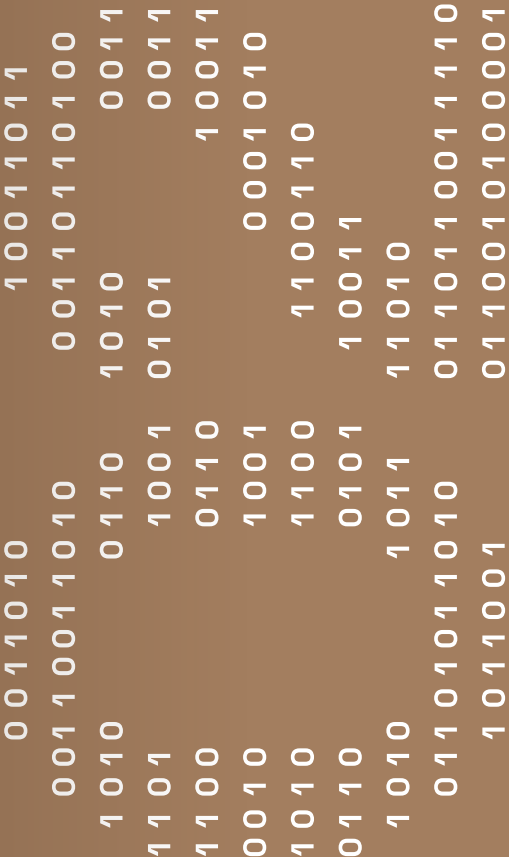


REPORT OF
THE BOARD OF
DIRECTORS -
THE BOARD OF
MANAGEMENT

Pioneer in
creating the
Foundation

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FINANCIAL STATEMENTS

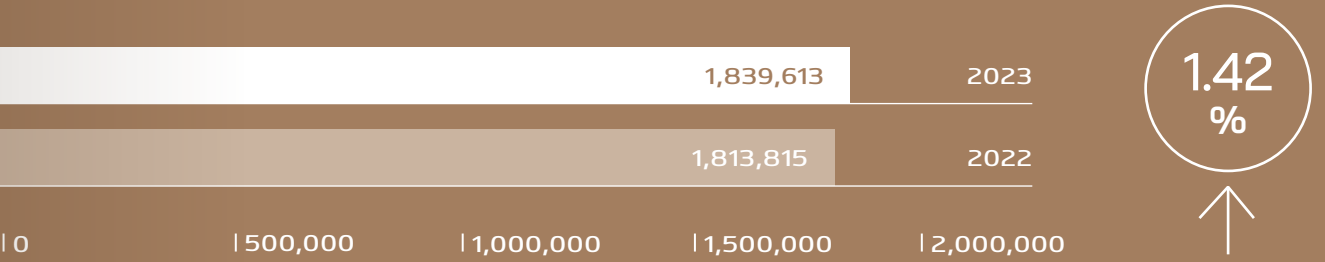
Unit: VND billion

Financial statements		2022	2023
A Financial statements			
1	Total assets	1,813,815	1,839,613
2	Revenue	114,592	135,614
3	Tax paid in the period	6,426	11,648
4	Profit before tax	37,368	41,244
5	Profit after tax	29,919	33,054
B Key financial indicators			
1 Capital			
1.1	Charter capital	47,325	55,891
1.2	Capital adequacy ratio	9.95%	11.39%
2 Business results			
2.1	Deposits	31,181,399	32,949,742
2.2	Loans	2,351,845	2,724,301
2.3	Debt collection	2,166,889	2,600,818
2.4	Non-performing loans	7,820	12,634
2.5	Loans (including corporate bonds)/Total deposits in 1st market (in VND)	91.12%	90.46%
2.6	Loan to deposit ratio (LDR) in compliance with regulations of State Bank of Vietnam(*)	73.9%	77.9%
2.7	Non-performing loans/Total outstanding loans in 1 st market	0.68%	0.99%
3 Liquidity (*)			
3.1	Liquidity reserve ratio	25.0%	19.6%
3.2	Liquidity ratio within 30 days		
	VND	73.1%	105.4%
	Foreign currencies in USD equivalent	96.3%	82.1%

(*) Ratios calculated for individual data ddted December 29th, 2023 according to the provisions of Circular No. 22/2019/TT-NHNN and as amended and supplemented

