



Vietcombank


# ANNUAL REPORT 2021

Cultivating values  
Conquering success




**Cultivating values**  
**Conquering success**

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Chapter

# 01

## SOLID FOUNDATION FOR EXCELLENCE

### Vietcombank Profile

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## MESSAGES FROM CHAIRMAN OF THE BOARD OF DIRECTORS AND DEPUTY CEO IN CHARGE OF THE BOARD OF MANAGEMENT



“ In the face of unprecedented difficulties and challenges, Vietcombank has excelled on all business targets assigned by the General Meeting of Shareholders, maintaining the bank’s No. 1 position in terms of operational quality and efficiency. Vietcombank’s consolidated profit before tax in 2021 reached VND 27,389 billion, up 19% compared to 2020

”

Chairman of the Board of Directors  
PHAM QUANG DUNG

In 2021, the world continues to witness the raging of the COVID-19 pandemic with many dangerous mutations, resulting in significant human and socio-economic losses. Numerous localities in Vietnam have been forced to undertake prolonged social distancing measures and lockdowns, disrupting production and disrupting supply chains. However, with the drastic, flexible and responsive management of the Government, as well as the efforts of businesses and individuals, Vietnam has gradually adapted to the pandemic and had a strong economic recovery in the fourth quarter. GDP for the whole year increased by 2.58%; import-export turnover reached USD 668.5 billion, up 22.6% compared to 2021; trade surplus reached USD 4 billion; inflation stood at 1.84% - the lowest level since 2016.

In the context of unprecedented difficulties and challenges, Vietcombank has successfully completed the business targets assigned by the General Meeting of Shareholders, maintaining its position as the No. 1 bank in terms of quality and operational efficiency. Vietcombank’s consolidated profit before tax in 2021 reached VND 27,389 billion, up 19% compared to 2020. Capital mobilization and credit growth exceeded the plan, making a positive contribution to the recovery and socio-economic development of the country. Credit quality is strictly controlled, with a very low non-performing loan ratio (0.63%).

Vietcombank has set aside 100% of the loan loss provision for the restructured loans, 2 years ahead of the State Bank’s schedule. Loan loss coverage ratio increased to the highest level ever recorded in the banking industry (424%). Those outstanding business results were positively received by the market with the bank’s market capitalization reaching about USD 16.7 billion by the end of 2021.

Besides business activities, Vietcombank also actively participates in social welfare initiatives, displaying the social responsibility of a large brand. In 2021, Vietcombank has implemented social security programs with a total commitment of nearly VND 662 billion, including a donation of VND 381 billion to the prevention and control of the COVID-19 pandemic. Vietcombank has implemented a series of programs and activities aimed at supporting, awarding, and expressing gratitude to the frontline forces fighting the pandemic, especially the medical team.

## MESSAGES FROM CHAIRMAN OF THE BOARD OF DIRECTORS AND DEPUTY CEO IN CHARGE OF THE BOARD OF MANAGEMENT



“ In order to successfully complete the set goals and strategic orientations, Vietcombank’s BOD and BOM expect to rely on the support and unity of nearly 22,000 employees throughout the system; the increasingly solid companionship and cooperation of millions of valued customers and tens of thousands of shareholders. ”

Deputy CEO  
in charge of the BOM  
NGUYEN THANH TUNG

Entering 2022 with opportunities and challenges intertwined, in order to realize the vision and strategic goals, Vietcombank will focus on:

*Comprehensive transformation of retail banking operations with a customer-centric orientation throughout.* Vietcombank continues to transform the retail operation model in a strong and sustainable way to bring outstanding products and services on the basis of new technology in order to meet the demands of customers according to their segment characteristics.

*Focusing on drastically implementing the digital transformation roadmap with the goal of leading.* With breakthrough digitization innovations in recent years, Vietcombank has been honored as “Vietnam’s typical digital transformation bank”. In 2022, Vietcombank continues to promote the implementation of the digital transformation program; constantly innovate, create and apply outstanding technological achievements to increase utility, maximize customer experience and satisfaction.

*Sustainable development founded on the best risk management practices.* With the strategic goal of having the best risk management in accordance with international standards and practices, Vietcombank has consistently prioritized and focused on investment and development of risk management framework. Not content with a timely compliance with Basel II using the standard

method, Vietcombank aims to be the first bank in Vietnam to apply the advanced method for Basel II compliance, as well as to constantly conduct research and adopt better risk management standards.

In order to successfully complete the set goals and strategic orientations, Vietcombank’s BOD and BOM expect to rely on the support and unity of nearly 22,000 employees throughout the system; the increasingly solid companionship and cooperation of millions of valued customers and tens of thousands of shareholders. This is an important “asset” that helps Vietcombank to continue growing quickly, strongly, sustainably, safely and effectively, step-by-step building a regional and global footprint.

**Vietcombank, together for the future.**

Deputy CEO  
in charge of the BOM  
NGUYEN THANH TUNG

Chairman of BOD  
PHAM QUANG DUNG

# GENERAL INFORMATION

## TRADING NAME

Name in Vietnamese:  
**NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN  
NGOẠI THƯƠNG VIỆT NAM.**

Name in English:  
**JOINT STOCK COMMERCIAL BANK FOR  
FOREIGN TRADE OF VIET NAM.**

Trading name: **VIETCOMBANK**

Abbreviation name: **VIETCOMBANK**

License of Establishment and Operation No. 138/  
GP- NHNN issued by State Bank of Vietnam, dated  
May 23rd, 2008.

## CERTIFICATE OF BUSINESS REGISTRATION:

Tax code: **0100112437**

Certificate of Business Registration No. **0103024468**  
issued by Ha Noi Department of Planning and  
Investment dated June 2nd, 2008 (first registration) 14th  
Amendment issued on September 6th, 2019

## CHARTER CAPITAL (OWNER'S EQUITY):

**VND 37,088,774,480,000**

In word: **Thirty seven thousand and eighty eight  
billion, seven hundred and seventy four million,  
four hundred and eighty thousand dong.**

## TICKER SYMBOL: VCB

Par value: **VND10,000**

Number of shares: **3,708,877,448**

Address: **No. 198 Tran Quang Khai Str., Ly Thai To  
Ward, Hoan Kiem Dist., Ha Noi, Vietnam**

Phone number: **84 - 24 - 3934 3137**

Fax: **84 - 24 - 3826 9067**

Website: **www.vietcombank.com.vn**



# VIETCOMBANK PROFILE

**Top 01**  
Maintaining position as the leading bank in Vietnam

**Top 300**  
World's largest banking and financial corporations

**Top 1000**  
World's largest listed companies



The JSC Bank for Foreign Trade of Vietnam, formerly known as Bank for Foreign trade of Vietnam, was established on April 01st, 1963 from the Foreign Exchange Bureau (of the State Bank of Vietnam).

Being the first state commercial bank chosen for pilot privatization by the Government, Joint Stock Commercial Bank for Foreign Trade of Vietnam officially commenced operation on June 2nd, 2008 after the successful implementation of the equitization plan through initial public offering. On June 30th, 2009, Vietcombank (ticker symbol: VCB) was officially listed on Ho Chi Minh City Stock Exchange.

During its 60 years of growth and development, Vietcombank has contributed significantly to the stability and growth of national economy, upholding the role of a major foreign trade bank in facilitating efficient domestic economic growth as well as expanding influence in the regional and global financial community.

Originally a specialized bank for foreign trade, Vietcombank nowadays has become a universal bank, providing customers with a wide range of leading financial services in international trade; from traditional services such as money market, capital market, credit, project financing, etc., to modern banking services such as forex trading and derivatives, card services, e-banking, etc.

# ESTABLISHMENT AND DEVELOPMENT HISTORY

## 1963

- Established on April 01st, 1963, known as Bank for Foreign Trade of Vietnam span off from the Foreign Exchange Bureau of the State Bank of Vietnam



## 1990

- Officially transforming into state commercial bank



## 2007

- Pioneering in piloting equitization in accordance with the Government's policy, succeeded in initial public offering



## 2009

- Officially listed on Ho Chi Minh City Stock Exchange



## 2011

- Signing a strategic shareholders agreement with Mizuho Corporate Bank Ltd., (Japan)



## 2013

- Launching a new brand identity



## 2018

- Celebrating 55th anniversary of establishment, affirming the position of No.1 bank in Vietnam in terms of profit, business efficiency, and many aspects of operation
- Establishing a subsidiary bank in Laos



## 2019

- The only bank of Vietnam in the list of 1,000 global public companies
- Opening Representative Office in New York – USA (as approved by the Federal Reserve Board)



## 2020

- Best bank in Vietnam
- Holding the No. 1 position in the banking industry in many areas of activity
- Pioneering in implementing the Policies of the Government and the State Bank of Vietnam; effectively supporting people and businesses affected by the Covid-19
- Approved to establish a banking branch in Australia (in accordance with the approval decision of the Prime Minister on August 18th, 2020)



## 2021

- The best-managed bank during the COVID-19 pandemic



Owning a modern banking technical infrastructure with the successful transformation of the core banking system (Core Banking) in early 2020, Vietcombank has many advantages of applying advanced technology into the automatic banking system, products development, e-banking services, based on its high technology foundation. The digital transaction space with the multi-functional digital banking services provided to retail and commercial customers such as: VCB DigiBank, VCB Pay, VCB - iB@nking, VCB CashUp, VCB DigiBiz... has attracted and will continue to attract a large number of customers with its convenience, speed, safety, effectiveness, thereby promoting cashless payment to the Bank's customer base at large.

iB@nking, VCB CashUp, etc. have always been a point of attraction for customers due to its convenience, speed, safety, efficiency, thereby promoting wider adoption of non-cash payments. Vietcombank currently has more than 600 branches/transaction offices/representative offices/Affiliates both in Vietnam and abroad including: Head quarter in Hanoi; 121 Branches; 476 transaction offices; 04 domestic Subsidiaries (Leasing Company, Securities

Company, Remittance Company, Vietcombank Tower 198); 03 overseas Subsidiaries (Vinafco Hongkong Company, VCB Money Inc. in the U.S, a Subsidiary bank in Laos); 01 Representative office in Ho Chi Minh City; 01 Representative Office in Singapore, 01 Representative Office in the US ; 03 Non-business units: Human Resources Development and Training School; 01 Cash Processing Center in Hanoi and 01 Cash Processing Center in Ho Chi Minh City; 03 Joint-venture and associate companies. Vietcombank currently employs over 22,000 people.

In addition, Vietcombank has also developed an Autobank system with over 2,500 ATMs and more than 60,000 merchants accepting card payments across the country. The banking operations are also supported by a network of 1,173 correspondent banks in 95 countries and territories in the world.

Vietcombank's team of professional employees with solid background in banking and finance and a good sense for modern and integrated business environment. Thanks to their contribution, Vietcombank

remains the primary choice for large corporations, domestic and foreign enterprises as well as millions of individual customers.

Heading towards international standards, Vietcombank has been continuously rated as "Best Bank in Vietnam" by global prestigious organizations. Vietcombank is also the first and only bank in Vietnam voted among Top 500 world's leading banks by The Banker; the only bank of Vietnam among Top 30 Strongest Banks in Asia – Pacific region according to The Asian Banker rankings; and the only representative of Vietnam among the Forbes' Top 1,000 The World's Largest Public Companies at the rank of 937. In 2020, in the list of "100 Vietnam best places to work" (announced by Anphabe – a pioneer in consulting employer branding solutions and happy working environment in Vietnam and Intage – a leading market research company in Japan), Vietcombank was ranked the No. 1 in banking industry, No. 2 in Vietnam market, maintaining its leading position for 5 consecutive years as the bank with the best working environment in Vietnam. In 2021, Vietcombank is honored to receive the "Best-managed bank during the COVID-19 pandemic"

award by The Asian Banker, which recognizes local corporations for their prominent contributions to business efficiency, leadership, and policies in response to the COVID-19 pandemic.

With considerable determination and high dedication, Vietcombank staff has been constantly striving for a more and more sustainable Vietcombank with the objectives to firmly keep the position as the leading bank in Vietnam towards 2025; to become one of 100 largest banks in Asia; one of 300 largest banking and financial corporations in the world; one of 1,000 global largest public companies; and to contribute significantly to the development of Vietnam.



