
Advertising, marketing and promotion expenses	857,690	603,236
Conference, receptionist and guest expenses	458,607	466,459
Insurance expenses for customer deposits	429,995	285,163
Commission fee for agents	418,197	598,060
Security service expenses	192,559	171,420
Telephone and postage expenses	166,530	129,171
Electricity, water and office cleaning expenses	141,194	104,729
Others	896,462	640,868
	11,980,755	9,129,202

30 PROVISIONS FOR CREDIT LOSSES

	2024 VND million	2023 VND million
General provisions of loans to customers (Note 8.8)	653,657	592,855
General provisions of issuance of deferred L/C arising before 1.7.2024 (Note 8.8)	83,841	-
Specific provisions of loans to customers (Note 8.8)	4,583,936	3,674,896
	5,321,434	4,267,751

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31 CIT EXPENSES

CIT expenses on the Bank and its subsidiary's profit before tax differs from theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2024 VND million	2023 VND million
Net accounting profit before tax	16,729,995	13,016,732
Tax calculated at a rate of 20%	3,345,999	2,603,346
Adjustments:		
Income not subject to tax	-	(2,550)
Expenses not deductible for tax purposes	157,858	74,867
Adjustment for tax payables in previous year	(7,178)	4,098
Adjustment for profit from consolidation	(14,332)	958
CIT charge (*)	3,482,347	2,680,719
Charged to the consolidated income statement:		
CIT - current	3,561,555	2,724,629
CIT - deferred (i)	(79,208)	(43,910)
CIT charge (*)	3,482,347	2,680,719

(i) Movements in deferred tax assets related to deductible temporary difference (mainly came from unearned revenue and provision) during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	76,708	32,798
Charged to the consolidated income statement	79,208	43,910
Closing balance	155,916	76,708

(*) The CIT expenses charged for the year are based on estimated taxable profit and are subject to review and possible adjustments by the tax authorities.

32 CASH AND CASH EQUIVALENTS

	31.12.2024 VND million	31.12.2023 VND million
Cash on hand and golds	3,105,355	2,810,044
Balances with SBV	26,680,270	41,481,638
Placements with other credits institutions (including demand and term deposits with original terms of 3 months or less)	94,225,901	88,120,085
Investment securities with collection period or original maturities of 3 months or less from purchase date	13,250,000	-
	137,261,526	132,411,767

33 EMPLOYEES' INCOME

	2024 VND million	2023 VND million
Total average number of employees (headcounts)	17,867	16,643
Employees' income		
Total salary fund	6,142,967	4,481,308
Other income	175,306	147,554
	6,318,273	4,628,862
Average salary per month (VND million/employee)	28,65	22,44
Average income per month (VND million/employee)	29,47	23,18

34 OBLIGATIONS TO THE STATE

Items	1.1.2024 VND million	Movements during the year: Payables VND million	Movements during the year: Payments VND million	31.12.2024 VND million
CIT	1,820,741	3,561,555	(4,466,688)	915,608
Value added tax	70,529	789,739	(800,213)	60,055
Personal income tax	20,900	618,396	(565,451)	73,845
Withholding tax	16,675	117,493	(117,774)	16,394
Others	-	79,341	(70,735)	8,606
	1,928,845	5,166,524	(6,020,861)	1,074,508

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35 ASSETS, VALUABLE PAPERS HELD AS COLLATERALS AND FOR DISCOUNTING, REDISCOUNTING

35.1 Assets, valuable papers received as collaterals and for discounting and rediscounting

	31.12.2024 VND million	31.12.2023 VND million (*)
Of customers:		
- Real estates	388,639,341	357,224,126
- Valuable papers	87,864,753	61,228,868
- Transportation vehicles	13,747,796	11,611,557
- Machines, equipment	11,814,167	12,049,601
- Materials	2,223,155	5,655,113
- Other assets	201,901,687	259,534,081
	706,190,899	707,303,346
Of credit institutions:		
- Valuable papers	4,000,000	-
	710,190,899	707,303,346

(*) The balances as at 31 December 2023 have been reclassified for comparison purposes with this year's presentation.

In addition to the aforementioned collateral assets, the Bank also received other collateral assets which are asset rights arising from business cooporation contracts.

35.2 Assets, valuable papers placed as collaterals and for discounting and rediscounting

	31.12.2024 VND million	31.12.2023 VND million
Government bonds	2,040,000	3,590,000

36 COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Commitments

Total amounts of effective commitments outstanding as at the date of the consolidated statement of financial position were as follows:

	31.12.2024 VND million	31.12.2023 VND million
Borrowing guarantees	808,743	809,436
Foreign exchange transactions commitments	199,138,079	259,213,350
L/C commitments	46,647,030	2,643,473
Other guarantees	25,173,809	15,724,260
- Payment guarantees	*22,151,709*	*13,097,981*
- Contract performance guarantees	*640,765*	*762,746*
- Bidding guarantees	*64,973*	*27,134*
- Other guarantees	2,316,362	1,836,399
Other commitments	12,364,361	5,318,378
- Valuable papers trading contracts commitments	*5,800,000*	*250,000*
- Interest swap contracts commitments	*1,994,840*	*1,943,430*
- Commodity derivatives contracts commitments	*423,518*	*21,391*
- Unused credit card limits commitments	*4,146,003*	*3,103,557*
Less: Marginal deposits	*(419,089)*	*(628,026)*
	283,712,933	283,080,871

