

10 NOTABLE EVENTS OF VIETCOMBANK IN 2020

In 2020, the outbreak of COVID-19 pandemic on a global scale had significant impact on every aspect of the economic and social life in the country.

The banking industry was no exception. During that difficult time, responding to the call of the General Secretary, the President, and direction of the Government, the State Bank of Vietnam, and the Party Committee of Central Enterprises' Bloc, Vietcombank made every effort and commitment to successfully fulfill the "dual missions", which was to ensure the continuous, safe, effective business activities; while cooperating with the whole country in drastically preventing and fighting the pandemic and sharing, accompanying with businesses and customers to overcome the difficulties, contributing to the quick and stable recovery, economic and social development of the country under the new normal.

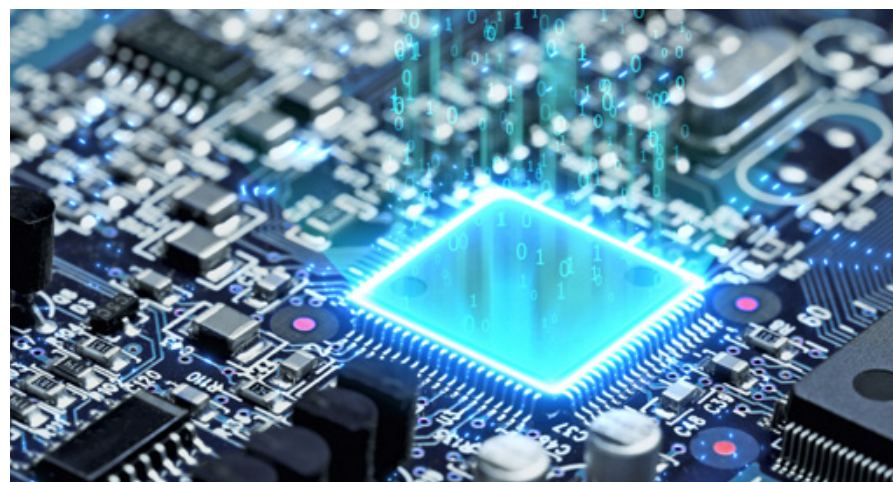
Below are 10 notable events of Vietcombank in 2020 – the bright spots in a year full of hardship.

01

Successfully launching the new Core Banking System – Core Banking Signature, implementing many high technology projects to improve the operating and governing capacity in accordance with international best practices

Vietcombank has officially provided services in the new Core Banking system since January 27th, 2020 (3rd day of the Lunar New Year of the Mouse). The implementation of the new Core Banking system plays a crucial role for Vietcombank, enabling the diversification in products and services provided to customers, particularly products and services on digital platform.

Also in 2020, Vietcombank put into operation many new hi-tech systems such as: Multi-dimensional Profitability Analysis (MPA), Human resources management (HCM), etc. and launched many transformation projects, applying modern technology to improve the operation and management capacity in accordance with international best practices such as Treasury, ALM.FTP, IFRS9, PCM, etc.



02

Pioneering in reducing interest rates and fees to support businesses and people with record times and amount of reduction

With a proactive and determined spirit in joining hands to support people and businesses directly and indirectly affected by the COVID-19 pandemic, floods and storms in the Central provinces, Vietcombank implemented various solutions to help customers such as waiver and reduction of interest, fees; restructuring repayment due; rolling out new loan schemes to help customers recover their production and business activities; implementing credit facilities with reasonable interest rates to assist customers.

In 2020, Vietcombank offered 5 interest rate reductions, in which 4 to support businesses and people affected by the COVID-19 pandemic and 1 to aid businesses and people in 10 Central provinces impacted by floods and storms so as to help reduce the difficulties for customers with a total amount of reduced interest of up to VND 3,700 billion.



03

Highest credit growth within banking industry

At the end of 2020, Vietcombank's outstanding loans reached VND 845,128 billion, increasing by 14% compared to 2019, fulfilling 103.6% of the annual plan, in which there were fields of remarkable growth such as: Retail credit with high growth, reached 20.4%. Loan disbursement at transaction office increased by 25.3% compared to the end of 2019. FDI outstanding loans rose by 16.7% compared to the end of 2019.

With the growth scale of over VND 100,000 billion of outstanding loans in 2020, Vietcombank achieved the highest credit growth within the banking industry.

OUTSTANDING LOANS REACH
845.128 VND BILLION
UP 14% AGAINST 2019



04

Bank of the best credit quality with the lowest NPL ratio in the market

Effective risk management has allowed Vietcombank to maintain a notably low NPL ratio for many years. At the end of 2020, the NPL ratio was only 0.62%. This result continued to enable Vietcombank to be the credit institution with the lowest NPL ratio and best asset quality among all Vietnamese credit institutions.

Meanwhile, Vietcombank is also the bank with the highest loan loss reserve ratio among the credit institutions with the ratio of approximately 380%, which means that every VND 100 of nonperforming loan are covered by VND 380 of reserve. This guaranteed the safety, certainty and stable operation for the system against risks and uncertainties of the market.



05

Transforming the business model of the Retail Banking Division, striving to become the No. 1 Retail Bank in Vietnam

With the aim at the No. 1 bank in terms of customer's satisfaction, providing the most advanced digital experiences, bringing about convenience and confidence for customers, Vietcombank had implemented the project of Transforming the Retail Banking business model (RTOM) to comprehensively transform the retail business, with the throughout orientation to focus on customers, and aim for their satisfactory digital experience and engagement.

On that basis, Vietcombank had reorganized the departments and rearranged the staff of the Retail Division in a streamlined, effective manner in line with the functions of each business department. In 2020, many retail products and services were introduced by Vietcombank to customers.