# SERVICES AND BRANCH NETWORK COVERAGE

## SERVICES AND BUSINESS SECTOR

Deposits;	Settlement and banknotes;
Loans;	Foreign exchange in domestic and international markets in accordance with relevant regulations;
Discounting, re-discounting of bills and other valuable papers;	Correspondent banking;
Guarantees;	Commodity price derivatives within the scope prescribed by the State Bank of Vietnam;
Domestic and foreign factoring;	Other services as per the bank's Business Registration.
Credit cards;	
Other forms of credit grant in accordance with legal regulations;	

## BRANCH NETWORK COVERAGE

As at December 31, 2021, Vietcombank has 121 Branches with 476 transaction offices operating in 56/63 provinces and cities across the country: 28 branches in the North (23.1%); 15 branches in Hanoi (12.4%); 16 branches in Northern-Central (13.2%); 14 branches in the Southern-Central and Highland Regions (11.6%); 18 branches in Ho Chi Minh City (14.9%); 14 branches in Eastern-Southern Region (11.6%); and 16 branches in the Western-Southern Region (13.2%).

As at December 31, 2021, Vietcombank maintains correspondent relationships of 1,173 correspondent banks in 95 countries and territories worldwide.



**476**  
Transaction  
Offices

**121**  
Branches

**18**  
Branches in Ho Chi Minh City

**15**  
Branches in Hanoi

**1,173**  
Correspondent Banks

**58/63**  
Provinces and Cities

Hoang Sa

Truong Sa

# 10 NOTABLE EVENTS OF VIETCOMBANK IN 2021



Ms Trương Thị Mai, member of the Politburo, Secretary of the Party Central Committee, Head of the Party Central Committee's Personnel Commission hands over the appointment decision to Mr. Nghiem Xuan Thanh - Chairman of the Board of Directors of Vietcombank to assume the position of Secretary of the Hau Giang Provincial Party Committee



Mr. Y Thanh Ha Nie Kdam - Member of the Central Committee of the Party, Secretary of the Party Committee of the Central Enterprises' Bloc (2nd from the left), Mr. Nghiem Xuan Thanh - Member of the Party Central Committee, Secretary of the Hau Giang Provincial Party Committee, former Secretary of the Party Committee, Chairman of the Board of Directors of Vietcombank (2nd from the right), Mr. Dao Minh Tu, Deputy Governor of State Bank of Vietnam (leftmost) and Mr. Nguyen Duc Phong - Deputy Secretary of the Party Committee of the Central Enterprises' Bloc (far right) hands over the appointment decision and presents congratulatory flowers to Mr. Pham Quang Dung.

## 01

### For the first time in its history, Vietcombank had a senior leader elected to the Party Central Committee.

In January 2021, at the 13th National Party Congress, Mr. Nghiem Xuan Thanh (former member of the Standing Committee of the Party Committee of the Central Enterprises' Bloc, Secretary of the Party Committee, Chairman of the Board of Directors of Vietcombank) was elected to the Central Committee with a high number of votes. This is not only an honor for Mr. Nghiem Xuan Thanh personally, but also a source of pride for Vietcombank who, for the first time, has contributed a representative to the Party's top leadership body.

Following Mr Nghiem Xuan Thanh's appointment by the Politburo as Secretary of the Hau Giang Provincial Party Committee for the 2020-2025 term, Vietcombank initiated procedures for senior personnel consolidation.

With the absolute reposal of the Executive Committee of the Party Committee, the key officials in the system, and the approval of the State Bank of Vietnam and the Party Committee of Central Enterprises' Bloc, Mr. Pham Quang Dung - Deputy Secretary of the Party Committee, Member of the Board of Directors cum CEO of Vietcombank was assigned the position of Secretary of the Party Committee, and was elected by the Board of Directors to hold the position of Chairman of the Board at the meeting on August 30, 2021. On the same day, August 30, 2021, the Board of Directors also agreed to appoint Mr. Nguyen Thanh Tung - Member of Executive Committee of Vietcombank's Party, Deputy CEO to assume oversight of the Vietcombank Board of Management.



Mr. Nghiem Xuan Thanh - Chairman of the Board of Directors of Vietcombank receives the award "Best-managed bank during the COVID-19 pandemic" by The Asian Banker and the title of "Excellent leader in response to COVID-19 pandemic"

## 02

### Well organized the prevention and control of Covid-19 pandemic

Faced with the re-emergence of the COVID-19 pandemic on a national scale in 2021, many localities were forced to implement social distancing measures, making trade extremely difficult; banks, including Vietcombank, experienced unprecedented impact to their business.

In this context, Vietcombank quickly implemented drastic and synchronous measures to prevent and control the pandemic. COVID-19 vaccine coverage was organized very promptly for all employees in the system and their relatives. Remote work and shift work were made easier by enhancing the

application of technology. The adoption of online transaction solutions such as VCB ibanking, VCB Cash-up, VCB Digibank, VCB Digibiz, online trade finance, etc. was promoted to ensure consumer safety and convenience.

As a consequence, Vietcombank has ensured complete safety for its personnel as well as business continuity, contributing to the smooth operation of the country's financial lifeblood and improving pandemic prevention and control efficacy.



Vietcombank topped the list with a value of USD 705 million (photo: Forbes Vietnam)

## 03

### Successfully accomplishing business targets

Despite numerous unprecedented challenges, Vietcombank continues to affirm its No. 1 position in the Vietnamese banking system via the efforts and innovation of all employees, the right direction of the Board of Directors, and a strong foundation.

Vietcombank has achieved and exceeded most of its business targets. The scale of operations has seen vigorous growth, and the structure has firmly gravitated towards efficiency and sustainability; credit quality is strictly under control, substantive; and business efficiency is at a high level. Profit before tax exceeded the plan after having supported the exemption and reduction of interest and fees for consumers, as well as having created a full provision for restructured debts - two years ahead of schedule.

Vietcombank maintains the top spot in terms of market capitalization on the Vietnamese stock market (~ USD 16.5 billion).

# 10 NOTABLE EVENTS OF VIETCOMBANK IN 2021



On behalf of Vietcombank's Board of Directors, Mr. Pham Quang Dung – Member of the Executive Committee of the Party Committee of Central Enterprises' Bloc, Deputy Secretary of the Party Committee, CEO (on the left) presented funding to support the prevention of COVID-19 pandemic to representatives of the Vietnam Fatherland Front Central Committee



## 04

### Pioneering to accompany the Government, people and businesses in the face of difficulties during the pandemic

Following the progress in 2020, in 2021, Vietcombank has continuously implemented 4 interest rate cuts to support the business community and people affected by the COVID-19 pandemic, especially in 19 provinces and cities in the Southern region who were under strict social distancing measures. The total amount of interest Vietcombank had allocated to supporting its customers nationwide in 2021 amounted to over At

the same time, Vietcombank has been a pioneer in debt restructuring, keeping the debt group unchanged for customers while implementing many low-interest lending programs for new loans. At the end of 2021, Vietcombank introduced the policy to waive all money transfer fees and service maintenance fees for all individual customers using VCB Digibank.

In 2021, Vietcombank also implemented and committed to social security programs, spending a total of nearly VND 723 billion; of which, nearly VND 381 billion to support localities and the health sector in the prevention and control of COVID-19 pandemic.

## 05

### The biggest contributor to the State budget

With high business efficiency and the largest cash dividend among SOCBs (12%), Vietcombank has become the bank, and at the same time, listed enterprise to contribute the largest budget to the State, with total tax payment, fees and dividends for the State in 2021 amounting to nearly VND 11 trillion. Continuing to affirm its leading position among enterprises to make the largest contributions to the State Budget for many consecutive years



Mr. Nguyen Thanh Tung – Deputy CEO of Vietcombank (right) and Mr. Nguyen Xuan Nam – Deputy General Director of EVN (left) represent the two parties to sign a credit contract to finance the Quang Trach 1 thermal power plant project in the presence of leaders of ministries, branches, and leaders of EVN and Vietcombank

## 06

### Allocating the largest capital funding so far to Quang Trach I Thermal Power Project

Quang Trach I Thermal Power Plant Project had a total investment of VND 41,130 billion, 70% of which is supported by Vietcombank through domestic commercial loans.

This is EVN's first power project that is entirely funded by a loan from a domestic credit institution and did not require a government guarantee. This is also the largest-scale project ever arranged by a domestic credit institution, and is the first credit institution that fully meets the

conditions under Decision 13/2018/QĐ-TTg, approved by the Prime Minister to grant credit to EVN to finance this Project.

Quang Trach 1 Thermal Power Plant is considered to be the driving force for economic growth in Quang Binh province and the North Central region.



Ms. Nguyen Thi Kim Oanh – Deputy CEO represented Vietcombank to receive the certificate and trophy for the 2021 Sao Khue Award

## 07

### Focusing on investment and drastic digital transformation

In 2021, Vietcombank issued two important directive documents regarding the process of digital transformation:

First: The digital transformation action program with 7 Action Groups and 15 specific goals to closely follow the directive documents of the State Bank and the Party Committee of Central Enterprises' Bloc.

Second: Transformation plan with 304 actions under the 4 pillars: Digital, Data, Technology and Transformation, along with a detailed implementation roadmap.

The Division of Information Technology and Digital Transformation was formally established on December 1, 2021, and will play a critical role in the organization's overall digital transformation.

In 2021, Vietcombank has been implementing 107 digital transformation initiatives focused two main objectives: improving customer experience and optimizing internal processes. VCB Digibank confirms its market leading position by having the most users, successfully implementing the E-KYC solution, DiziBiz service, and so on.

# 10 NOTABLE EVENTS OF VIETCOMBANK IN 2021



On behalf of the two parties, Assoc. Prof. Dr. Pham Bao Son, Vice President of Vietnam National University, and Ms. Nguyen Thi Kim Oanh, Deputy CEO of Vietcombank, signed the cooperation agreement



Vietcombank was honoured as one of the Top 10 prestigious commercial banks in 2021



Prime Minister Pham Minh Chinh (1st row, 14th from right), Mr. Pham Tan Cong - Chairman of VCCI term VII- (2011-2026) (1st row, 13th from the right), Mr. Pham Quang Dung - Member of the Executive Committee of the Party Committee of the Central Business Sector, Non-executive Vice Chairman of VCCI for the term 2021 - 2026, Secretary of the Party Committee, Chairman of the Board of Directors of Vietcombank (1st row, 12th from the right) together with delegates at the General Meeting

## 08

### Leading in credit quality management

**0.63%**  
NPL RATIO IS CONTROLLED AT THE LOWEST LEVEL

With the use of advanced risk management in accordance with Basel 2 standards, a carefully selected customer portfolio, and, most importantly, the deployment of proactive, flexible, effective response measures, close to economic fluctuation, in 2021, Vietcombank maintains its leadership position in credit quality, with the lowest NPL ratio among large commercial banks (0.63%), while group 2 debt ratios remain low (0.36%).

Due to the impact of the COVID-19 outbreak, Vietcombank made preemptive provisions for 100% of the restructured loan total and maintained the same debt group 2 years sooner than prescribed. The preventive ratio of on-balance sheet NPL to total debt is the highest in the banking industry (record~424%). This is significant contributing factor to the sustainable development of Vietcombank.

**0.36%**  
GROUP 2 LOAN IS AT A VERY LOW RATE

## 09

### Affirming outstanding position and reputation

In 2021, the evaluation and recognition of global and regional financial community towards Vietcombank is constantly being strengthened and enhanced. In May 2021, S&P Global Ratings upgraded Vietcombank's credit outlook from "stable" to "positive" and continued to be the leader among banks in Vietnam. Additionally, Fitch Ratings revised Vietcombank's Viability Independent Strength grade. Vietcombank was named as the most valuable brand in Vietnam by Forbes Vietnam, with a value of USD 705 million, equal to the combined worth of two other State-owned Commercial Banks.

Besides, there are a number of national and international awards.