36.2 Operating lease commitments

The future minimum lease payments under non-cancellable operating leases of the Bank and its subsidiary were as follows:

	31.12.2024 VND million	31.12.2023 VND million
Within 1 year	308,649	287,646
From 1 year to 5 years	655,740	582,572
Over 5 years	487,174	575,664
Total minimum payments	1,451,563	1,445,882

36.3 Capital commitments

Capital expenditure contracted for at the consolidated statement of financial position date but not recognised in the consolidated financial statements were as follows:

	31.12.2024 VND million	31.12.2023 VND million
Buildings, structures	225,777	202,667
Software	146,980	54,973
Repair and maintenance expenses	40,647	47,205
Others	7,320	26,737
	420,724	331,582

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37 OTHER OFF STATEMENT OF CONSOLIDATED FINANCIAL POSITION ITEMS

37.1 Interests and fees receivables not yet collected

	31.12.2024 VND million	31.12.2023 VND million
Interest receivables from loans not yet collected	1,242,873	961,311
Interest receivables from investments not yet collected	40,050	40,050
Fee receivables not yet collected	2,053,517	1,362,988
	3,336,440	2,364,349

37.2 Bad debts written-off

	31.12.2024 VND million	31.12.2023 VND million
Principal balances of written-off loans being under monitoring	16,066,568	12,776,048
Interest balances of written-off loans being under monitoring	4,068,209	2,808,290
	20,134,777	15,584,338

37.3 Other assets and documents

	31.12.2024 VND million	31.12.2023 VND million
Other assets kept-on-behalf	45,997,113	25,918,278
Other valuable documents under custody	1,552,112	1,113,694
Precious metals and stones kept-on-behalf	39,936	29,473
	47,589,161	27,061,445

38 ENTRUSTMENTS UNDERTAKING ACTIVITIES NOT EXPOSED TO RISK

Remaining payables by the Bank to a credit institution from the entrustment contract for lendings still recognised in the off-statement of financial position items were as follows:

	31.12.2024 VND million	31.12.2023 VND million
Payables of from loans granted under entrustment contract for lendings	3,356,179	4,265,122
Total effective limit of entrustment fund received from the organisation	*3,357,406*	*13,550,000*

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39 CONCENTRATIONS OF ASSETS, LIABILITIES AND OFF STATEMENT OF FINANCIAL POSITION ITEMS BY GEOGRAPHICAL AREA

Unit: VND million

	Deposits with and loans to other credit institutions	Loans to customers	Derivatives financial instruments (*)	Trading and investment securities	Other long-term investments	Placements and borrowings from other credit institutions	Deposits from customers	Funds, entrusted investments and borrowings received that the Bank bears risks	Valuable papers issued	Credit commitments
31.12.2024										
Domestic	91,836,193	442,484,841	90,784,289	70,799,909	876,285	80,007,179	437,505,165	2,788,443	73,091,856	72,629,582
Overseas	9,764,061	-	4,705,081	-	-	19,453,400	-	-	8,257,888	-
	101,600,254	442,484,841	95,489,370	70,799,909	876,285	99,460,579	437,505,165	2,788,443	81,349,744	72,629,582
31.12.2023										
Domestic	85,808,706	343,404,295	117,475,318	62,757,493	163,921	83,695,336	370,777,888	2,811,129	43,058,944	19,177,169
Overseas	10,706,157	-	3,186,812	-	-	28,391,642	-	-	7,879,204	-
	96,514,863	343,404,295	120,662,130	62,757,493	163,921	112,086,978	370,777,888	2,811,129	50,938,148	19,177,169

(*) Total contract value at foreign exchange rate at the contract date.

40 RELATED PARTY DISCLOSURES

40.1 Related party transactions

The primary transactions with related parties incurred during the year were as follows:

	2024 VND million	2023 VND million
Major shareholders and their related parties		
Increases in deposits from customers and interests paid	62,994,370	105,430,748
Decreases in deposits from customers	59,654,826	104,378,566
Increases in loans to customers	-	242,341
Decreases in loans to customers	41,352	782,046
Interest income from loans	21,916	80,127
Insurance services fees	2,849	3,924
Insurance expenses for assets	9,142	8,826
Entities in which the Bank has long-term investments		
Increases in deposits from customers and interests paid	145,568,946	108,117,080
Decreases in deposits from customers	145,416,459	105,637,426
Increases in loans to customers	18,527,253	14,035,494
Decreases in loans to customers	19,034,044	13,723,653
Interest income from loans	209,303	259,319
Associate (i)		
Increases in deposits from customers and interests paid	302,040,358	-
Decreases in deposits from customers	300,872,111	-
Interest income from loans	101,134	-
Income from service activities	9,122	-
Members of the Board of Directors, Board of Supervisors, Board of Management and their related parties		
Increases in deposits from customers and interests paid	158,776,327	355,499,623
Decreases in deposits from customers	158,792,380	355,157,878
Increases in loans to customers	4,074,577	2,530,263
Decreases in loans to customers	1,677,063	2,894,289
Interest income from loans	43,951	41,780
Income from service activities	-	478,426
- Bonds collection on behalf and management services (i)	-	*445,202*
- Interest income from deposits for purchases of CDs	-	*33,224*
Remuneration paid to:		
- The Board of Directors (ii)	*27,323*	*16,432*
- The Board of Management, Chief Financial Officer and Chief Accountant (iii)	*31,122*	*20,882*
Remuneration/income and operating expenses of the Board of Supervisors	12,214	8,739

(i) The entity was a related party of the Bank for the period from 30 March 2023 and the entity became an associate company of the Bank from 12 June 2024.

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40 RELATED PARTY DISCLOSURES (continued)

40.1 Related party transactions (continued)

(ii) Details of remuneration/income paid to members of the Board of Directors during the year were as follows:

Name	Position	2024 VND million	2023 VND million
Mr. Kim Byoungho	Chairman, Independent member	15,085	5,177
Ms. Nguyen Thi Phuong Thao	Permanent Vice Chairwoman	3,692	1,851
Mr. Luu Duc Khanh	Vice Chairman	888	1,027
Mr. Nguyen Thanh Do	Vice Chairman	2,410	2,227
Mr. Nguyen Huu Dang	Vice Chairman	2,514	3,541
Mr. Le Manh Dung	Independent member	1,876	1,171
Mr. Pham Quoc Thanh	Member *(from 26 April 2023)*	858	403
Ms. Nguyen Thi Tam	Member *(to 26 April 2023)*	-	1,035
		27,323	16,432

(iii) Details of remuneration/income paid to members of the Board of Management, Chief Financial Officer and Chief Accountant during the year were as follows:

Name	Position	2024 VND million	2023 VND million
Mr. Pham Quoc Thanh	General Director	3,476	1,771
Mr. Nguyen Minh Duc	Deputy General Director	2,621	2,180
Mr. Le Thanh Tung	Deputy General Director	1,928	1,569
Mr. Nguyen Van Hao	Deputy General Director	2,063	2,141
Mr. Nguyen Dang Thanh	Deputy General Director	2,501	1,858
Mr. Tran Hoai Nam	Deputy General Director	2,371	2,054
Mr. Nguyen Canh Vinh	Deputy General Director	3,958	2,601
Mr. Tran Thai Hoa	Deputy General Director	1,615	1,347
Mr. Tran Xuan Huy	Deputy General Director *(from 16 October 2023)*	4,645	806
Mr. Le Thanh Trung	Deputy General Director *(to 16 December 2024))*	2,700	2,158
Mr. Pham Van Dau	Chief Financial Officer	1,940	1,359
Ms. Ho Dang Hoang Quyen	Chief Accountant	1,304	1,038
		31,122	20,882

The above remunerations/income are presented on the basis of actual receipt after withholding personal income tax in accordance with current regulations.

40 RELATED PARTY DISCLOSURES (continued)

40.2 Year end balances with related parties

	31.12.2024 VND million	31.12.2023 VND million
Major shareholders and their related parties		
Deposits from customers	7,203,382	3,860,314
- *Demand deposits*	*3,579,821*	*2,190,734*
- *Term deposits*	*3,479,858*	*1,554,480*
- *Saving deposits*	*129,703*	*101,100*
- *Marginal, payment guarantee deposits*	*14,000*	*14,000*
Loans to customers	148,129	189,788
Other receivables	158,920	311,550
Interest receivables from loans	419	660
Entities in which the Bank has long-term investments		
Deposits from customers	3,103,704	2,950,234
- *Demand deposits*	*3,003,671*	*1,620,401*
- *Term deposits*	*100,000*	*1,300,000*
- *Marginal, payment guarantee deposits*	*33*	*29,833*
Loans to customers	2,884,273	3,292,818
Interest receivables from loans	4,246	4,116
Associate (i)		
Deposits from customers	2,326,798	-
- *Demand deposits*	*2,326,798*	-
Loans to customers	3,000,000	-
Interest receivables from loans	7,790	-
Other assets	28,504	-
- *Receivables from bonds collection on behalf and management services*	*10,024*	-
- *Other receivables*	*18,480*	-
Members of the Board of Management, Board of Supervisors, Board of Directors and their related parties		
Deposits from customers	1,324,915	2,441,685
- *Demand deposits*	*281,187*	*1,158,828*
- *Term deposits*	*445,000*	*845,458*
- *Saving deposits*	*598,728*	*437,335*
- *Marginal deposits*	-	*64*
Loans to customers	227,144	567,744
Other assets	1,243	122,796
- *Interest receivables*	*1,243*	*1,792*
- *Receivables from bonds collection on behalf and management services (i)*	-	*121,004*

(i) The entity was a related party of the Bank for the period from 30 March 2023 and the entity became an associate company of the Bank from 12 June 2024.