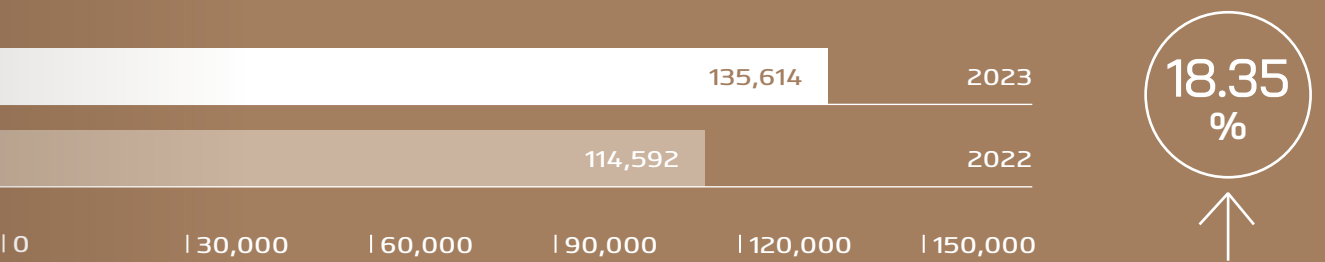
TOTAL ASSETS

Unit: VND billion



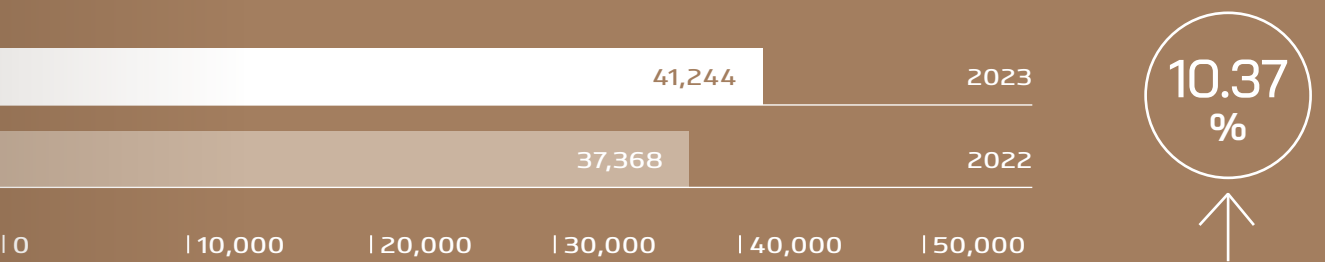
REVENUE

Unit: VND billion



PROFIT BEFORE TAX

Unit: VND billion



SHAREHOLDING STRUCTURE AND SHARE-
HOLDERS' EQUITY

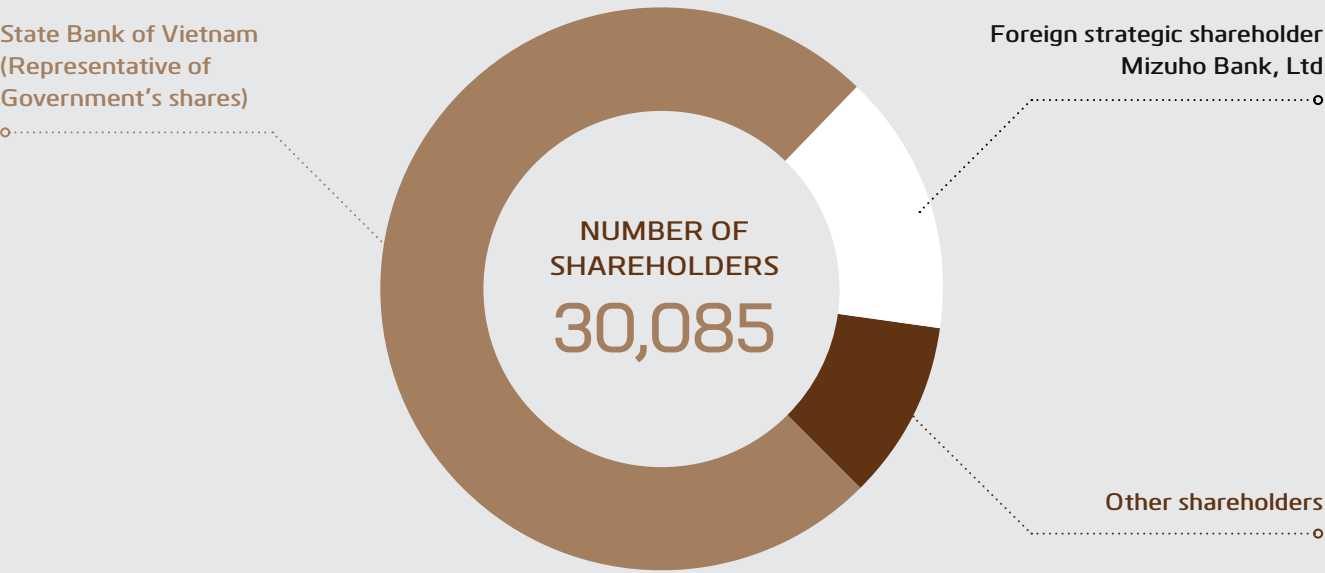
(as of December 30th, 2023)

1. SHARES

Total shares	Type of shares	Number of transferable shares	Number of restricted shares
5,589,091,262	Ordinary shares	569,843,260	5,019,248,002

2. SHAREHOLDER STRUCTURE

No.	Name of shareholder	Total shares	Ownership rate	Number of shareholders
I	State Bank of Vietnam (Representative of Government's shares)	4,180,828,481	74.8%	1
II	Foreign strategic shareholder Mizuho Bank, Ltd	838,372,264	15.0%	1
III	Other shareholders	569,890,517	10.2%	30,085
1	Domestic individual shareholders	40,094,837	0.71%	28,308
2	Domestic institutional shareholders	62,808,938	1.12%	166
3	Foreign individual shareholders	3,229,704	0.07%	1,392
4	Foreign institutional shareholders	463,757,038	8.30%	219
	Total	5,589,091,262	100.00%	30,087