## 10

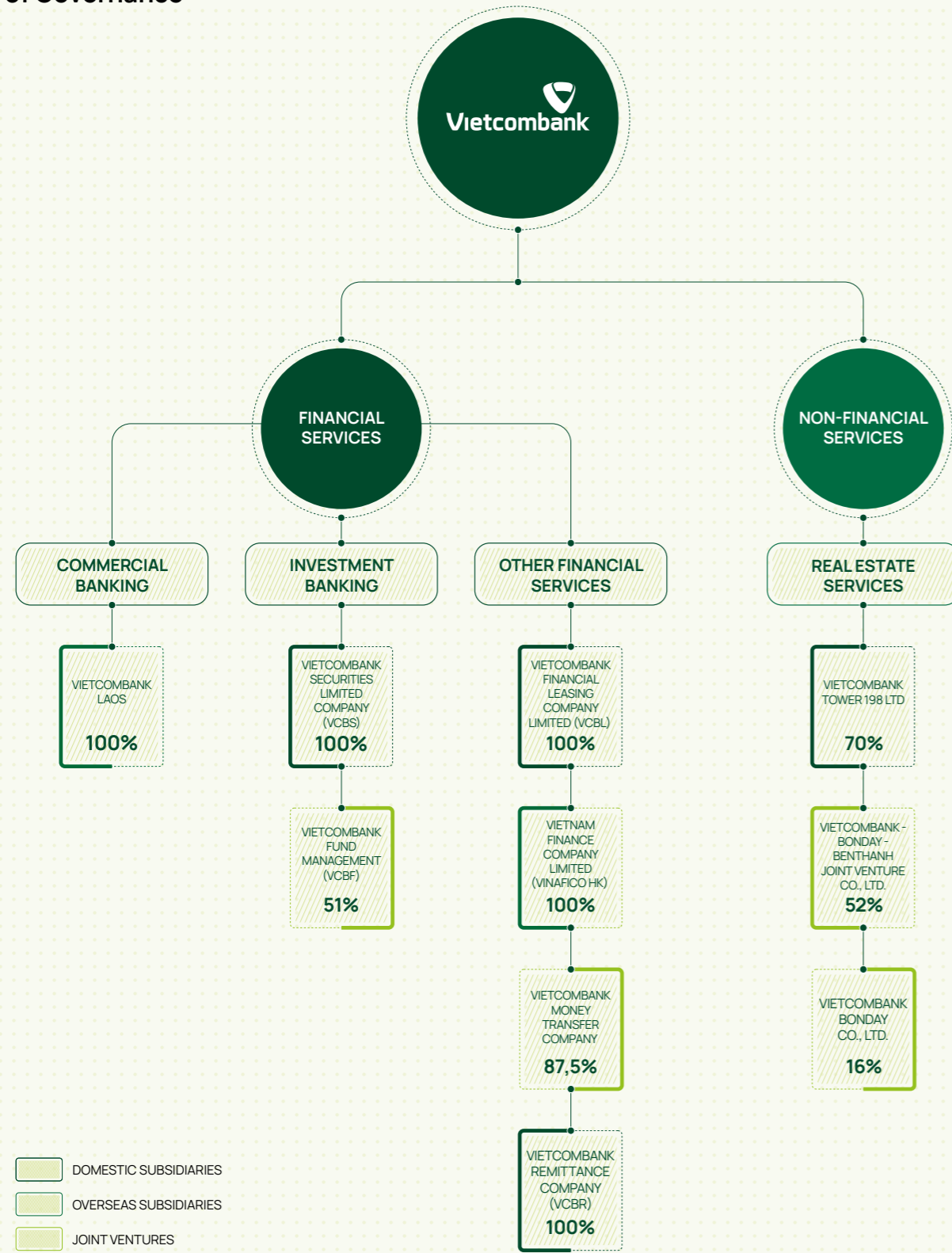
### Vietcombank Chairman was elected to be the Non-executive Vice Chairman of VCCI

In December 2021, Mr. Pham Quang Dung - Member of the Executive Committee of the Party Committee of the Central Enterprise Division, Secretary of the Party Committee - Chairman of the Board of Directors of Vietcombank was elected as the Non-specialized Vice-Chairman of the Vietnam Chamber of Commerce and Industry (VCCI) term 2021-2026.

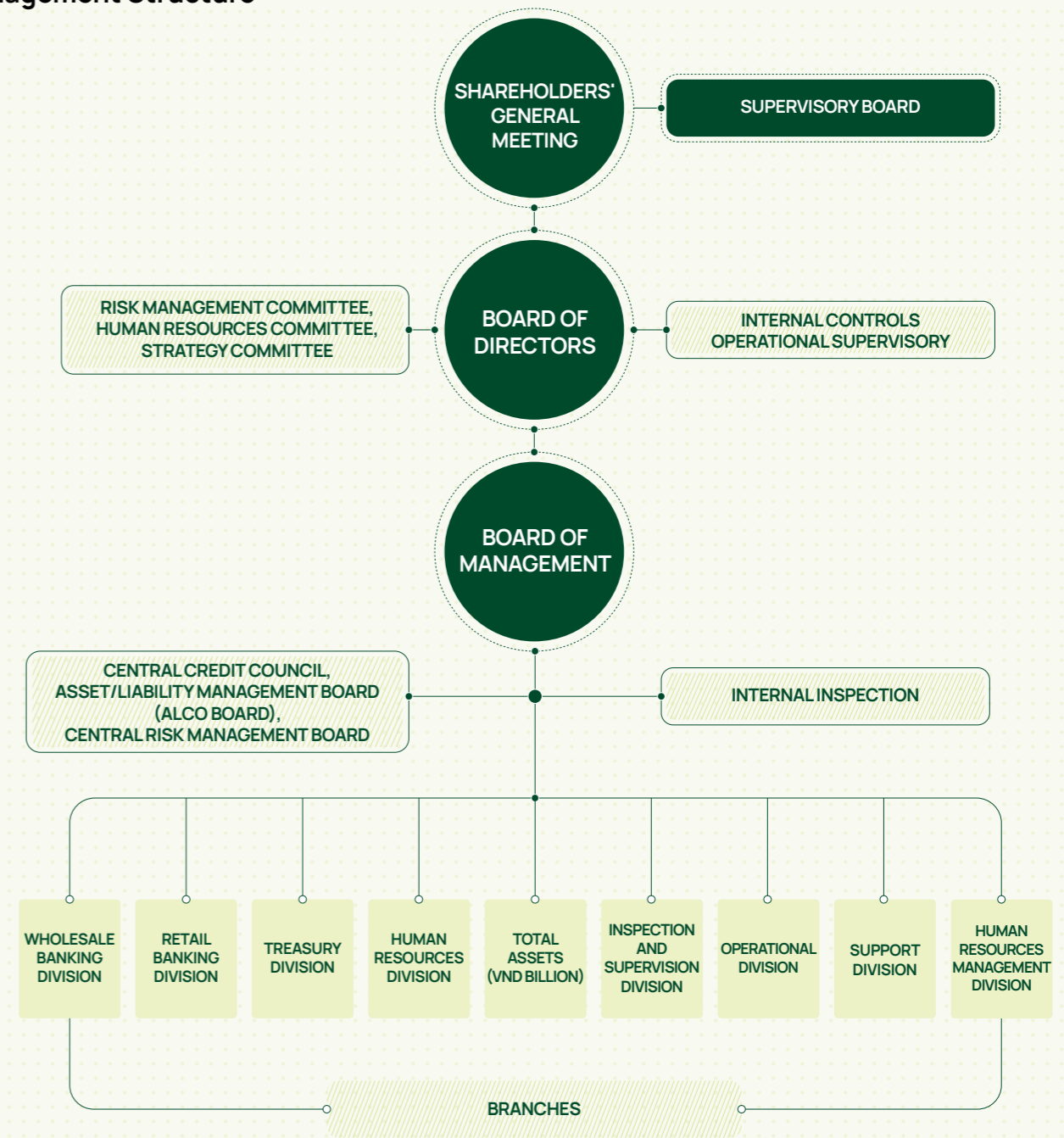
This event affirmed This is an occasion to reaffirm the Party, the State, and the Vietnamese business community's trust in Vietcombank's position, role, and reputation.

# MODEL OF GOVERNANCE AND MANAGEMENT STRUCTURE

## Model of Governance



## Management Structure



# MODEL OF GOVERNANCE AND MANAGEMENT STRUCTURE

## SUBSIDIARIES, INVESTMENT-AFFILIATED COMPANY

### Subsidiaries

Company name	Address	Business sector	Investment capital (VND billion)	Ratio of the Bank's direct ownership
Vietcombank Financial Leasing Co., Ltd	4 <sup>th</sup> floor, 25T1 N05 Hoang Dao Thuy, Trung Hoa, Cau Giay, Hanoi	Financial leasing	500.00	100%
Vietcombank Securities Company Limited	Floor 12, 17, Vietcombank Tower, No. 198 Tran Quang Khai, Hoan Kiem, Hanoi	Securities	700.00	100%
Vietnam Finance Company	16 <sup>th</sup> Floor, Golden Star Building, 20 Lockhart Hongkong	Financial services	116.90	100%
Vietcombank Remittance Co., Ltd.	13-13Bis Ky Dong, Ward 9, District 3, Ho Chi Minh City	Remittances	30.00	100%
Vietcombank Tower 198 Co., Ltd.	Room 1406, 14th Floor, Vietcombank Tower, 198 Tran Quang Khai, Hoan Kiem, Hanoi	Office leasing	70.00	70%
VCB Money, Inc.	12112 Brookhurst Street, Suite 11, Garden Grove, CA 92840, United States	Foreign exchange remittance	204.98	87.5%
Vietcombank Laos Limited	No. 12, group 15, Lanexang Avenue, Hatsady Villagae, Chanthabouly District, Vientiane, Lao People's Democratic Republic.	Banking	1840	100%

### Joint ventures, associates

Company name	Address	Business sector	Investment capital (VND billion)	Ratio of the Bank's direct ownership
Vietcombank-Bonday-Benthanh Co., Ltd	Floor 22, Vietcombank Tower, No. 05, Me Linh Construction Site, Ben Nghe Commune, District 1, Ho Chi Minh City	Office leasing	410.36	52%
Vietcombank Fund Management	Floor 15th, Vietcombank Tower, No. 198 Tran Quang Khai, Hoan Kiem, Hanoi	Investment Fund Management	135.15	51%
Vietcombank-Bonday Co., Ltd	No. 35 Nguyen Hue, District 1, HCMC	Office leasing	11.11	16%