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41 FINANCIAL RISK MANAGEMENT

41.1 Risk management policies relating to financial instruments

Risk policies, limits and management tools are embedded in daily operations of the Bank and its subsidiary.

The Bank and its subsidiary's objective is to manage its risk adequately within the approved limits. Therefore, the use of financial instruments, including receiving deposits from customers and investing in high-quality assets to achieve sufficient interest margins, are core activities of the Bank and its subsidiary. From risk management perspective, this primarily involves maintaining loans to individuals and organisational borrowers of varied creditworthiness, in both local and foreign currencies, as well as off-statement of financial position commitments (such as guarantees and letters of credit). In addition, the Bank and its subsidiary also place its mobilised funds in loans to other banks. Risks relating to foreign exchange and interest rate exposures are managed through the use of position limits, to avoid undue concentrations and entering into counter-balancing positions in order to offset exposures. By holding high quality financial instruments, the Bank and its subsidiary are able to manage significant risks in its operating activities and to maintain an adequate liquidity position.

41.2 Credit risk

Credit risk is the risk of financial loss due to customer or counterparty of the Bank and its subsidiary being unable or unwilling to fulfil on its payment obligations, in part or as a whole under a contract or agreement with the Bank and its subsidiary. The Bank and its subsidiary's customer or counterparty (including credit institutions and foreign bank branches) has relationship with the Bank and its subsidiary in term of being granted credit (including entrusted loans), receiving deposits and issuing corporate bonds.

41.2.1 Credit risk management and mitigation policies

The Bank and its subsidiary have established a credit quality review process to provide early identification of possible changes in the financial position and creditworthiness of counterparties. Counterparty's limit is established by the use of a credit rating system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision and updates.

41 FINANCIAL RISK MANAGEMENT (continued)

41.2 Credit risk (continued)

41.2.2 Maximum exposure to credit risk

The maximum exposure to credit risk is the carrying amounts on the consolidated statement of financial position as well as off-statement of financial position financial instruments, without taking into account any collateral assets held or other credit enhancements. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank and its subsidiary would have to pay if the obligations of the instruments issued are called upon. For off-statement of financial position commitments, the maximum credit risk exposure is the full value of the unrealised commitments. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers. The table below shows the maximum exposure to credit risk for the Bank and its subsidiary, without taking into account any collateral assets held or other credit enhancements, including:

	Maximum exposures	
	31.12.2024 VND million	31.12.2023 VND million
Credit risk exposures relating to assets in the consolidated statement of financial position:		
Placements with and loans to other credit institutions	101,600,254	96,514,863
Trading securities (Note 6.4)	21,176,948	18,580,932
Derivatives financial instruments and other financial assets	-	110,079
Loans to customers (Note 8.3)	442,484,841	343,404,295
Investment securities (Note 9.5)	13,196,768	26,564,970
Other financial assets (Note 12.4)	50,861,071	52,546,920
	629,319,882	537,722,059
Credit risk exposures relating to off-statement of financial position items:		
Financial guarantee contracts	25,982,552	16,533,696
L/C commitments	46,647,030	2,643,473
	72,629,582	19,177,169
	701,949,464	556,899,228

41.2.3 Collaterals

The details of collateral assets are presented in Note 35.1.

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41 FINANCIAL RISK MANAGEMENT (continued)

41.2 Credit risk (continued)

41.2.4 Credit quality

Analysis of credit quality of credit risk bearing assets at the carrying amount as at the reporting date are as follows:

Unit: VND million

	As at 31.12.2024					
	Placements with and loans to other credit institutions	Trading securities	Loans to customers	Investment securities	Other financial assets	Total
Balances neither past due nor impaired	101,600,254	21,176,948	412,974,190	13,151,768	50,813,634	599,716,794
Balances past due but not impaired	-	-	3,482,268	-	-	3,482,268
Balances impaired	-	-	26,028,383	45,000	47,437	26,120,820
	101,600,254	21,176,948	442,484,841	13,196,768	50,861,071	629,319,882
Less: provisions						
General provisions	-	-	(3,300,714)	(47,850)	-	(3,348,564)
Specific provisions	-	-	(2,577,890)	(45,000)	-	(2,622,890)
Other provisions	-	-	-	-	(46,926)	(46,926)
	-	-	(5,878,604)	(92,850)	(46,926)	(6,018,380)
Net amount	101,600,254	21,176,948	436,606,237	13,103,918	50,814,145	623,301,502