3. LIST OF SHAREHOLDERS HOLDING RESTRICTED SHARES

No.	Name of shareholder	Total shares	Number of Transfer Restricted Shares	Share transfer restriction duration
1	State Bank of Vietnam (Representative of Government's shares)	4,180,828,481	4,180,828,481	According to the provisions of Clause 1, Article 56 of the Law on Credit Institutions No. 47/2010/QH12: *Individual and Institutional Shareholders who have representative(s) being members of the Board of Directors, Supervisory Board, CEO (Director) of a credit institution shall not be allowed to transfer his/ her shares during his/ her term*.
2	Internal shareholders	59,892	47,257	
	Board of Directors	39,264	39,264	
	Board of Management	12,635	0	
	Supervisory Board	7,993	7,993	
3	Foreign strategic shareholder: Mizuho Bank, Ltd.	838,372,264	838,372,264	
	Total	5,019,260,637	5,019,248,002	

- According to Decision No. 1493/QĐ-NHNN dated September 17th, 2021 of the State Bank of Vietnam on appointing the representative for Government's shares at Vietcombank, Mr. Pham Quang Dung – Chairman of Vietcombank's Board of Directors represents 40% of Government's shares, is the Representative for Government's shares in charge of general management at Vietcombank.
- According to Decision No. 909/QĐ-NHNN dated April 26th, 2019 of the State Bank of Vietnam on official transfer, Mr. Do Viet Hung was appointed to represent 30% of Government's shares at Vietcombank.
- According to Decision No. 328/QĐ-NHNN dated March 16th, 2023 of the State Bank of Vietnam regarding the appointment of the representative of state capital at the Joint Stock Commercial Bank for Foreign Trade of Vietnam, Mr. Nguyen Thanh Tung – Member of the Board of Directors, CEO of Vietcombank is the representative of 30% of state capital at Vietcombank.
- According to Decision No. 1669/QĐ-TTg dated December 22th, 2023, Mr. Pham Quang Dung was appointed by the Prime Minister to hold the position of Deputy Governor of the State Bank of Vietnam and would no longer hold the position of Chairman of the Board of Directors of Vietcombank since January 1th, 2024.

4. LIST OF MAJOR SHAREHOLDERS

No.	Name of shareholder	Address	Total shares	Ownership ratio
1	THE STATE BANK OF VIETNAM	47-49 Ly Thai To, Hoan Kiem, Hanoi	4,180,828,481	74.8%
2	MIZUHO BANK. LTD	1-5-5 Otemachi, Chiyoda-ku, Tokyo, Japan	838,372,264	15.00%

(Source: Shareholders list as at December 30th, 2023 provided by Vietnam Securities Depository)

INVESTMENT STATUS, PROJECT IMPLEMENTATION STATUS

1. INVESTMENTS/DIVESTMENTS IN 2023

In 2023, VCB maintained its investment portfolio unchanged from the end of 2022.

2. SUBSIDIARIES, JOINT VENTURES, AND STRATEGIC PARTNERSHIPS

General information of subsidiaries

Name	Abbreviation name	Business License	Sector	Investment capital as of December 31st, 2023	Ownership ratio
Vietcombank Securities Company, Ltd	VCBS	Business License No. 09/ GPHDKD dated April 24 th , 2002 with latest amendment in accordance with license No. 90/GPDC-UBCK dated November 11th 2023 issued by the State Securities Commission of Vietnam.	Securities	1,734.82	100%
Vietcombank Leasing Co., Ltd	VCBL	Business License No. 66/ GPNHNN dated October 31 st , 2017 issued by State Bank of Vietnam	Financial leasing	500.00	100%
Vietcombank Remittance Company	VCBR	Business Registration Certificate No. 0314633162 dated September 20 th , 2017 with latest amendment on December 27 th , 2021 issued by Ho Chi Minh City Department of Planning and Investment	Remittance services	30.00	100%
Vietcombank Laos Limited	VCB Lào	Business License No. 88/BOL dated May 25 th , 2018 issued by the Bank of Lao P.D.R.	Banking	1,820.40	100%
Vietnam Finance Company VFC	VFC	Business registration No. 58327 dated February 10 th , 1978 issued by the Hong Kong Monetary Authority	Financial services	235.22	100%
VCB Money, Inc	VCBM	Business Registration Certificate No. E0321392009_6 dated June 15 th , 2009 issued by the State of Nevada, United States of America	Remittance services	204.98	87,5%
Vietcombank Tower 198 Ltd	VCBT	Investment License No. 1578/GP dated May 30 th 1996 with the latest amendment in accordance with dated March 1 st , 2019 issued by the Ministry of Planning and Investment	Office leasing	70.00	70%