# KEY FINANCIAL RATIOS

## 1. Financial highlights:

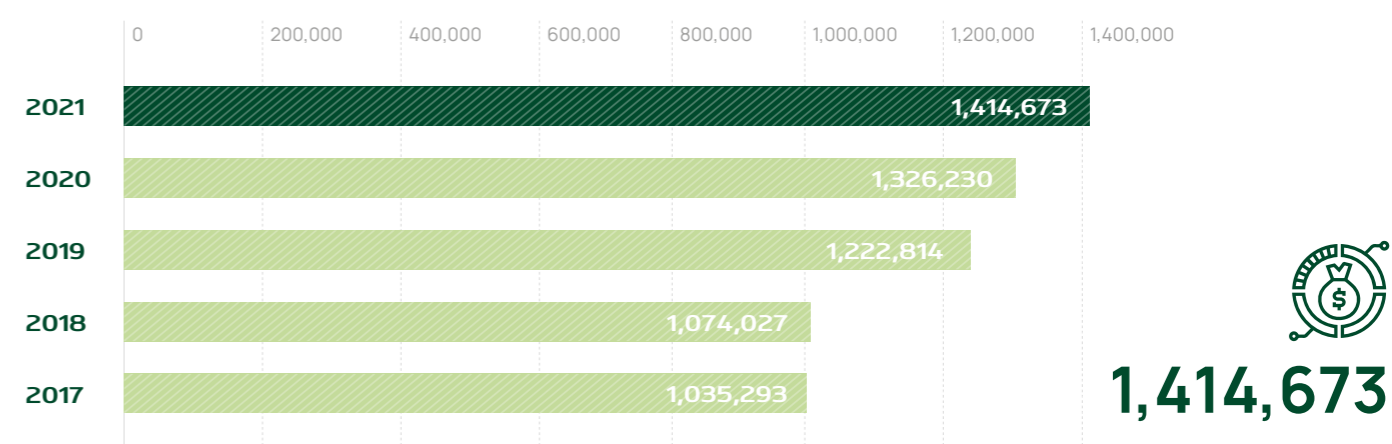
Unit: VND billions

Content	2017	2018	2019	2020	2021
<b>KEY BUSINESS INDICATORS</b>					
Total assets	1,035,293	1,074,027	1,222,814	1,326,230	1,414,673
Shareholders' equity	52,558	62,179	80,954	94,095	109,117
Loans to customers/Total Assets	52.5%	58.8%	60.1%	63.3%	67.9%
Non-interest income	7,469	10,870	11,156	12,777	14,324
Total operating income	29,406	39,278	45,693	49,063	56,724
Total operating expense	(11,866)	(13,611)	(15,875)	(16,038)	(17,574)
Net profits of operations before allowances for credit losses	17,540	25,667	29,819	33,024	39,149
Allowances for credit losses	(6,198)	(7,398)	(6,607)	(9,975)	(11,761)
Profit before tax	11,341	18,269	23,212	23,050	27,389
Corporate income tax	(2,231)	(3,647)	(4,614)	(4,577)	(5,450)
Profit after tax	9,111	14,622	18,597	18,473	21,939
Net profit for the year	9,091	14,606	18,582	18,451	21,919
<b>KEY PERFORMANCE INDICATORS</b>					
<b>KEY PROFITABILITY RATIOS</b>					
NIM	2.66%	2.94%	3.10%	3.11%	3.16%
ROAE	18.09%	25.49%	25.99%	21.11%	21.59%
ROAA	1.00%	1.39%	1.62%	1.45%	1.60%
<b>KEY RISK INDICATORS</b>					
Outstanding Credit Ratio (including corporate bonds) /mobilize capital TT1	76.74%	77.68%	78.05%	80.23%	84.38%
Non-Performing Loan ratio	1.11%	0.97%	0.78%	0.62%	0.63%
Capital adequacy ratio CAR	11.63%	12.14%	9.34%	9.56%	9.31%

(\*) From 2019, Vietcombank began calculating CARs in accordance with the provisions of Circular 41/2016/TT-NHNN dated December 30, 2016. In 2017, 2018, CAR coefficients are employed in accordance with the terms of Circular 36/2014/TT-NHNN dated November 20, 2014

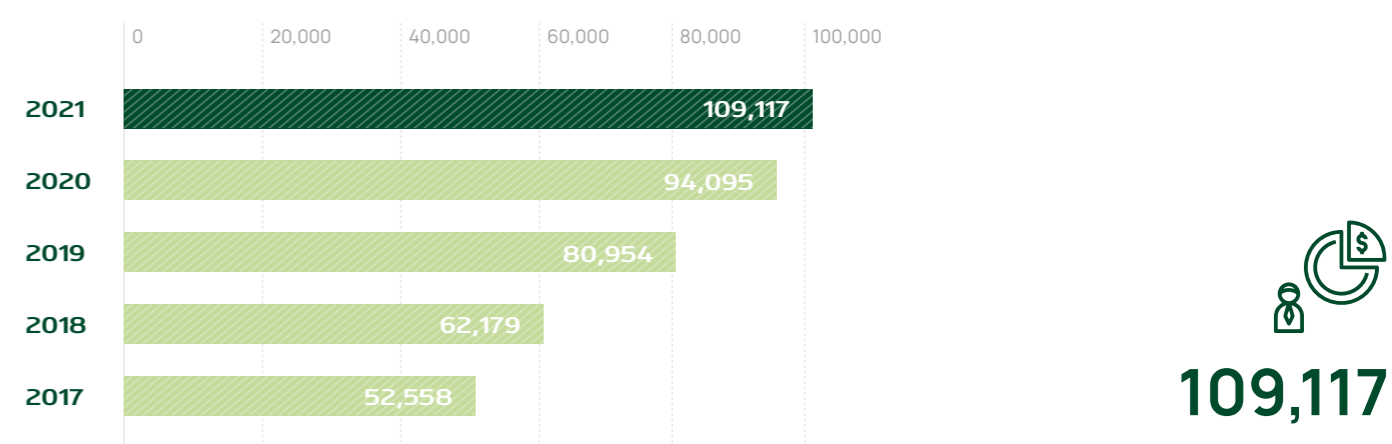
## TOTAL ASSETS

Unit: VND billions



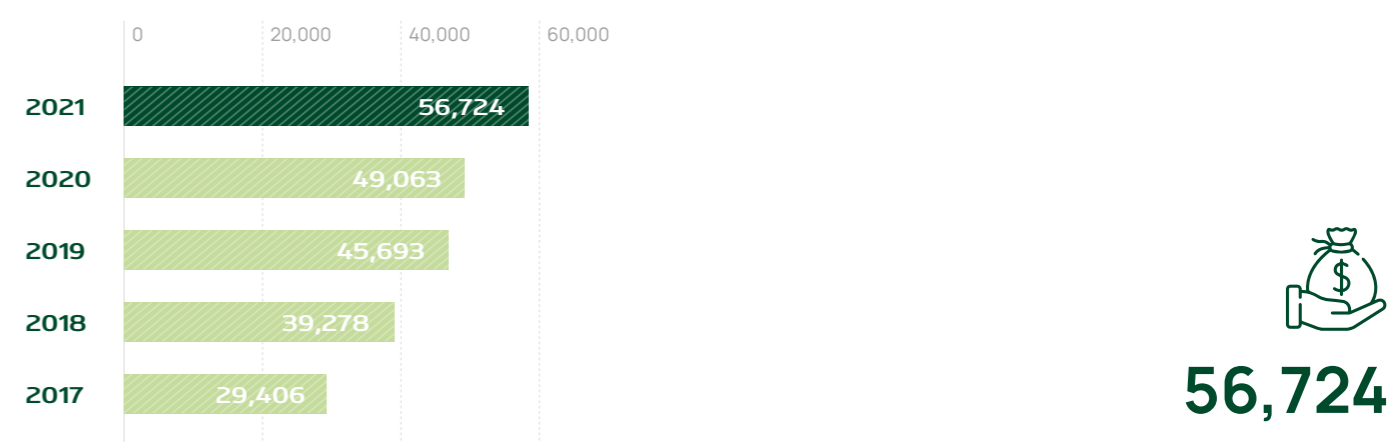
## SHAREHOLDERS' EQUITY

Unit: VND billions



## TOTAL OPERATING INCOME

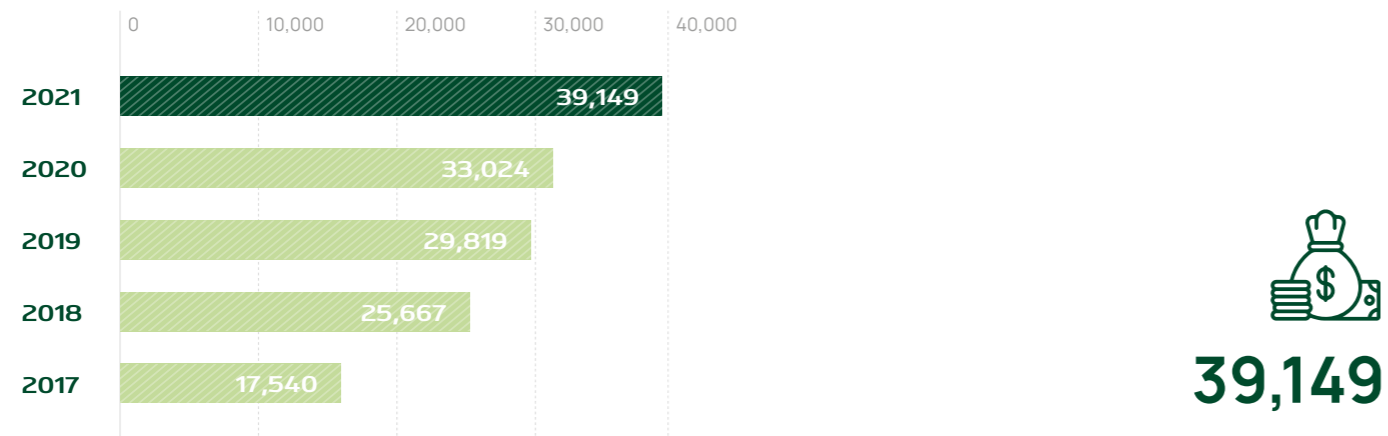
Unit: VND billions



# KEY FINANCIAL RATIOS

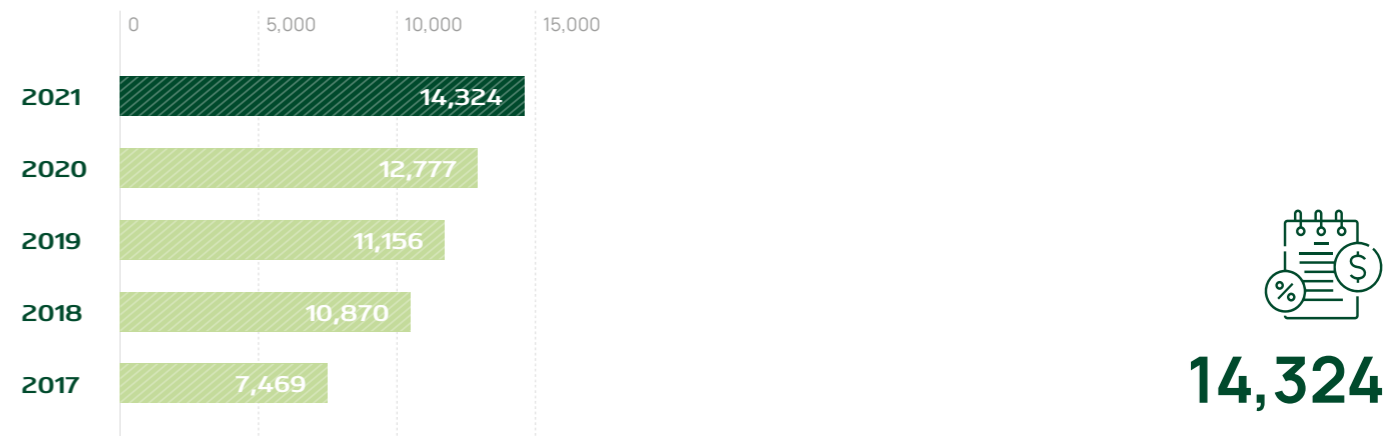
## NET OPERATING PROFIT

Unit: VND billions



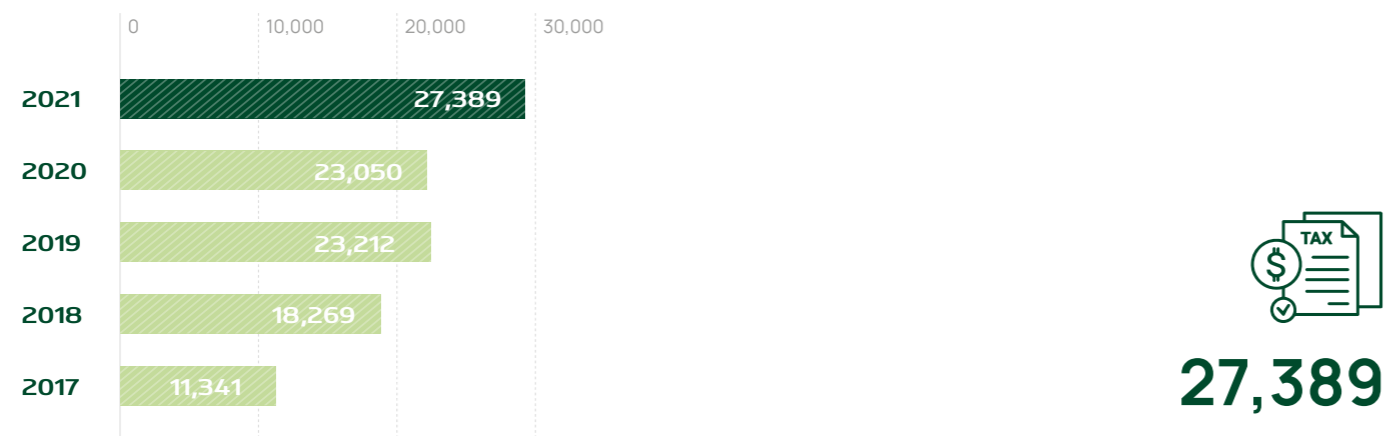
## NET NON-INTEREST INCOME

Unit: VND billions



## PROFIT BEFORE TAX

Unit: VND billion



## ROAE

Unit: %



## PROFIT AFTER TAX

Unit: VND billion



## ROAA

Unit: %





# OUR STRATEGY

## Vision and mission towards 2025

No. 1 bank in Vietnam, one of the 100 largest banks in Asia, one of the 300 world's largest financial and banking corporations, one of the 1000 world's largest listed companies contributing to the development of Vietnam.