Unit: VND million

	As at 31.12.2023						
	Placements with and loans to other credit institutions	Trading securities	Derivatives	Loans to customers	Investment securities	Other financial assets	Total
Balances neither past due nor impaired	96,514,863	18,580,932	110,079	316,903,432	24,034,975	52,500,121	508,644,402
Balances past due but not impaired	-	-	-	10,750,454	2,484,995	-	13,235,449
Balances impaired	-	-	-	15,750,409	45,000	46,799	15,842,208
	96,514,863	18,580,932	110,079	343,404,295	26,564,970	52,546,920	537,722,059
Less: provisions							
General provisions	-	-	-	(2,563,216)	(75,272)	-	(2,638,488)
Specific provisions	-	-	-	(1,491,241)	(9,000)	-	(1,500,241)
Other provisions	-	-	-	-	-	(46,521)	(46,521)
	-	-	-	(4,054,457)	(84,272)	(46,521)	(4,185,250)
Net amount	96,514,863	18,580,932	110,079	339,349,838	26,480,698	52,500,399	533,536,809

41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk

Market risk incurs when there are adverse movements of interest rate, exchange rate, gold price, stock price and commodity price in the market causing the losses to the Bank and its subsidiary. Market risk includes currency risk, interest rate risk, price risk and commodity risk.

41.3.1 Currency risk

Currency risk incurs due to adverse movements of foreign exchange rate, gold price whilst the Bank and its subsidiary maintain an open foreign exchange/gold position. The Board of Management sets limits on the level of exposure by each currency and in total for both overnight and intra-day positions, which are monitored daily. The below table discloses the Bank and its subsidiary's assets and liabilities in book value and by currencies:

Unit: VND million

	VND	USD	EUR	Gold	Others	Total
As at 31 December 2024						
Assets						
Cash on hand, gold, silver, precious metals	2,264,414	577,371	28,028	11,860	223,682	**3,105,355**
Balances with SBV	25,099,301	1,576,307	4,662	-	-	**26,680,270**
Placements with and loans to other credit institutions	85,529,737	9,476,764	358,611	-	6,235,142	**101,600,254**
Trading securities	21,955,775	-	-	-	-	**21,955,775**
Loans to customers (*)	423,514,172	18,645,518	28,700	-	296,451	**442,484,841**
Investment securities (*)	48,844,134	-	-	-	-	**48,844,134**
Investments in other entities and long-term investments (*)	876,285	-	-	-	-	**876,285**
Fixed assets	1,765,927	-	-	-	-	**1,765,927**
Other assets (*)	44,888,727	11,194,719	1,533	-	5,520	**56,090,499**
Total assets	**654,738,472**	**41,470,679**	**421,534**	**11,860**	**6,760,795**	**703,403,340**
Liabilities						
Borrowings from the Government and SBV	15,434	-	-	-	-	**15,434**
Placements and borrowings from other credit institutions	77,286,473	20,020,821	28,700	-	2,124,585	**99,460,579**
Deposits from customers	433,635,028	3,226,967	231,414	-	411,756	**437,505,165**
Derivatives financial instruments and other financial liabilities	(10,625,104)	6,612,000	26,574	-	4,004,979	**18,449**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	2,737,452	-	-	50,991	**2,788,443**
Valuable papers issued	73,086,294	8,263,450	-	-	-	**81,349,744**
Other liabilities	18,619,583	769,814	129,128	425	52,433	**19,571,383**
Total liabilities	**592,017,708**	**41,630,504**	**415,816**	**425**	**6,644,744**	**640,709,197**
Net on-balance sheet position	**62,720,764**	**(159,825)**	**5,718**	**11,435**	**116,051**	**62,694,143**
Off-balance sheet commitment position	**-**	**866**	**-**	**-**	**(106,152)**	**(105,286)**
Total currency gap	**62,720,764**	**(158,959)**	**5,718**	**11,435**	**9,899**	**62,588,857**

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.1 Currency risk (continued)

Unit: VND million

	VND	USD	EUR	Gold	Others	Total
As at 31 December 2023						
Assets						
Cash on hand, gold, silver, precious metals	1,956,741	463,842	34,644	23,634	331,183	**2,810,044**
Balances with SBV	38,391,317	3,085,613	4,708	-	-	**41,481,638**
Placements with and loans to other credit institutions	74,188,970	13,016,580	84,147	-	9,225,166	**96,514,863**
Trading securities	18,580,932	-	-	-	-	**18,580,932**
Derivatives financial instruments and other financial assets	1,926,662	6,042,527	-	-	(7,859,110)	**110,079**
Loans to customers (*)	333,518,834	9,828,622	-	-	56,839	**343,404,295**
Investment securities (*)	44,176,561	-	-	-	-	**44,176,561**
Other long-term investments (*)	163,921	-	-	-	-	**163,921**
Fixed assets	1,422,759	-	-	-	-	**1,422,759**
Other assets (*)	44,208,637	12,519,163	705,868	-	421,489	**57,855,157**
Total assets	**558,535,334**	**44,956,347**	**829,367**	**23,634**	**2,175,567**	**606,520,249**
Liabilities						
Borrowings from the Government and SBV	26,590	-	-	-	-	**26,590**
Placements and borrowings from other credit institutions	76,962,789	32,901,851	692,358	-	1,529,980	**112,086,978**
Deposits from customers	368,252,954	2,059,117	120,598	-	345,219	**370,777,888**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	2,754,290	-	-	56,839	**2,811,129**
Valuable papers issued	43,050,398	7,887,750	-	-	-	**50,938,148**
Other liabilities	18,417,634	764,379	13,204	485	78,102	**19,273,804**
Total liabilities	**506,710,365**	**46,367,387**	**826,160**	**485**	**2,010,140**	**555,914,537**
Net on-balance sheet position	**51,824,969**	**(1,411,040)**	**3,207**	**23,149**	**165,427**	**50,605,712**
Off-balance sheet commitment position	**-**	**1,275,056**	**-**	**-**	**(62,354)**	**1,212,702**
Total currency gap	**51,824,969**	**(135,984)**	**3,207**	**23,149**	**103,073**	**51,818,414**