Summary of subsidiaries’ performance and financial situation

Vietcombank Leasing Co., Ltd	VCBL	Vietcombank Securities Company, Ltd	VCBS
Profit before tax in 2023 153.32 VND BILLION		Profit before tax in 2023 607.57 VND BILLION	
VCBL is a wholly-owned subsidiary of Vietcombank, operating in the financial leasing sector. The company has maintained stable business results in 2023. The pre-tax profit for the year 2023 amounted to 153.32 billion VND.		VCBS is a wholly-owned subsidiary of Vietcombank, operating in the securities sector. Despite the negative fluctuations in the securities market in 2023, the company has maintained stable business results. The pre-tax profit for the year 2023 amounted to VND 607.57 billion.	
Vietnam Finance Company	VFC	Vietcombank Remittance Company	VCBR
Profit before tax in 2023 1.94 HKD MILLION		Profit before tax in 2023 23.23 VND BILLION	
VFC is a wholly-owned subsidiary of Vietcombank, operating in the financial sector in the Hong Kong market. The company has maintained stable business results in 2023. The pre-tax profit for the year 2023 amounted to HKD1.94 million		VCBR is a wholly-owned subsidiary of Vietcombank, operating in the field of receiving remittances from foreign partners and disbursing funds to beneficiaries in Vietnam. The company has maintained stable business results in 2023. The pre-tax profit for the year 2023 amounted to 23.23 billion VND.	
Vietcombank Laos Limited	VCB LAOS	VCB Money, Inc	VCBM
Profit before tax in 2023 26.75 LAK BILLION		Profit before tax in 2023 767.79 \$ THOUSAND	
VCB Laos is a wholly-owned subsidiary of Vietcombank, operating in the banking and financial sector in the Laos market. Despite market fluctuations in 2023, VCB Laos has maintained stable business results. The pre-tax profit for the year 2023 amounted to LAK 26.75 billion..		VCBM is a subsidiary of Vietcombank, holding an 87.5% equity stake. It operates in the field of remittance transfers in the United States, facilitating transfers to Vietnam through domestic payment partners. The company has maintained stable business results in 2023. The pre-tax profit for the year 2023 amounted to USD 767.79 thousand.	
Vietcombank Tower 198 Ltd	VCBT		
Profit before tax in 2023 79.36 VND BILLION			
VCBT is a joint venture between Vietcombank and FELS Property Holdings Pte. Ltd. from Singapore, with Vietcombank holding a 70% equity stake. It operates in the office leasing sector at the Vietcombank Tower located at 198 Tran Quang Khai, Hoan Kiem, Hanoi. The company has maintained stable business results in 2023, achieving a 100% occupancy rate. The pre-tax profit for the year 2023 amounted to VND 79.36 billion.			

General information of joint ventures – associates

Unit: VND billion

Name	Abbreviation name	Business License	Type of business	Investment capital as of December 31st, 2023	Ownership ratio
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited	VBB	No. 2458/GP issued by the Ministry of Planning and Investment on February 07 th , 2005 with latest amendment dated May 03 rd , 2018 issued by the Ministry of Planning and Investment	Office leasing	410.36	52%
Vietcombank Fund Management	VCBF	No. 06/UBCK-GPHDQLQ issued by State Security Commission of Vietnam dated December 02 nd , 2005; latest amendment No. 28/GPĐC-UBCK dated April 25 th , 2018	Fund management	135.15	51%
Vietcombank – Bonday Joint-venture Company Limited	VCBB	No. 283/GP issued by the Ministry of Planning and Investment on December 5 th , 1991 with latest amendment No. 283/GPĐC4 dated March 4 th , 2002	Office leasing	11.11	16%

Summary of joint ventures – associates’ performance and financial situation:

Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited	VBB	Vietcombank Fund Management	VCBF
Profit before tax in 2023 220.75 VND BILLION		Profit before tax in 2023 81.35 VND BILLION	
VBB is the joint venture between Vietcombank, Ho Chi Minh Commercial Services JSC. (Setra Corp.) and Bonday Investments Ltd. (Hong Kong) with contribution ratio of 52%, 18% and 30% respectively. It operates in the field of office leasing, locating at No. 5 Me Linh Square, District 1, HCMC. It is also responsible for providing office space for Vietcombank’s branches and subsidiaries in HCMC. People’s Court. In 2023, the Company continued to maintain stable operations with the leasing rate of 96.5%. Profit before tax in 2023 reached VND 220.75 billion.		VCBF is a joint venture company between Vietcombank and Franklin Templeton, with capital contributions of 51% and 49% respectively. It operates in the fields of establishing and managing securities investment funds, as well as portfolio management of securities investments. The company has maintained stable business results in 2023. The pre-tax profit for the year 2023 amounted to VND81.35 billion.	
Vietcombank – Bonday Joint-venture Company Limited	VCBB		
Profit before tax in 2023 51.00 VND BILLION		VCBB is a joint venture between Vietcombank, Sai Gon Real Estate Corporation and Bonday Investments Ltd., Hong Kong with contribution ratio of 16%, 4% and 80% respectively. It operates in the business of office leasing – The Harbour View Tower locating at No. 35 Nguyen Hue Str., District 1, Ho Chi Minh City. In 2023, the Company continued to maintain stable operations. Profit before tax in 2023 reached VND 51.00 billion.	