## Strategic objectives towards 2025

01

No. 1 bank in profitability and non-interest income

02

No. 1 in retail and investment banking

03

No. 1 in digital banking

04

No. 1 bank in customer's experience

05

Most effective bank in risk management

06

No. 1 bank in quality of human resources



## VIETCOMBANK AWARD 2021

### Awards

**THE ASIAN BANKER®**  
STRATEGIC BUSINESS INTELLIGENCE FOR THE FINANCIAL SERVICES COMMUNITY

**No. 1 managed bank during the  
COVID 19 pandemic**

In 2021, Vietcombank continued to be highly valued by prestigious domestic and international organizations and recognized in a variety of significant award categories. Especially in the context of COVID-19 pandemic, Vietcombank was honored as the “Best-managed bank during the COVID-19 pandemic” by The Asian Banker for its outstanding business performance, outstanding leadership and pandemic response policies, effective customer support, and significant community contributions.

# VIETCOMBANK AWARD 2021

## DOMESTIC AWARDS

# 01

**VCB Digibank banking won the Sao Khue award**



On April 24th 2021, The Vietnam Software and Information Technology Services Association (VINASA) held a ceremony, to announce and award the 2021 Sao Khue Award. Vietcombank's VCB Digibank service was highly commended by the jury and recognized during the ceremony announcing and presenting the 2021 Sao Khue Award.

VCB Digibank's digital banking service is built on the consolidation of Vietcombank's separate transaction platforms on Internet Banking and Mobile Banking, providing a seamless, uniform, and entirely new customer experience. Since its launch in July 2020, thanks to superior features and utilities, VCB Digibank has attracted a wide range of customers with transaction volume and value consistently maintained at an impressive growth rate.

# 02

**Top 10 strongest brand in Vietnam**



On October 13, 2021, the Vietnam Economic Review hosted a ceremony to recognize and celebrate Vietnam's Top 10 strongest brands. With the theme "Overcoming challenges", the event honored brands that exhibited the ability to adapt, survive, and grow during the COVID-19 pandemic. Vietcombank has been named to the top 10 strongest brands in Vietnam in the 8th consecutive year.

The Vietnam Strong Brand Program 2020-2021 conducted a survey and provided feedback based on a variety of criteria, including: business results, brand protection, product and service quality, leadership capacity, human resources, corporate community responsibility, environmental commitment, digital transformation application, appropriate and effective production management in the new context. In particular, the innovation index, digital transformation, enterprise restructuring, and adaption of production and bussiness models in response to the new situation.



# VIETCOMBANK AWARD 2021

## DOMESTIC AWARDS

### 03

**Leading the ranking of the top 10 prestigious commercial banks**



On October 21, 2021, Vietnam Report Joint Stock Company (Vietnam Report) partnered with VietNamNet Electronic Newspaper - Ministry of Information and Communications to hold a ceremony to honor the top 10 prestigious bank and top 50 prestigious and effective public companies. Vietcombank was honoured to be voted the ranking's leader.

In 2021, the first ranking of the top 50 prestigious and effective public companies (VIX50) was announced to recognize public companies that have made exceptional efforts to overcome the pandemic's challenges, seize new opportunities and achieve extraordinary results in the provision of products and services for customers, creating an impressive image in the public and investors, demonstrating growth potential, sustainable development level, management quality and position in the market.

2021 was the 6th consecutive year that Vietcombank was honored as the leader in Top 10 prestigious commercial banks.

### 04

**Vietcombank ranked first in the top Vietnam's 500 most profitable businesses.**



On November 25, 2021, at the National Convention Center in Hanoi, Vietnam Report Joint Stock Company (Vietnam Report) and the e-newspaper Vietnamnet co-hosted a ceremony to recognize the top 500 profit-making enterprises in Vietnam in 2021. Vietcombank maintained its position as one of the top 50 most profitable enterprises in Vietnam in the Profit500 2021 ranking, ranking third place, surpassing 497 other enterprises (in the Top 500) and ranking first among banks in the ranking.

According to Vietnam Report, the honored businesses / enterprises are representatives that have achieved impressive business performance, good profitability, have the potential to become a pillar of the future development of the economy of Vietnam.



# VIETCOMBANK AWARD 2021

## DOMESTIC AWARDS

# 05

**Vietcombank was ranked among the first 10 businesses meeting business culture standards in Vietnam**



On December 5, 2021, in Hanoi, the Central Party's Committee for Publicity and Education (the Organizer of the Campaign to build Vietnamese corporate culture) and the Ministry of Industry and Trade, Ministry of Culture, Sports and Tourism, the Central Executive Committee of the Ho Chi Minh Communist Youth Union, and Vietnam Chamber of Commerce and Industry coordinated to organize the annual national "Culture & Business" Forum.

The event was a practical activity to implement the campaign to "Building Vietnamese corporate culture" launched by the Prime Minister as well as raised by General Secretary Nguyen Phu Trong at the 2021 National Cultural Conference. At the forum, there was a preliminary activity of the campaign "Building Vietnamese corporate culture" and a ceremony to honor enterprises meeting business culture standards. Vietcombank was honored to be named as one of the first 10 enterprises that met business culture standards in Vietnam.



## INTERNATIONAL AWARDS

# 01

**Best-managed bank during the COVID-19 pandemic in Vietnam**



On January 19, 2021, through a global online program, The Asian Banker magazine awarded Joint Stock Commercial Bank for Foreign Trade of Vietnam the award of "Best-managed bank during the COVID-19 pandemic" and awarded Mr. Nghiem Xuan Thanh - Chairman of the Board of Directors the title of "Excellent Leader in response to the COVID-19 pandemic in Vietnam".

The Asian Banker's "Leadership Achievement" award came out in 2005, held every three years to honor leaders, presidents and CEOs in the financial sector. This is the most highly regarded award for individuals in the financial sector in the Asia-Pacific region. The award is reviewed by independent economic experts, based on the bank's business results in 3 consecutive years, selected from more than 250 institutions in the region. In 2020, The Asian Banker especially focused on evaluating banks and unit leaders based on business performance, leadership, and pandemic response policies.

This award recognizes and honors outstanding and excellent leaders who have suitable policies for customers and make significant contributions to the community.

# 02

**Best bank for risk management**



In 2021, Vietcombank was awarded "Best Risk Management Bank" and "Best Investor Relations - Banking and Finance" by International Finance Magazine

The International Finance Magazine Awards aims to evaluate industry talent, leadership skills, values and capabilities through an international system. The magazine's analysis and research team will select and recommend relevant prizes for entities in different files. The chosen entities submitted proof of their year's performances and accomplishments for the Organizing Committee to evaluate and make final decision. Different evaluation criteria including: Achievements and developments in products and services; Breakthroughs in the use of technology; Customer relationship; Social security activities; Profitability; innovative banking solutions; Employee professionalism.



# VIETCOMBANK AWARD 2021

## INTERNATIONAL AWARDS

### 03

**Strongest bank**



On February 25, 2021, the Asian Banker magazine held a ceremony to honor "The strongest bank by balance sheet" in an online form. Vietcombank was honored to be named with the title of "Strongest bank by balance sheet".

Ranking the 500 strongest banks by balance sheet by regions in the world, voted and announced annually by The Asian Banker since 2007. Detailed and transparent voting criteria to comprehensively assess the financial strength of banks on 6 aspects: operational scale; growth speed; risk level; operational efficiency; asset quality; liquidity. Every year, based on regional rankings, the Asian Banker chooses to honor the strongest bank in each country. This is one of the prestigious awards, highly recognized by the international community, often referenced by investors and international partners of Vietcombank.

### 04

**Best Bank in Vietnam**



On May 29, 2021, in Hong Kong, Euromoney awarded Vietcombank the "Best Bank in Vietnam" award.

Along with notable brands in the region such as: AIB, Commonwealth Bank, Standard Chartered Bank, HSBC, DBS, etc., Vietcombank is honored to be the only bank in Vietnam to be awarded the prize of "Best Bank in Vietnam 2020". This is also the 6th time Vietcombank has received this prize.

The "Best Bank" award is given by Euromoney to leading banks in 100 countries around the world, to honor organizations that demonstrate outstanding leadership and development drive in fields in the active market. The "Best Bank in Vietnam" award is granted to leading bank in Vietnam every year, based on the following factors: sustainable development, business results, risk management, information technology, governance quality, and contributions to the domestic banking and financial market. Prizes are selected based on the following criteria: total revenue, total assets, profit before tax, net income, etc., The award was established by Euromoney, including qualitative and quantitative factors to ensure fairness and heading towards creating favorable conditions for banks to express outstanding strength.



# VIETCOMBANK AWARD 2021

## INTERNATIONAL AWARDS

### 05

Top in the rankings of Vietnamese banks and insurance brands



YouGov – an international data analysis and research company, headquartered in the UK and currently present in more than 40 countries, published the voting results for the leading brand. Vietcombank was voted as the top brand in the ranking of Vietnamese banking and insurance brands in 2021.

The ranking is based on the Index score from YouGov BrandIndex, a tool that measures consumer assessment of Vietnamese and international financial brands. The Index score is calculated based on the following criteria: consumers' perceptions of aspects of the brand, overall quality, value, impression, reputation, satisfaction, and whether consumers would recommend the brand to others. YouGov's ranking is based on 45,222 responses in a Vietnamese consumer survey with a period of 1 year, from July 2020 to July 2021.

The ranking also measures changing trends in consumer attitudes towards banking and insurance brands, helping to track the improvement of brand health for financial service companies.