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 december 2024
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41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.2 Interest rate risk

Interest rate risk incurs when there are adverse movements of interest rates in the markets, impacting to the values of valuable papers, interest bearing financial instruments, interest rate derivatives in trading book of the Bank and its subsidiary. The Bank and its subsidiary manage interest rate risks by monitoring the level of interest rate mismatch by terms on a monthly basis.

The table below summaries the Bank and its subsidiary's exposure to interest rate risk at the consolidated statement of financial position date. The Bank and its subsidiary's assets and liabilities are categorised by the earlier of contractual repricing or maturity dates.

Unit: VND million

	Overdue	Non-bearing interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
As at 31 December 2024									
Assets									
Cash on hand, gold, silver, precious metals	-	3,105,355	-	-	-	-	-	-	**3,105,355**
Balances with SBV	-	26,680,270	-	-	-	-	-	-	**26,680,270**
Placements with and loans to other credit institutions	-	-	96,382,586	2,060,648	2,020	3,155,000	-	-	**101,600,254**
Trading securities	-	-	-	-	382,922	21,572,853	-	-	**21,955,775**
Loans to customers (*)	29,471,301	-	73,085,685	179,776,792	57,486,923	91,403,453	11,033,692	226,995	**442,484,841**
Investment securities (*)	45,000	226,935	13,833,206	1,354,510	3,442,333	7,222,743	3,065,306	19,654,101	**48,844,134**
Investments in other entities and long-term investments (*)	-	876,285	-	-	-	-	-	-	**876,285**
Fixed assets	-	1,765,927	-	-	-	-	-	-	**1,765,927**
Other assets (*)	47,437	18,585,741	-	3,595,209	2,762,599	31,099,513	-	-	**56,090,499**
Total assets	**29,563,738**	**51,240,513**	**183,301,477**	**186,787,159**	**64,076,797**	**154,453,562**	**14,098,998**	**19,881,096**	**703,403,340**
Liabilities									
Borrowings from the Government and SBV	-	-	8,715	183	520	1,041	4,975	-	**15,434**
Placements and borrowings from other credit institutions	-	-	76,335,050	8,420,741	9,847,291	4,574,986	282,511	-	**99,460,579**
Deposits from customers	-	243,258	105,931,436	68,163,863	115,018,674	126,166,292	21,981,370	272	**437,505,165**
Derivatives financial instruments and other financial liabilities	-	14,649	-	(17,720)	-	21,520	-	-	**18,449**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	1,594	2,736,762	-	1,688	13,072	35,327	**2,788,443**
Valuable papers issued	-	-	1,578,804	6,913,864	14,602,494	32,153,501	25,886,212	214,869	**81,349,744**
Other liabilities	-	19,571,383	-	-	-	-	-	-	**19,571,383**
Total liabilities	**-**	**19,829,290**	**183,855,599**	**86,217,693**	**139,468,979**	**162,919,028**	**48,168,140**	**250,468**	**640,709,197**
Net interest gap	**29,563,738**	**31,411,223**	**(554,122)**	**100,569,466**	**(75,392,182)**	**(8,465,466)**	**(34,069,142)**	**19,630,628**	**62,694,143**

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 december 2024
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41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.2 Interest rate risk (continued)