ASSESSMENT ON BUSINESS PERFORMANCE IN 2023

VIETCOMBANK’S BUSINESS PERFORMANCE RESULTS

In alight with the SBV’s executive direction, VCB’s Board of Management has oriented and directed fiercely, flexibly and consistently to successfully complete the 2023 plan targets.

CAPITAL MOBILIZATION FROM MARKET
I REACHED

1,405,610 VND
BILLION

UP 11.8% COMPARED TO 2022.

CREDIT BALANCE REACHED

1,280,547 VND
BILLION

UP 10.8% COMPARED TO THE END OF 2022

CONTROL DEBT QUALITY IN ALIGHT WITH SET
TARGETS

GROUP 2 DEBT RATIO WAS AT

~0.43%

BAD DEBT RATIO WAS AT

~0.99%

THE RATIO OF PROVISION FOR BAD DEBTS ON
THE BALANCE SHEET REACHED

THE HIGHEST LEVEL

IN THE BANKING SYSTEM.

THE RATIO OF INTERNATIONAL
PAYMENT & TRADE FINANCE
REACHED

19%

PAYMENT INCREASED BY

↑24%

RESPECTIVELY COMPARED TO 2022

TRANSACTION VOLUMES
INCREASED BY

↑20.5%

RESPECTIVELY COMPARED TO 2022

THE NUMBER OF INTERNATIONAL CREDIT/
INTERNATIONAL DEBIT CARD CUSTOMERS
INCREASED BY

↑12%/102%

COMPARED TO 2022

PROFIT BEFORE TAX

COMPLETED THE
PLAN ASSIGNED

BY THE SBV AND THE GENERAL MEETING OF
SHAREHOLDERS IN 2023.

ROAA AND ROAE INDEXES REMAINED HIGH, AT

ROAA

1.81%

ROAE

21.99%

VCB MAINTAINS ITS
POSITION AS THE LEADING

commercial bank in terms of quality and operational efficiency. It continues to be at the forefront of the banking industry and is one of the largest contributors to the national budget. VCB remains strong as a listed company with **the largest market capitalization** and is recognized among the top 100 listed banks with the largest market capitalization worldwide.

MANAGEMENT
PERFORMANCE



REDUCTION OF INTEREST
RATE BY

0.5% /YEAR

FOR ALL CUSTOMERS WITH
EXISTING DEBIT BALANCES IN
VND

ONE OF THE FIRST 6 BANKS
TO SUCCESSFULLY DEPLOY
APPLE PAY

To successfully implement the action guidelines of “Transformation, Efficiency, Sustainability” and achieve the results of **the six breakthroughs** and **three key business restructuring areas**, the Executive Board has developed a consistent and decisive approach of “Responsibility – Determination – Innovation”. This approach has been integrated throughout the organization and enforced vigorously to address key management and operational priorities in 2023.

- Firmly directed to promote credit growth right from the beginning of 2023 while maintaining strict credit standards. The focus remained on managing credit expansion towards expanding industries and clients with strong financial capabilities and risk resilience.
- VCB took proactive and responsible measures to adjust and lower lending interest rates to support businesses in their production and business recovery. Right from the beginning of the year, VCB implemented a 0.5% annual interest rate reduction for all customers with existing VND-denominated debt throughout the year 2023. Additionally, VCB launched various programs to lower lending interest rates for disbursements made during the year, providing support to customers in their production and business recovery efforts.
- In the context of challenging credit growth, the capital sources were continuously adjusted to provide a basis for reducing lending interest rates and supporting customers.
- Completed Phase 2 of the RTOM project with 55 deliverable reports for three components: (i) new sales and customer service model at branches, (ii) customer segmentation policies, and (iii) new retail credit model.
- Implemented the RLOS system across the entire portfolio, covering 72 retail credit products.
- Being one of the first six banks and the only state-owned bank to successfully deploy Apple Pay in the Vietnamese market.
- Successfully launched the Vietcombank Visa Infinite card with outstanding privileges, offering customers unique experiences.
- Successfully deployed and operated the private placement corporate bond trading system, enhancing VCB’s image, brand, and benefits.
- Signed comprehensive cooperation agreements with corporations and conglomerates, providing holistic financial solutions and specialized services for wholesale banking and retail banking.