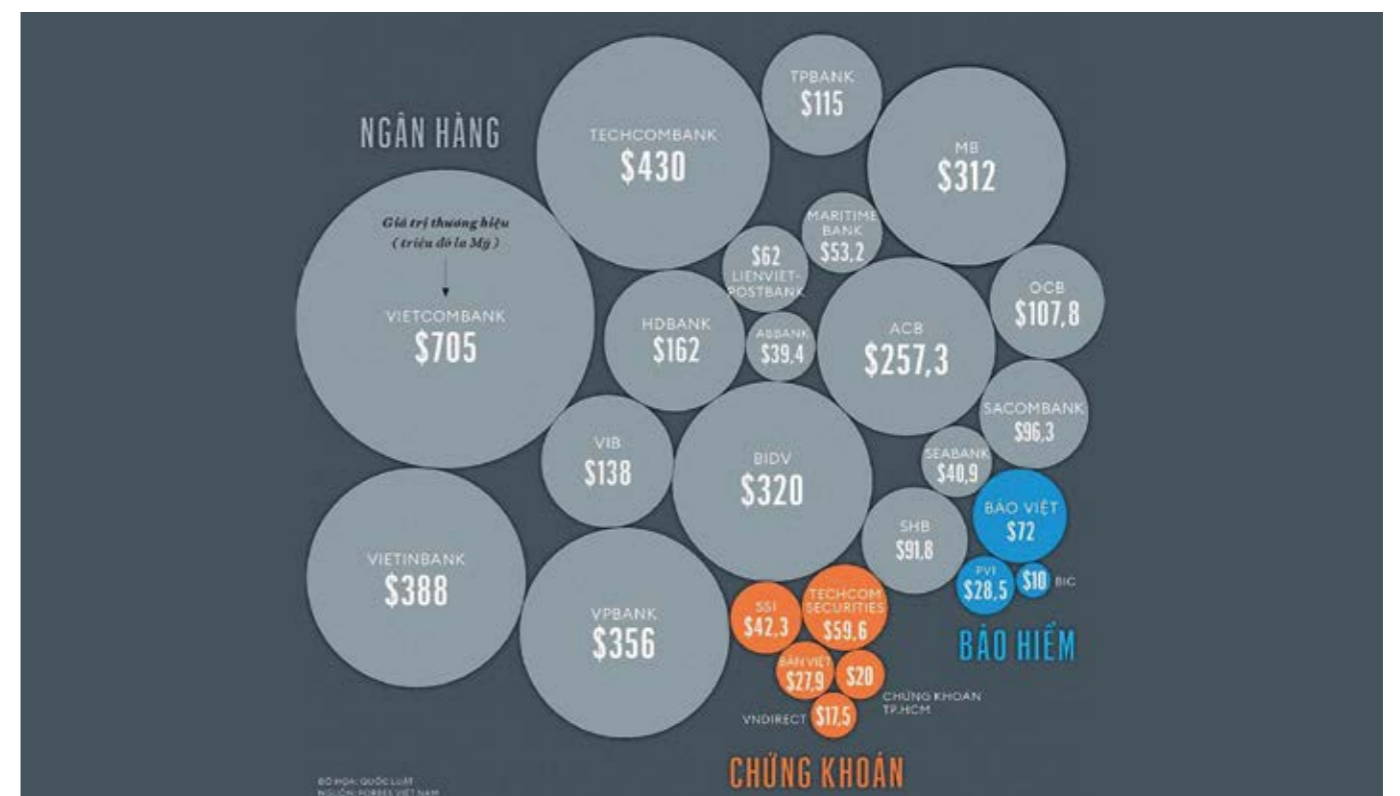
### 06

Top of the list of 25 leading valuable financial brands in Vietnam



With a value of 705 million USD, Vietcombank ranked in the list of 25 leading valuable financial brands in Vietnam according to Forbes Vietnam's September 2021 issue. Vietcombank's brand value increased sharply compared to the previous year, equivalent to the total value of the two state-owned commercial banks in the subsequent positions combined.

Forbes Vietnam made the list when the fourth wave of COVID-19 outbreak with serious economic and social impacts. Forbes Vietnam found that the value of several Vietnamese banks has surpassed or approached that of large regional competitors. For instance, in mid-July 2021, Vietcombank's capitalization surpassed Siam Commercial Bank's (SCB), Thailand's largest bank, and is on track to surpass Malaysia's largest financial institution, Malayan Banking Berhad (Maybank). Comparing to the other two banks, although Vietcombank's total assets are still small, it is highly appreciated by the market. Its strengths include its highly valuable foreign financial institutions – on the basis of the financial market's growth potential, the strength of the domestic company, and its growth rate.



# VIETCOMBANK AWARD 2021

## INTERNATIONAL AWARDS

07

**S&P upgraded Vietcombank's credit rating**



In 2021, S&P Global Ratings (S&P) announced an upgrade to Vietcombank's credit outlook from stable to positive. The long-term issuer ratings and short-term issuer ratings have not changed compared to Vietcombank's ratings from 2012 to 2020 and continue to stand at the top of the banking industry in Vietnam.

08

**S&P gave Vietcombank the highest credit rating**



On September 16, 2021, S&P published a report on the credit rating review of Vietcombank with the highest credit rating among banks in Vietnam rated by S&P. Accordingly, the long-term issuer rating was rated BB- by S&P; short-term issuer was rated B, while the Outlook was rated Positive.

S&P has made positive comments about Vietcombank that the bank has a large market share and reputable brand, and it is believed that Vietcombank will effectively manage the impact of the COVID-19 pandemic on asset quality and profit. S&P will upgrade Vietcombank's rating if S&P upgrades Vietnam's national credit rating within the next 12-24 months.



09

**Fitch Ratings affirmed Vietcombank's credit rating**



Fitch Ratings, an international credit rating agency, has revised and upgraded Vietcombank's standalone rating.

Specifically, Fitch Ratings upgraded Vietcombank's standalone rating (VR) from "B" to "B+", while at the same time, maintaining the long-term debt issuer's credit rating at BB-. The bank's IDR outlook was rated positive, in line with the positive outlook of Vietnam's country rating at BB.



## CERTIFICATION BY FOREIGN BANKS

Bank	Certification
Wells Fargo Bank, N.A.	Excellent International Payment Quality Award
J.P.Morgan Chase Bank, N.A.	Excellent International Payment Quality for MT103 STP of >99% Award
	Excellent International Payment Quality for MT202 STP of >98% Award
The Bank of New York Mellon	Excellent International Payment Quality Award
Citibank, N.A.	Excellent Payment Quality Award
HSBC Bank Plc	Excellent Payment Quality in USD for STP of >99%
Standard Chartered Bank Plc	Excellent International Payment Quality Award



Chapter

# 02

**SUCCESS WITH CLEAR  
ORIENTATION.**

## **Report of the BOM and BOD**

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Changes to shareholding structure and shareholders' equity	54
Implementation of Projects	56
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Orientation of business operation in 2022	70
Assessment by Board Of Directors	74



# FINANCIAL REPORT

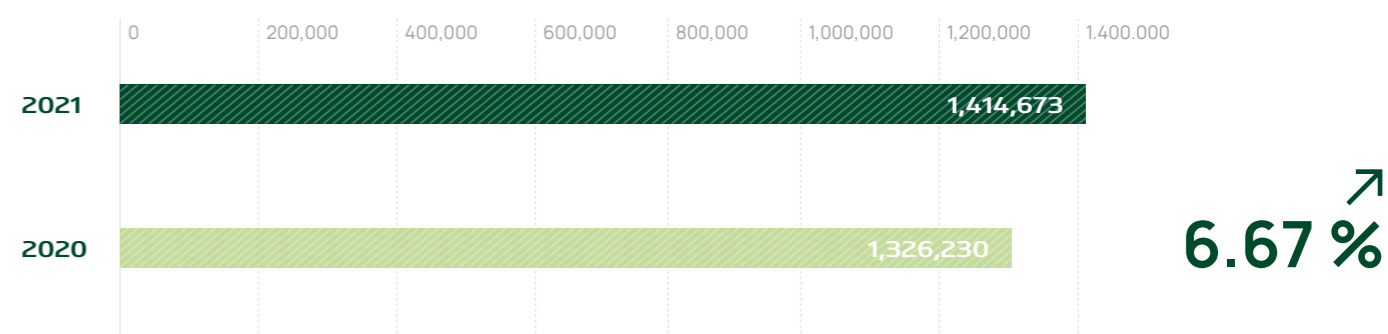
## 1. Financial status table:

Unit: VND billions

4 Report on financial	2020	2021
<b>A Report on financial</b>		
1 Total assets	1,326,230	1,414,673
2 Revenue	90,936	95,154
3 Taxes and other payable items (Amount paid in the period)	6,470	7,940
4 Profit before tax	23,050	27,389
5 Profit after tax	18,473	21,939
<b>B KEY FINANCIAL INDICATORS</b>		
<b>1 Capital</b>		
1.1 Charter capital	37,089	37,089
1.2 Total assets	1,326,230	1,414,673
1.3 Capital adequacy ratio	9.56%	9.31%
<b>2 Business results</b>		
2.1 Deposits	18,910,197	23,684,123
2.2 Loans	1,671,143	1,924,484
2.3 Debt collection	1,567,035	1,805,584
2.4 Non-performing loans	5,230	6,121
2.5 Loans (including corporate bonds) / Total deposits in 1st market (in VND)	80.23%	84.38%
2.6 Non-performing loans/Total outstanding loans in 1st market	0.62%	0.63%
<b>3 Liquidity</b>		
3.1 Liquidity reserve ratio	19.2%	13.9%
3.2 Liquidity ratio within 30 days		
VND	83.8%	72.6%
USD and foreign currencies in USD equivalent	79.7%	61.6%

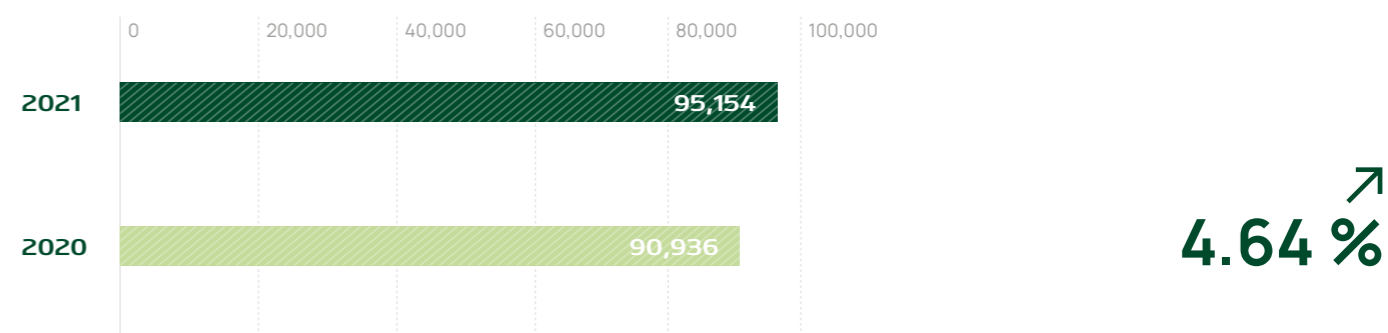
## TOTAL ASSETS

Unit: VND billions



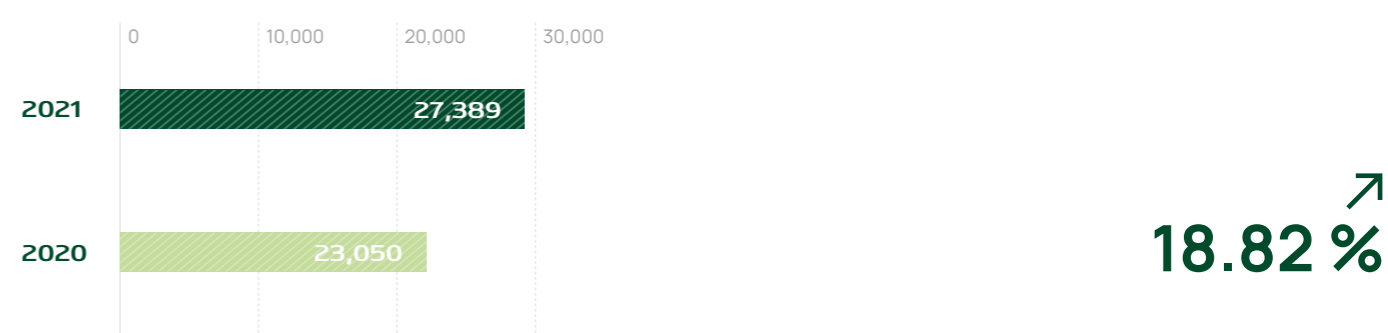
## REVENUE

Unit: VND billions



## PROFIT BEFORE TAX

Unit: VND billions



# CHANGES TO SHAREHOLDING STRUCTURE AND SHAREHOLDERS' EQUITY (AT DECEMBER 31<sup>ST</sup>, 2021)

## 1. Shares

Total shares

**3.708.877.448**

Total shares	Type of shares	Number of transferable shares	Number of restricted shares
3,708,877,448	Ordinary shares	378,103,902	3,330,773,546

## 2. Shareholding structure

No.	Shareholders	Total shares	Ownership rate	Number of shareholders
I	State Bank of Vietnam (Representing Government ownership)	2,774,353,387	74.8%	1
II	Foreign strategic shareholder Mizuho Bank, Ltd.	556,334,933	15.00%	1
III	Other shareholders	378,189,128	10.2%	24,513
1	Domestic individual shareholders	33,129,244	0.88%	25,028
2	Domestic institutional shareholders	28,611,120	0.77%	151
3	Foreign individual shareholders	2,362,837	0.09%	1280
4	Foreign institutional shareholders	314,085,927	8.46%	225
	<b>Total</b>	<b>3,708,877,448</b>	<b>100.00%</b>	<b>26,718</b>

## 3. List of shareholders holding restricted shares

No.	Shareholders	Total shares	Number of Transfer Restricted Shares	Share transfer restriction duration
1	State Bank of Vietnam (Representative of Government's shares)	2,774,353,387	2,774,353,387	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 (General Director) of a credit institution shall not be allowed to transfer his/her shares during his/her term".
2	Internal shareholders	80,177	80,177	
	Board of Directors	12,565	12,565	
	Supervisory Board	8,587	8,587	
3	Foreign strategic shareholder: Mizuho Bank, Ltd.	556,334,933	556,334,933	
	<b>Total</b>	<b>3,330,773,546</b>	<b>3,330,773,546</b>	

\* According to Decision No. 1493/QĐ-NHNN dated September 17, 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. 1158/QĐ-NHNN dated July 2, 2021 of the State Bank of Vietnam, Mr. Nghiem Xuan Thanh ceased to represent the Government's shares at Vietcombank because he was assigned new tasks by the Politburo.