Unit: VND million

	Overdue	Non-bearing interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
As at 31 December 2023									
Assets									
Cash on hand, gold, silver, precious metals	-	2,810,044	-	-	-	-	-	-	**2,810,044**
Balances with SBV	-	41,481,638	-	-	-	-	-	-	**41,481,638**
Placements with and loans to other credit institutions	-	-	87,159,872	1,177,700	549,266	7,628,025	-	-	**96,514,863**
Trading securities	-	-	-	4,403,015	1,630,697	12,547,220	-	-	**18,580,932**
Derivatives financial instruments and other financial assets	-	108,709	(230)	-	-	-	1,600	-	**110,079**
Loans to customers (*)	24,165,370	-	87,635,553	143,908,077	41,622,010	37,514,236	8,474,173	84,876	**343,404,295**
Investment securities (*)	2,529,995	285,222	1,971,988	12,507,955	1,567,407	4,386,854	5,485,867	15,441,273	**44,176,561**
Other long-term investments (*)	-	163,921	-	-	-	-	-	-	**163,921**
Fixed assets	-	1,422,759	-	-	-	-	-	-	**1,422,759**
Other assets (*)	46,799	19,546,358	3,139,526	5,853,740	11,757,812	17,305,922	205,000	-	**57,855,157**
Total assets	**26,742,164**	**65,818,651**	**179,906,709**	**167,850,487**	**57,127,192**	**79,382,257**	**14,166,640**	**15,526,149**	**606,520,249**
Liabilities									
Borrowings from the Government and SBV	-	-	3,273	18,917	337	674	3,389	-	**26,590**
Placements and borrowings from other credit institutions	-	-	66,975,916	14,401,579	16,380,569	13,789,580	539,334	-	**112,086,978**
Deposits from customers	-	238,108	93,361,407	70,863,590	141,772,128	56,090,367	8,452,287	1	**370,777,888**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	-	2,753,542	-	-	102	57,485	**2,811,129**
Valuable papers issued	-	-	4,539,929	9,819,927	16,404,577	3,248,684	16,925,031	-	**50,938,148**
Other liabilities	-	19,273,804	-	-	-	-	-	-	**19,273,804**
Total liabilities	**-**	**19,511,912**	**164,880,525**	**97,857,555**	**174,557,611**	**73,129,305**	**25,920,143**	**57,486**	**555,914,537**
Net interest gap	**26,742,164**	**46,306,739**	**15,026,184**	**69,992,932**	**(117,430,419)**	**6,252,952**	**(11,753,503)**	**15,468,663**	**50,605,712**

(*) These items do not include provisions.

41.3.3 Price risk

Apart from assets and liability items that have been disclosed above, the Bank and its subsidiary are not exposed to other market price risks which risk levels account for 5% of net profit or value of assets, liabilities account for 5% of total assets.

41.4 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiary will not be able to fulfil its financial obligations as they fall due or will be able to fulfil its financial obligations as they fall due but at higher costs than the average market costs, as specified in the Bank and its subsidiary's internal regulation. To manage the liquidity risk exposure, the Bank and its subsidiary have diversified the mobilisation of deposits from various sources in addition to its basic capital resources.

Liquidity risks are mainly mitigated through the Bank and its subsidiary's holding a high proportion of assets as cash and cash equivalents in the form of demand deposits at other credit institutions, balances with SBV, and valuable papers. The risk-weighted ratios are also used to manage the Bank and its subsidiary's liquidity.

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41 FINANCIAL RISK MANAGEMENT (continued)

41.4 Liquidity risk (continued)

The table below analyses the Bank and its subsidiary's financial assets and liabilities by relevant maturity groups based on the remaining year from the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Unit: VND million

	Overdue		Current					
	Over 3 months	Up to 3 months	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
As at 31 December 2024								
Assets								
Cash on hand, gold, silver, precious metals	-	-	3,105,355	-	-	-	-	**3,105,355**
Balances with SBV	-	-	26,680,270	-	-	-	-	**26,680,270**
Placements with and loans to other credit institutions	-	-	96,382,586	2,060,648	3,157,020	-	-	**101,600,254**
Trading securities	-	-	-	-	21,955,775	-	-	**21,955,775**
Loans to customers (*)	8,556,231	20,915,070	24,685,732	51,111,466	187,223,325	113,643,803	36,349,214	**442,484,841**
Investment securities (*)	45,000	-	13,626,938	301,210	6,271,468	8,945,417	19,654,101	**48,844,134**
Investments in other entities and long-term investments (*)	-	-	-	-	-	-	876,285	**876,285**
Fixed assets	-	-	644,212	311	10,076	424,468	686,860	**1,765,927**
Other assets (*)	47,437	-	11,526,927	5,510,810	35,274,101	697,301	3,033,923	**56,090,499**
Total assets	**8,648,668**	**20,915,070**	**176,652,020**	**58,984,445**	**253,891,765**	**123,710,989**	**60,600,383**	**703,403,340**
Liabilities								
Borrowings from the Government and SBV	-	-	582	1,211	4,039	9,602	-	**15,434**
Placements and borrowings from other credit institutions	-	-	75,063,750	5,598,455	14,676,537	4,121,837	-	**99,460,579**
Deposits from customers	-	-	106,174,694	68,163,863	241,184,966	21,981,370	272	**437,505,165**
Derivatives financial instruments and other financial liabilities	-	-	(236,759)	76,869	178,339	-	-	**18,449**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	1,593	73,967	75,654	604,805	2,032,424	**2,788,443**
Valuable papers issued	-	-	1,078,847	3,415,199	23,578,378	25,886,212	27,391,108	**81,349,744**
Other liabilities	-	-	10,472,038	2,803,750	5,866,578	424,547	4,470	**19,571,383**
Total liabilities	**-**	**-**	**192,554,745**	**80,133,314**	**285,564,491**	**53,028,373**	**29,428,274**	**640,709,197**
Net liquidity gap	**8,648,668**	**20,915,070**	**(15,902,725)**	**(21,148,869)**	**(31,672,726)**	**70,682,616**	**31,172,109**	**62,694,143**

(*) These items do not include provisions.