60 YEARS

OF ESTABLISHMENT OF VCB
(1963 – 2023)

05

NEW BRANCHES

PROVIDING FINANCIAL
SUPPORT FOR SOCIAL
SECURITY ACTIVITIES

506 VND
BILLION

- Organized product and service development forums abroad in the Government’s investment promotion programs, work with senior leaders of multinational corporations to seek cooperation opportunities in providing financial services and funding for large sized projects.
- Completed the Project on reviewing development strategies to 2025, with an orientation to 2030 as a guideline for implementing action programs to ensure step by step implementation of set goals.
- Consolidated senior personnel: members of the Board of Directors, CEO, Deputy CEOs, Chief Accountant.
- Put 05 new branches into operation with business performance within 06 months of operation.
- Newly established Legal and Compliance Division, Capital & Market Division. Recruited and appointed a number of personnel, including highly qualified foreign personnel, to key positions to serve digital transformation and improve management capacity.
- Successfully organized the 60th Anniversary of VCB’s establishment (1963 – 2023) and received the Labor Hero title awarded by the Party and State.
- Being the only enterprise among the 5 groups honored at 18th Vietnam Glory Program for outstanding achievements in the patriotic emulation movement in Fatherland construction and protection. Honored as a Typical Enterprise for Employees for the fourth consecutive time and voted as the Bank with the best working environment in Vietnam for the eight consecutive year.
- VCB was honored as a typical tax payer for 3 consecutive years in 2020 – 2022 period and honored as one of the 20 enterprises with the best sustainable development index in the stock market.
- Actively promoted social security activities in 2023 with a total funding commitment of up to VND 506 billion and actual implementation of VND 309 billion.

BUSINESS ORIENTATION IN 2024

SOME KEY INDICATORS

Aligning with the key objectives set by the Government and the State Bank of Vietnam (SBV), VCB’s business direction for 2024 focuses on organizing and implementing banking sector tasks while connecting with the strategic development goals of VCB until 2025 and its vision for 2030. The bank will adhere to the guiding principle of “Transformation, Efficiency, and Sustainability” and adopt the management philosophy of “Responsibility, Determination, and Innovation” to successfully carry out its business objectives.

Indicator	2024 plan
(1). Total assets	Up by ≥ 8%
(2). Deposits in 1 st market	Deposits growth in line with credit growth
(3). Credit	Up by ≥ 12 % and within the limit assigned by SBV
(4). Non-performing loan ratio	< 1.5%
(5). Profit before tax	Up by 5%

| (*) Business plan indicators may be adjusted according to the financial plan approved by SBV

KEY TASKS FOR IMPLEMENTING GOALS

Directing business activities

- Credit growth aligned with industry credit orientation, focusing on prioritizing credit growth in expanded industries.
- Develop financial management services and investment products for key retail customer segments. Develop financial consulting services for business mergers and acquisitions, capital contributions, and business stock purchases. Develop a digital ecosystem in cooperation with third parties to seek opportunities for selling banking products and services.
- Maintain and promote advantages in foreign currency trading, international payment and trade finance.
- Flexibly and effectively manage deposit interest rates and lending interest rates in accordance with market developments and business orientation. Closely follow market developments to adjust and provide derivative products to meet the requirements of various customers.
- Accelerate the progress and quality of moving customers to digital channels according to policies and segmentation orientation.
- Continue to expand and develop existing customers with good quality, strong financial potential and overall relationships. Promote chain and ecosystem sale, take advantage of connections with subsidiaries, partners, and strategic shareholders.

Internal governance direction

- Promptly approve and timely implement action programs of the divisions to implement VCB development strategy to 2025 and vision toward 2030.
- Speed up the application of new technologies and modern methods in product and service development.
- Promote the application of cloud computing, starting with software development systems and 1st and 2nd level systems.
- Build a new data platform according to modern standards and architecture, with a strict and methodical data management mechanism towards standardization and centralization of data exploitation, reporting, and business, risk analysis on new platforms.
- Fulfill policies and regulations on recruitment, management, training, and use of staff; review the remuneration regime and create motivation for staff.
- Research, develop and implement training programs for talented employees.
- Continue to focus on training and scientific research, especially innovation and technology application.
- Continue to improve the system of internal documents on debt collection and management, credit grant and related internal regulations, promptly update changes and adjustments in the system of legal documents.
- Actively implement necessary work as required by state management agencies to complete the forced transfer plan. Deploy support measures on schedule when the forced transfer plan is approved.
- Spread humanistic values through social security and community support activities.
- Continue to improve the effectiveness of communication and investor relations to enhance VCB’s reputation and brand image.



ASSESSMENT BY BOARD OF DIRECTORS



INDEPENDENCE OF THE BOARD OF DIRECTORS' MEMBERS

The Board of Directors has 01 independent member who fully meets the criteria and conditions specified in the Charter of the Bank and the following standards and conditions:

Not being a person who is working for the Bank itself or its subsidiaries or has worked for the Bank or its subsidiaries for the previous 03 (three) consecutive years;

Not being the recipient of the regular salary and remuneration of the Bank in addition to the allowances that the members of the Board of Directors are entitled to as prescribed;

Not being a person, whose spouse, father, mother, child, brother, sister and husband is a major shareholder of the Bank, a manager or a member of the

Supervisory Board of the Bank or a subsidiary of the Bank;

Not directly or indirectly owning or representing 1% or more of the Bank's charter capital or voting share capital; not with a related person own 5% or more of the charter capital or voting share capital of the Bank;

Not being a manager or a member of the Supervisory Board of the Bank at any time in the preceding 05 years.