## 4. List of major shareholders

No.	Shareholders	Address	Total shares	Total shares
I	STATE BANK OF VIETNAM	47-49 Ly Thai To, Hoan Kiem, Hanoi	2,774,353,387	74.8%
II	MIZUHO BANK. LTD	1-5-5 Otemachi, Chiyoda-ku, Tokyo, Japan	556,334,933	15.00%

(Source: Shareholders list as at December 31, 2021 provided by Vietnam Securities Depository)

# IMPLEMENTATION OF PROJECTS

## 1. Investments/divestments in 2021

In 2021, Vietcombank has implemented activities as follow: (i) increased investment capital in Vietnam Finance Company Limited in China's Hong Kong; (ii) increased investment capital in Vietnam Airlines by exercising the right to buy additional offering shares to existing shareholders and at the same time divested a part of investment capital from Vietnam Airlines Corporation. In particular:

Unit: VND billions

No.	Unit name	Investment capital as of December 31, 2021	Investment capital as of 31/12/2020	Increase/decrease investment capital
I	Vietnam Finance Co.	235.22	116.90	118.32
II	Vietnam Aviation Corporation	379.22	305.58	73.64



## 2. Subsidiaries, joint-ventures and associates

### General information of subsidiaries

Unit: VND billions

Company name	Abbreviation name	Business Licence	Sector	Investment capital as of December 31, 2021	Ownership ratio
Vietcombank Securities Co., Ltd.	VCBS	Business License No. 09/GPHDKD dated April 24, 2002 with latest amendment in accordance with license No. 63/GPDC-UB-issued by the State Securities Commission of Vietnam.	Securities	700.00	100%
Vietcombank Leasing Co., Ltd.	VCBL	Business License No. 66/GP-NHNN dated October 31, 2017 issued by State Bank of Vietnam	Leasing	500.00	100%
Vietcombank Remittance Co., Ltd.	VCBR	Business Registration Certificate no. 0314633162 dated September 20, 2017 with latest amendment on December 27, 2021 issued by Ho Chi Minh City Department of Planning and Investment	Remittance services	30.00	100%
Vietcombank Laos Limited	VCB Laos	Business License No. 88/BOL dated May 25, 2018 issued by the Bank of Lao P.D.R.	Banking	1,820.40	100%
Vietnam Finance Company	VFC	Business registration no. 58327 dated February 10, 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, 2009 issued by the State of Nevada, United States of America	Remittance services	204.98	87.5%
Vietcombank Tower 198 Co., Ltd.	VCBT	Investment License No. 1578/GP dated 30/05/1996 with the latest amendment in accordance with dated March 1, 2019 issued by the Ministry of Planning and Investment	Office leasing	70.00	70%

# IMPLEMENTATION OF PROJECTS

## Summary of subsidiaries' performance and financial situation

### VCBL

#### Vietcombank Leasing Co., Ltd.

is a subsidiary, 100% owned by Vietcombank, operating in the field of financial leasing. Pre-tax profit in 2021 reached VND 145.11 billion, exceeding 14.3% over the previous year. Outstanding financial leasing of VCBL until end of 2021 reached VND 4,376 billion.

#### Profit before tax reached

**145.11** VND Billion

### VCBS

#### Vietcombank Securities Co., Ltd.

is 100% owned by Vietcombank, operating in the securities sector. Despite numerous fluctuations in securities market, the Company continued to maintain good operating results. Profit before tax of the company in 2021 reached VND 729.33 billion, exceeding 127.83% of the assigned plan.

#### Profit before tax reached

**729.33** VND Billion

### VFC

#### Vietnam Finance Co.

is a subsidiary 100% owned by Vietcombank, operating in the field of financial services in Hong Kong. Some of the main services of the Company are: deposit, credit, payment, money transferring. Profit before tax of the company in 2021 reached VND 0.71 billion, exceeding the assigned plan.

#### Pre-tax profit

**0.71** VND Billion

### VCBR

#### Vietcombank Remittance Co., Ltd.

is a wholly-owned subsidiary of Vietcombank, operating in the field of receiving remittances from foreign partners and making payments to beneficiaries in Vietnam. Profit before tax of the company in 2021 reached VND 9.53 billion, exceeding the assigned plan.

#### Profit before tax reached

**9.53** VND Billion

### VCB LAOS

#### Vietcombank Laos Limited

is a subsidiary 100% owned by Vietcombank, operating in the field of financial & banking services in Laos. The company was officially put into operation from July 2018. In 2021, VCB Laos gained good operational efficiency, with revenue of VND 122.7 billion (up 67% year on year), and profit before tax of VND 47.27 billion (increase 22.34% year over year).

#### Profit before tax reached

**47.27** VND Billion

### VCBM

#### VCB Money Inc

is a subsidiary with 87.5% of charter capital owned by Vietcombank, providing remittance services in the U.S and transferring money to Vietnam through domestic partners. In 2021, VCBM maintained stable operations, VCBM's pre-tax profit in 2021 reached USD 820 thousand, exceeding 41% of the assigned plan.

#### Profit before tax reached

**820,000** USD

### VCBT

#### Vietcombank Tower 198 Co., Ltd.

is a joint venture between Vietcombank and FELS Property Holdings Pte, Ltd. of Singapore. It operates in the field of office leasing at Vietcombank Tower locating at the address of No. 198 Tran Quang Khai, Hoan Kiem, Hanoi City. With the advantage of location and customers, in 2021 the Company continues to maintain stable operations with the leasing rate of 100%, profit before tax in 2021 is VND 74.91 billion, exceeding 2.1 % of the assigned plan.

#### Profit before tax reached

**74.91** VND Billion

# IMPLEMENTATION OF PROJECTS

## General information of joint ventures – associates

Company name	Abbreviation name	Business Licence	Sector	Investment capital as of December 31, 2021	Ownership rate
Vietcombank – Bonday – Ben Thanh Joint Venture Co., Ltd.	VBB	No. 2458/GP issued by the Ministry of Planning and Investment on February 07th, 2005 with latest amendment No. 2458/ GCNDC2/41/1 dated December 28th, 2012.	Office leasing	410.36	52%
Vietcombank Fund Management Co.	VCBF	No. 06/UBCK-GPHĐQLQ issued by State Security Commission of Vietnam dated December 02nd, 2005; latest amendment No. 17/GPĐC-UBCK dated February 09th, 2018.	Fund management	135.15	51%
Vietcombank Bonday Co., Ltd.	VCBB	No. 283/GP issued by the Ministry of Planning and Investment on December 5th, 1991 with latest amendment No. 283/GPĐC4 dated March 4th, 2002.	Office leasing	11,11	16%



## VBB

### Vietcombank – Bonday – Ben Thanh Joint Venture Co., Ltd.

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. In the end of 2021, over 90% of the leasable area has been occupied. Its profit before tax in 2021 was VND 191.77 billion, exceeding 2.4% of the plan.

### Profit before tax reached

**191.77** VND Billion

## VCBF

### Vietcombank Fund Management Co.

is a joint venture between Vietcombank and Franklin Templeton with contribution ratio of 51% and 49% respectively. VCBF operates in the field of fund and investment portfolio management. Its profit before tax in 2021 was VND 27.07 billion, exceeding 116.5% of the plan.

### Profit before tax reached

**27.07** VND Billion

## VCBB

### Vietcombank Bonday Co., Ltd.

is a joint venture between Vietcombank, Sai Gon Real Estate Corporation and Bonday Investments Ltd., Hong Kong. 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 2021, the Company still maintained its stable performance, its profit before tax reached VND 38.53 billion.

### Profit before tax reached

**38.53** VND Billion

# ASSESSMENT ON BUSINESS PERFORMANCE IN 2021

## 01

### Results of the “dual objectives”: Fighting Covid-19 pandemic effectively and exceeding planned targets

#### 1.1 Seriously implementing the prevention of COVID-19 pandemic and sharing difficulties with businesses and people

**723** VND Billion

#### Total amount for implementing social security campaigns

**381** VND Billion

#### Donations to the prevention of the COVID-19 pandemic

**11,000** VND Billion

#### Contributing to the State budget in 2021

Despite continuing to face unusual socioeconomic developments, JSC Bank for Foreign Trade of Vietnam (Vietcombank) has made tremendous efforts to accomplish “multiple objectives”: Not only did Vietcombank effectively prevent the COVID-19 pandemic ensuring employee health and safety, but it also shared difficulties with customers while ensuring business continuity

- Actively seeking vaccine sources and implementing early vaccination for employees and their relatives in Vietcombank system, ensuring employees’ and their relatives’ health and safety.
- Adjusting management and operating methods to adapt to harsh conditions; organizing working from home and shift working to ensure business continuity; ensuring adequate and timely supply of banking services, even during periods of social distancing, in accordance with Directives 15 and 16.
- Improving policies, digitalizing processes, and implementing online transaction solutions quickly to support businesses and individuals affected by the pandemic.
- Synchronously implementing assistance solutions, supporting businesses, individuals, and households affected by the COVID-19 pandemic through interest rate support packages, fee reductions, and loan interest rate reductions, as well as restructuring existing loan balance.
- Well executing social security activities, particularly programs for COVID-19 pandemic prevention. Vietcombank committed to implementing social security programs totaling VND 662 billion, of which VND 246 billion is contributed directly from employees and welfare funds; and donated VND 381 billion to combat the COVID-19 pandemic.
- Vietcombank maintains its biggest contributor to the State budget in 2021 (~VND 11,000 billion).

#### 1.2 Exceeding main business objectives

**1,152,712** VND Billion

#### Deposits from first market increased by 9% in comparison to 2020.

**972,680** VND Billion

#### Outstanding loans reached

**0.63%**

#### NPL ratio is at

**19.2%**

#### Card payment volume

**2,912** VND Billion

#### Recovery of written-off loans reached

**1.60% & 21.59%**

#### ROAA and ROAE ratios increased significantly

- Growing and shifting the capital mobilization structure towards the right direction.
- Deposits of first market totaled VND 1,152,712 billion, increased by 9% compared to 2020.
- The average proportion of demand deposits (KKH) reached 35.1%, up 3% compared to 2020.
- Enhancing credit growth from the beginning of the year; shifting the credit structure towards safety and efficiency; controlling and improving credit quality.
- Credit balances reached ~VND 972,680 billion, increased by 15% compared to the end of 2020, contributing to the economy while also adhering to the State Bank’s credit growth limit.
- Closely controlling credit quality: Class 2 debt ratio is at 0.36%; NPL ratio is at 0.63%.
- Setting aside 100% of specific provisions for structured loans in accordance with Circular 03- two years ahead of the State Bank of Vietnam’s required timeline. Loan loss provision coverage ratio achieved the highest level in the banking system.
- The sales and customer development targets achieved positive results.
- Card payment and card usage volume reached increased by 19.2% compared to 2020.
- Developing “new credit/deposits corporate clients” increased 33.2%/45.2% compared to 2020.
- Developing “new E-banking customers” and “new individual customers” increased by 29.4%/4.9% compared to 2020.
- Foreign currency trading volume increased by 13.2% in comparison to 2020.
- International payment and trade finance volume increased by 23.7% compared to 2020.
- Positive business performance; revenues from fees increased over 2020.
- Profit before taxes reached the target set by the State Bank and the Shareholders’ Meeting in 2021.
- Net income from service fees and trade finance increased by 12.1% compared to 2020, accounting for 16.5% of total operating income.
- Recovery of written-off loans totaled VND 2,912 billion, an increase of 20.3% over 2020.
- The ROAA and ROAE ratios increased significantly in comparison to 2020, reaching 1.60% and 21.59%, respectively.