06

Securing the position of outstanding bank in terms of business efficiency, first time to become the listed company with the largest capitalization in stock market

TO THE TOP SPOT IN TERMS
370.000 VND BILLION
MARKET CAPITALIZATION ON THE
VIETNAMESE STOCK MARKET

Overcoming countless difficulties and challenges, Vietcombank's business operations still ensured the safety, efficiency and became a bright spot in the entire banking industry. In addition to positive credit growth while still ensuring credit quality and low NPL ratio, the growth momentum of other operating aspects was remained:

- Total assets exceeded VND 1.3 million billion, increasing by 8.5% compared to 2019.
- Deposits of first market reached VND 1,053,354 billion, increasing by 10.9% compared to 2019, fulfilling 104.6% of 2020 plan.
- Recovery of written-off loans reached VND 2,422 billion.
- International payment and trade finance turnover reached USD 83 billion, fulfilling 101% of 2020 plan, continued to remain the leading position with 15.3% of market share.
- FX transaction volume reached USD 53.6 billion, fulfilling 102.5% of 2020 plan.
- Card payment and card usage volume reached 100% and 98% of 2020 plan, respectively.
- Developed 2.85 million new E-banking customers and 1.67 million new individual customers, increasing by 21.8% and 3.1% respectively compared to 2019.
- Consolidated profit reached over VND 23 trillion, equivalent to 2019 and equivalent to USD 1 billion, continued to remain the leading role as the most efficient bank.

With outstanding business efficiency, Vietcombank continues to retain its position as the most profitable bank and the biggest contributor to the State budget. Vietcombank has also risen to the top spot in terms of market capitalization on the Vietnamese stock market (~ VND 370 trillion, equivalent to USD 16 billion).



07

Making breakthrough in digital banking operation, becoming a banking digitalization model in 2020

In 2020, Vietcombank officially introduced the completely new a digital banking service, i.e. VCB DigiBank, with integrated multi-channel payment developed on the consolidation of individual transaction platforms for internet banking and mobile banking, providing seamless and consistent experience to customers on both electronic means and mobile devices. Vietcombank is also the bank pioneering in the provision of online payment solution for services on the National Public Service Portal.

With the breakthrough digitalization innovations in the application of remarkable technology achievements to provide customers with modern, quick, convenient, safe, and secure payment, Vietcombank was honored as the typical model of banking digitalization in 2020.



08

Successfully holding the 4th Party Congress for the term 2020-2025; making impression in the 3rd Party Congress for State-Owned Enterprises' Bloc for the term 2020-2025

Towards the 13th National Congress of the Party, Vietcombank's Party successfully organized the grassroots-level Party Congress and the VCB's 4th Party Congress for the term 2020-2025. This was also the Congress chosen by the Party Committee of the State-Owned Enterprises' Bloc for direct election of Secretary for the Congress.

Many activities to welcome the Party Congress of all levels were organized, creating a wide-ranging political activities across the Party Congress. In the activities welcoming the Party Congress, the writing Contest "Vietcombank's culture under the light of Ho Chi Minh ideology" and the Camp "Vietcombank's Youth - Solid faith in the Party" created a deep impression on a variety of party members and had a reputation in welcoming activities of the Bloc's Party Congress.

In the 3rd Party Congress for State-Owned Enterprises' Bloc, term 2020-2025, Vietcombank's Chairman was re-elected as a member of the Secretarial Standing Committee of the Bloc's Party for term 2020-2025 and elected into the Delegation to attend the 13th National Congress of the Party with a high vote rate. Vietcombank was also the only unit in the Bloc's Party Congress to have the Chairman and CEO elected for the Executive Committee of the Bloc's Party for the term 2020-2025.



09

Organizing courses to educate, train, update knowledge for the entire key officers in Vietcombank, contributing to the development of high-quality human resources to realize the strategic objective of regional and international integration

In 2020, Vietcombank organized the program "Educating and updating knowledge for key officers in Vietcombank" for the first time with the scale of more than 200 trainees as key officers, including member of the Board of Management, Heads of units in the Head Quarter and Directors of Branch, subsidiaries that were wholly owned by Vietcombank. The trainees were updated with new knowledge about the global and the country's economic situation, the strategy of the banking industry and Vietcombank's development strategy until 2025, corporate governance mindset, etc.

Being organized right after the success of Vietcombank's Party Congress and Party Congress for the Central Enterprises' Bloc, the course contributed to spread and boost the faith and positive effect for the entire Vietcombank staff to excellently fulfill the mission in the new period, working in line with the banking industry in making positive contributions to the country's socioeconomic development. The event created an additional good impression during the innovation of training and scientific research activities at Vietcombank over the past few years.



10

Vietcombank brand was recognized with many prestigious awards and titles in Vietnam and abroad

In 2020, Vietcombank was continuously highly praised by reputable regional and international magazines and honored with many prestigious awards.

The bank's ranking is also improved regionally and globally; i.e. the top 50 best listed companies in Vietnam, the only Vietnamese representative among top 1,000 global largest public companies (according to Forbes); ranked 403rd (first among all banks in Vietnam) in The Banker's ranking; into Top 2 banks with greatest brand value growth in the world (according to Brand Finance) and the unit with the greatest brand value in Vietnam's banking industry (according to Forbes Vietnam).

Domestically, Vietcombank was honored the National Brand for the 7th time in a row; honored as the largest bank paying tax and enterprise income tax in Vietnam; awarded the Certificate of Merit "Exemplary Enterprise for Employees" by the Prime Minister; bank with the best working environment in Vietnam for 5 consecutive years; the most reputable bank brand on the media for 3 consecutive years, with many other prestigious awards for products and services for retail banking, digital banking and cards.