Annually at the General Meeting of Shareholders, independent members of the Board of Directors shall report on the performance of the Board of Directors.

ASSESSMENT BY THE BOARD OF DIRECTORS ON OPERATIONAL ASPECTS

In 2023, Vietnam Joint Stock Commercial Bank for Foreign Trade (VCB) continues to uphold the action principle of **"Transformation, Efficiency, Sustainability"** and adheres to the guiding directives of **"Responsibility – Determination – Innovation"**.

Despite the multitude of challenges and difficulties faced by the overall economy and the banking sector in 2023, VCB exhibits proactive, flexible, and growth-oriented leadership. With a steadfast focus on safe, effective, and sustainable growth, the bank achieves commendable outcomes in its business operations. By

December 31, 2023, VCB successfully fulfills the comprehensive targets and objectives assigned by the General Meeting of Shareholders and the State Bank of Vietnam (SBV).

During 2023, global and domestic economic conditions are marred by political instability, surging inflation, and significant interest rate hikes. Nevertheless, through proactive, adaptable, and growth-oriented management, VCB excels in fulfilling all tasks and objectives, showcasing its resilience and unwavering commitment to success.

Business performance

- Total assets reached ~ VND 1,84 quadrillion, up ~1.4% from 2022 levels.
 - Funding base as a whole increased in lockstep with capital consumption. Funding from customer deposits reached ~ VND 1.4 quadrillion, up ~ 11.8% from 2022 levels. The average proportion of current deposits reached ~33%.
 - Credit balance reached ~ VND 1.28 quadrillion, up ~ 10.8% compared to the end of 2022, controlling within the growth rate assigned by the State Bank. Retail credit accounted for ~52% of total credit balance.
 - Credit quality was strictly controlled. Bad debt ratio stood at 0.99%, significantly lower than the assigned plan. The ratio of provision for bad debts on the balance sheet reached 227%, the highest among the group of large banks in Vietnam. Recovery of written-off loans totaled VND 2,090 billion.
 - Tax paid to the State Budget totaled VND 11,648 billion in 2023, confirming the bank's position as a major contributor to the state budget.
- Profit before tax reached VND 41,244 billion, up ~10% compared to 2022, setting a new record and further being the bank with the leading profit scale in the market. The cost-to-income (CIR) ratio was controlled at a low level compared to plan (< 35%).
 - With the results achieved, VCB maintained its position as a leading commercial bank in terms of quality and operational performance, continued to lead the banking industry and was one of the largest contributors to the state budget. VCB firmly held the position as a listed enterprise with the largest market capitalization in the Vietnam stock market, and was listed in the top 100 listed banks with the largest market capitalization in the world. VCB was voted No. 1 in the banking industry for the 8th consecutive time, ranked in the top 10 best places to work and was honored as a typical enterprise for employees for the fourth consecutive time. In 2023, Ho Chi Minh City Stock Exchange (HOSE) honored VCB stock as one of the 20 stocks with the best sustainable development index in the stock market and included in the list of component stocks of the VNSI 20 index (Vietnam Sustainability Index) in 2023.

PROFIT BEFORE TAX

41,244 VND BILLION

UP ~10% COMPARED TO 2022

PAID TAX

11,648 VND BILLION

MAJOR CONTRIBUTION TO THE STATE BUDGET

Directing, administration and operational governance

- In 2023, the Board of Directors has directed the Executive Board to focus on leading and effectively implementing the governance and management activities, ensuring consistency with the action principles of “Transformation, Efficiency, and Sustainability” and the guiding philosophy of “Responsibility – Determination – Innovation”. The focus will be on implementing the following specific pillars and breakthroughs in business:
- Capital mobilization: Flexibly manage capital mobilization activities in line with capital utilization and market trends.
- Credit activities: Exercise cautious credit growth in accordance with the appropriate direction, ensuring safety and efficiency.
- Implement effective programs with competitive interest rates tied to the development and utilization of associated products and services. Pioneering the reduction of interest rates to support customers, with a reduction of 0.5% in 2023.
- Tight control over the quality of credit debt and debt structure, ensuring the control of non-performing loan ratio below 1.5%.
- Strengthen the progress of handling and recovering bad debts, offshore debts; Enhance monitoring, urging, and directing the handling and recovery of problematic debts at branches, especially units with significant offshore debts and high debt collection targets in 2023.
- Direct the implementation of three business pillars: Retail, Services, and Investments, to gradually achieve six strategic breakthroughs and three focal points for business restructuring.
- Enhance the implementation of digital transformation action programs and conversion action plans.
- Completed the assignment of Members responsible for the activities of the Board of Directors, restructured senior personnel, ensuring consistent leadership and guidance from the VCB leadership.
- Restructured the organizational model and expanded the operational network; Issued regulations on the organization and operation of Regulatory and Compliance Units, Capital & Market Units; Recruited and appointed high-level personnel, including foreign personnel, for key positions to serve digital transformation and enhance management capacity.
- Successfully organized major events such as the 60th anniversary celebration of VCB’s establishment (1963–2023) and the reception of the Hero of Labor title awarded by the Party and the State, along with a series of celebratory events; Successfully organized the Extraordinary General Meeting of Shareholders in January 2023, the 16th Annual General Meeting of Shareholders, and the Extraordinary General Meeting of Shareholders in November 2023.
- Based on the approval of the Government and the State Bank of Vietnam (SBV), VCB has completed the payment of dividends in the form of shares at a rate of 18.1% to increase its charter capital to 55,891 billion VND. Currently, VCB continues to implement capital increase plans to reinforce and enhance its financial capacity.
- VCB continued to focus on sustainable development, constantly improving management capacity, operations, and emphasizing social welfare, environmental protection, and disease prevention. In 2023, VCB remained committed to and implements social welfare programs with a total amount of approximately 506 billion VND.