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41 FINANCIAL RISK MANAGEMENT (continued)

41.4 Liquidity risk (continued)

Unit: VND million

	Overdue		Current					
	Over 3 months	Up to 3 months	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
As at 31 December 2023								
Assets								
Cash on hand, gold, silver, precious metals	-	-	2,810,044	-	-	-	-	**2,810,044**
Balances with SBV	-	-	41,481,638	-	-	-	-	**41,481,638**
Placements with and loans to other credit institutions	-	-	87,159,871	1,177,700	8,177,292	-	-	**96,514,863**
Trading securities	-	-	-	4,403,015	14,177,917	-	-	**18,580,932**
Derivatives financial instruments and other financial assets	-	-	31,471	85,123	(8,115)	1,600	-	**110,079**
Loans to customers (*)	6,159,963	18,005,407	24,895,393	40,554,943	121,738,537	95,078,943	36,971,109	**343,404,295**
Investment securities (*)	45,000	2,484,995	1,932,172	9,088,619	6,658,372	8,526,130	15,441,273	**44,176,561**
Other long-term investments (*)	-	-	-	-	-	-	163,921	**163,921**
Fixed assets	-	-	563,851	162	14,639	284,403	559,704	**1,422,759**
Other assets (*)	46,799	-	15,239,520	7,644,073	31,093,144	790,524	3,041,097	**57,855,157**
Total assets	**6,251,762**	**20,490,402**	**174,113,960**	**62,953,635**	**181,851,786**	**104,681,600**	**56,177,104**	**606,520,249**
Liabilities								
Borrowings from the Government and SBV	-	-	3,273	451	5,976	16,890	-	**26,590**
Placements and borrowings from other credit institutions	-	-	66,975,915	10,008,710	30,256,443	4,845,910	-	**112,086,978**
Deposits from customers	-	-	93,599,515	70,863,590	197,862,495	8,452,287	1	**370,777,888**
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	-	70,604	70,604	564,931	2,104,990	**2,811,129**
Valuable papers issued	-	-	4,040,000	9,320,000	9,033,806	16,925,031	11,619,311	**50,938,148**
Other liabilities	- -	-	9,916,279	3,865,045	5,153,596	338,600	284	**19,273,804**
Total liabilities	**-**	**-**	**174,534,982**	**94,128,400**	**242,382,920**	**31,143,649**	**13,724,586**	**555,914,537**
Net liquidity gap	**6,251,762**	**20,490,402**	**(421,022)**	**(31,174,765)**	**(60,531,134)**	**73,537,951**	**42,452,518**	**50,605,712**

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 december 2024

42 SEGMENT REPORTING

Geographical segments

The Bank and its subsidiary report segment information by main regions in Vietnam and overseas as follows:

Unit: VND million

	Northern region	Central region	Southern region	Overseas	Eliminations	Total
As at 31 December 2024						
Assets	162,347,376	51,381,556	508,837,446	1,126	(25,201,046)	**697,366,458**
Liabilities	156,259,796	50,203,590	459,443,687	3,170	(25,201,046)	**640,709,197**
For the year ended 31 December 2024						
Profit before tax	6,087,580	1,177,966	9,466,492	(2,043)	-	**16,729,995**
As at 31 December 2023						
Assets	143,385,242	45,216,619	452,419,490	799	(38,707,291)	**602,314,859**
Liabilities	136,918,112	43,491,088	414,209,987	2,641	(38,707,291)	**555,914,537**
For the year ended 31 December 2023						
Profit before tax	6,467,131	1,725,531	4,825,911	(1,841)	-	**13,016,732**

43 EVENTS AFTER THE DATE OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

According to the Resolution of the General Meeting of Shareholders ("GMS") No. 20/2024/NQ-ĐHĐCĐ dated 26 April 2024, the GMS approved the continued mandatory transfer of a commercial bank in accordance with the Approved Mandatory Transfer Plan. On 17 January 2025, SBV announced Decision No. 116/QĐ-NHNN of Governor of SBV regarding the mandatory transfer of Dong A Commercial Joint Stock Bank to the Bank was approved by the Government. After the mandatory transfer, Dong A Commercial Joint Stock Bank operates as a single-member limited liability company owned by the Bank, under the name Dong A One-Member Limited Liability Bank, has independent legal status and does not consolidate its financial statements into the Bank in accordance with the Laws on Credit Institutions 2024 No. 32/2024/QH15, and was renamed to Vikki Digital Bank Limited according to Decision No. 42/QĐ-TTGSNH2 dated 14 February 2025.

The consolidated financial statements were approved by the Board of Management on 31 March 2025.

Ho Dang Hoang Quyen	Pham Van Dau	Pham Quoc Thanh
Chief Accountant	Chief Financial Officer	General Director

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