EVALUATE THE PERFORMANCE OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

In 2023, the global economy and the economy of Vietnam were overshadowed by “headwinds”: escalating political conflicts, high inflation, and frequent interest rate adjustments. However, with a sense of responsibility and transparency in governance, the Board of Directors and Executive Board provided strong, decisive, flexible, and consistent guidance to ensure Vietcombank’s successful achievement of the annual targets in 2023. This was accomplished through sustainable growth, adherence to current laws and regulations, and compliance with the bank’s operational policies. The Executive Board implemented Vietcombank’s business activities in accordance with the defined direction and strategic objectives, ensuring income for employees and responsible business operations towards the community and stakeholders.



In January 2023, the Board of Directors issued Resolution 01 on the business direction for the year 2023. Throughout the year, the Board of Directors monitored and directed the Executive Board in accordance with the defined direction and strategic objectives of VCB’s business operations. All solutions were actively and synchronously implemented, ensuring compliance with the prescribed timelines and goals set by the Annual General Meeting of Shareholders. Most of the targets were completed according to the plan, and the Executive Board complied

with the provisions of the Law on Credit Institutions, VCB’s Charter, and the Resolutions of the Board of Directors in terms of management and direction.

On a monthly basis, the Board of Directors holds a plenary meeting to evaluate the business performance, analyze market developments, and make timely decisions and directives based on real-time assessments. During these plenary meetings, the CEO reports on all aspects of the bank’s operations, the implementation of resolutions from the Annual General Meeting of Shareholders, and the resolutions and decisions of the Board of Directors. The CEO also reports on specific topics as requested by the Board of Directors. The Board of Directors delegates tasks and assigns responsibilities to each member of the Board and the CEO for implementation and direction. Weekly meetings are maintained by the Board of Directors to promptly address and resolve issues, files, and tasks arising from business operations within the authority and functions of the Board of Directors.

The members of the Board of Directors and the Executive Board always prioritize the interests of shareholders, the state, and the bank as their top operational objectives. They effectively carry out their directing and governing responsibilities and fulfill the assigned duties and tasks.

ACTION GUIDELINES IN 2024

1

The Board of Directors strengthens the role of orientation and supervision in operating activities. The Board of Management closely leads and directs the business plan for 2024. Achieving business efficiency while ensuring health and safety, job stability, improving the material and spiritual life of officials and employees.

2

Continuing to implement VCB’s strategic goals to 2025 and vision to 2030, business activities are directed as follows:

- i. Action guidelines: “Conversion, Efficiency, Sustainability”.
- ii. Directing and operating point of view: “Responsibility – Aggression – Creativity”.
- iii. Continuing to focus on implementing 6 breakthroughs and 3 focuses in business restructuring.

3

In 2024, Vietcombank will focus on implementing 6 breakthroughs:

- i. Drastically deploy the Strategic orientation to 2030 and the digital Transformation action plan in accordance with approved schedule, ensuring quality. Develop an innovation strategy to perfect VCB’s strategy, strengthen the foundation for implementing the mission, vision, and strategic goals until 2030.
- ii. Strengthen the organization and improve the quality of human resources, focusing on human resources being adaptive for digital transformation. Develop digital culture in Vietcombank and applying Agile working methods.
- iii. Innovate the growth model in depth, associated with restructuring operations; promote the overall strengths of the entire Vietcombank system.
- iv. Promote customer care and product development, especially products and services on digital channels.
- v. Complete mechanisms and policies, especially mechanisms and policies for investment in procurement, recruitment and motivation for officials.
- vi. Deploy successfully the plan on receiving a mandatory transfer of a weak credit institution

4

Focusing in 03 areas in business restructuring:

- i. Restructuring credit portfolio towards higher efficiency and sustainability, increasing the proportion and quality of collateral in total outstanding loans. Wholesale credit growth associated with customer and service development; Retail credit growth associated with gradual shifting in product structure to prioritize loans into manufacturing and business industries.
- ii. Striving to increase the proportion of service revenue. Increase services through digital channels and improve service quality and customer experience.
- iii. Increasing the efficiency of capital management; optimizing long-term capital investment portfolio, making appropriate divestments and new investments to ensure sustainability and efficiency, strongly consolidating VCB’s market making position.