# ASSESSMENT ON BUSINESS PERFORMANCE IN 2021

## 02

### Management performance in 2021

- Adapting safely, flexibly, and controlling effectively the COVID-19 pandemic across the entire system, Vietcombank consistently adheres to the action motto "Transformation, efficiency, sustainability," focusing on implementing **03 "focuses"** and **05 "breakthroughs"** in 2021.
- Managing capital mobilization in accordance with funding use and market developments; restructuring the deposit portfolio in order to control the funding costs
- Focusing on credit growth from the beginning of the year through a variety of new products and effective management policies.
- Managing and directing the implementation of **03 business pillars** successfully.



**"Retail" pillar:** enhancing the retail platform through continuous improvement of processes, policies, products, and services; gradually implementing products, services, and utilities via digital channels.



**"Service" pillar:** implementing a preferential pricing policy, encouraging the growth of international payment and trade finance sales from the assigned target customer portfolio. Promoting the development of new products and services while enhancing the utilities of existing ones.



**"Investment" pillar:** Improving collaboration in the distribution of investment banking products to Vietcombank's wholesale customers.

- Digital transformation aimed at enhancing service quality and the customer experience; operations automation and optimization.
- Improving credit quality management, actively collecting nonperforming loans, or debts handled for risk provisions.
  - Classifying customers' debts on a periodic basis in accordance with Circular 01, Circular 03, Circular 11, and Circular 14 and developing appropriate and consistent behavior measures for customers throughout the system.
  - Strengthening risk management, withdrawing and reducing outstanding loans, and implementing additional collateral measures for customers requiring credit withdrawal or reduction.

- Consolidating the organizational model and expanding the network of activities through the promotion of online training, or E Learning.
- Improving a variety of internal policies, regulations, and procedures.
- Implementing effective communication and investor relations; disclosure of information: ensuring transparency and timeliness, while increasing brand value, reputation and creditability of the market and the public in Vietcombank.
- Essentially completed the increase of Vietcombank's charter capital from 37,089 billion to VND 47,325 billion in accordance with the plan to issue shares and pay dividends from the remaining profit in 2019.





# ASSESSMENT ON BUSINESS PERFORMANCE IN 2021

## Human resources policies

### 01

#### Remuneration structure

Vietcombank's salary structure is based on the principle of compensating employees based on their position and performance. Salary distribution is determined by the business's performance, the nature of the work, management responsibilities, the degree to which tasks are completed, and job assuring internal equity and market competitiveness to incentivize employees to improve labor productivity, quality, work efficiency, and engagement with the bank. Vietcombank develops an expert salary method with extraordinary remuneration for highly qualified, exceptionally good, outstanding, and scarce laborers on the market. As a result, Vietcombank is able to recruit qualified personnel for a variety of specialized sectors, meet the requirements of transformation projects, and strengthen the bank's management and operational capabilities.

### 02

#### Welfare regime

Non-salary benefits at Vietcombank come in a variety of forms, including: gift money for birthdays, filial piety, vacations, gifts for the New Year and Lunar New Year, and assistance with travel expenditures on occasion. Holidays, periodic health checks, health insurance, critical illness insurance, employee-only credit products, incentives for academic performance, retirement allowances... Vietcombank also pays special attention to female employees by providing: monthly support, child care assistance, maternity allowance, and presents on March 8 and October 20. Additionally, the Trade Union and Vietcombank's Youth Union collaborate on a regular basis to organize activities aimed at increasing employee engagement: organize activities for staff children on International Children's Day 1/6, mid-autumn festival, gift giving to parents on International Day of the Elderly, and organizing collective activities such as Family Day, Let's run.

The average annual salary of Vietcombank employees has risen steadily throughout the years. Although company activities will be severely impacted by the COVID-19 pandemic in 2021, Vietcombank will continue to maintain stable income for employees. Vietcombank's present remuneration structure not only keeps employees, particularly talented people, but also attracts high-quality human resources from the market.



### 03

#### Social insurance regime

Vietcombank pays social insurance in accordance with state regulations for all employees in the system; promptly settles and ensures employees' benefits while on leave or sick leave, maternity leave, etc.





## 04

### Training policy

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Vietcombank's training is consistently targeted and organized to increase the quality of human resources. Vietcombank is actively involved in the development of training programs both domestically and abroad. The training program is constantly reviewed and updated to reflect the units' current needs and the organization's objective for producing high-quality human resources. Training is delivered in a variety of forms, including: centralized training, videoconference training, and e-learning. Additionally, a variety of novel forms of online training being developed and applied, such as: via Microsoft Teams, Blue Jeans, and others. Training is critical for developing source workers in order to develop a contingency of successors. As a result, Vietcombank has developed a supply of high-quality staff over the years, thereby ensuring the bank's long-term viability.

## 05

### Career development opportunities

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Vietcombank establishes a system of comprehensive and transparent regulations and processes for staff work (from recruitment and training to assessment, planning, transfer, job position change, and staff appointment...) with clear standards and conditions – which serves as the foundation for employees to determine the criteria to meet in order to be considered for future promotions. Accordingly, employees who are capable and make significant contributions to the bank will be considered and involved in training and retraining planning, as well as considered and assigned to relevant positions in a transparent and open way.

## 06

### Survey of internal customer satisfaction and employee engagement

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Each year since 2016, Vietcombank has conducted an internal customer satisfaction (ICS) and employee engagement survey (EES). The survey program was supported by the Board of Directors and garnered the participation of numerous Vietcombank employees. On the one hand, the survey results indicate that employee attachment and satisfaction with Vietcombank are increasing. On the other hand, this outcome enables Vietcombank to continue planning, supplementing, and adjusting solutions to enhance processes, management policies, and human resource development in order to assist employees in meeting their practical needs inside the system.

# ORIENTATION OF BUSINESS OPERATION IN 2022

**6-6.5%**

GDP growth target in 2022

**4%**

Inflation control target in 2022

**14%**

Credit growth target in 2022

- The outbreak of the Russia-Ukraine conflict is jeopardizing the world economy's development prospects. Forecasts grow dubious as commodity prices soar in response to the escalating geopolitical crises. As inflation rose, central banks hastened the process of winding down economic stimulus packages and rising interest rates.
- In 2022, the Government's primary executive task is **"Unity and discipline, proactive adaptation, safety and efficiency, recovery and development"** in order to meet the GDP growth objective of 6-6.5 percent while maintaining macroeconomic stability and keeping inflation below 4%.
- Vietnam has maintained its position as a vital component of the global value chain. Vietnam's import and export activities will profit from the effects of FTAs and increased demand following the pandemic. Inflows of FDI are expected to remain stable as long as Vietnam maintains a balance between disease management and economic development.
- Economic stimulus measures totaling VND 350,000 billion have been approved, and public investment disbursement will be accelerated in 2022 and the final years of the five-year socioeconomic cycle from 2021 to 2025.
- The State Bank of Vietnam strikes to maintain a monetary policy conducive to economic growth in light of the likelihood of significant inflation due to worldwide price increases. Credit growth is targeted at approximately 14% in 2022, in line with the Government's economic stimulus program.
- Although there are numerous opportunities for growth recovery, Vietnam's economy faces numerous challenges in 2022, which has a significant impact on the banking industry's operations, as a result of the complicated developments of the pandemic in the world and in the country, increased instability in geopolitics and international financial markets, and uncertainty in economic growth.
- Business orientation: Adhering to the Government's key tasks for 2022 and SBV Directive 01 on organizing the banking industry's tasks, Vietcombank will continue to pursue its strategic goal of development to 2025, vision to 2030, and embrace the action motto: **"Transformation, Efficiency, Sustainability"**, as well as the guiding point of view: **"Responsibility – Aggression – Creativity"**



## THREE KEYS POINTS IN BUSINESS STRUCTURE TRANSFER

- 01** Ensuring credit growth along with credit restructuring to gain efficiency and sustainability: Increase the proportion of retail and credit balances at the Transaction Office; increase the proportion of collateral in total loans; Increase wholesale credit associated with customer and service development.
- 02** Maintain and strive to increase the proportion of non-credit income by concentrating on service revenue, increasing services through digital channels and improving service quality and customer experience, keeping customers, and laying the groundwork for future service revenue growth.
- 03** Optimize the capital portfolio's efficiency.

# ORIENTATION OF BUSINESS OPERATION IN 2022

## Some key indicators

Total assets increased by **8%** compared to 2021

Funding source from customer deposits  
Growth in lockstep with credit growth.

Credit increased by **15%** compared to 2021<sup>(1)</sup>

Increased profit before tax **12%** vs 2021

Bad debt ratio **< 1.5%**

Dividend payout ratio **8%**

## KEY SOLUTIONS

- To adopt measures to prevent and control the COVID-19 pandemic under the guiding principles of safe and flexible adaptation, ensure the business continuity and efficiency, and staff health.
- Thoroughly educate each officer about their compliance responsibilities and demand units to implement severe steps to prevent and control the COVID-19 pandemic under the direction of competent State agencies and Vietcombank directives.
- To drive credit growth in accordance with the State Bank and Head office's directives, focus on credit portfolio restructuring to maintain its safety and efficiency, and to continue to promote retail credit.
- To increase capital mobilization in a manner consistent with capital use; concentrate on capital structure in order to achieve sustained efficiency.
- To promote customer development.
- To continue consistent implementation of the three pillars of "Retail - Service - Investment" in order to fulfill six breakthroughs and three focuses in business restructuring.
- To accelerate the implementation of the digital transformation action program and the digital transformation action plan.
- To strengthen credit quality management and accelerate the recovery of bad debts, or debts handled for risk provisions.
- To strengthen supervision.
- To continue enhancing the organization's overall structure, to expand the network, and to raise the bar for human resource training quality.

### Notes:

<sup>(1)</sup>: To assign credit limits to commercial banks with the job of transmitting them.

- Conduct periodic reviews and enhancements to policies, regulations, and procedures.
- To continue increasing charter capital from after-tax profits in 2020, following the payment of cash dividends.
- To bolster infrastructure capacity in order to fulfill commercial demands. To enhance the safety, security, and secrecy of information technology systems.
- To develop a strategy for collaboration with Fintech companies, thereby establishing the Vietcombank ecosystem.
- To mobilize resources, accelerate the implementation of critical transformation initiatives and ensure their quality, particularly those supporting digital transformation.
- To take an active and responsible role in implementing the Construction Bank's restructuring scheme, guided by the Government and the State Bank.
- To prioritize investment in procurement of headquarters for new branches and branches that lack a fixed head office.
- To implement various social activities to support localities, alleviate damages of COVID-19 pandemic and natural disasters, prioritize education, healthcare, etc.



# ASSESSMENT BY BOARD OF DIRECTORS

## 01

### Assessment by Board of Directors in terms of operations

#### Vietcombank's business activities

**1,414,673** VND Billion

Total assets reached

**972,680** VND Billion

Total outstanding credit

**27,389** VND Billion

Profit before tax

In 2021, the Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) continued to operate under the action motto "Transformation, Efficiency, and Sustainability," as well as the following direction and management perspective: "Responsibility – Action – Creation", with a focus on growth model in depth, operational restructuring, sustainable growth, high efficiency, and labor productivity improvement.

Despite continuing to encounter unexpected socioeconomic circumstances, Vietcombank has worked to successfully adopt "multi-purpose" policies: not only did Vietcombank successfully avert the COVID-19 pandemic by ensuring employee health and safety, but it also shared difficulties with customers while ensuring business continuity. In 2021, Vietcombank's business activities continued to produce significant results, completing given tasks and targets thoroughly and excellently.

- Total assets reached VND 1,414,673 billion, rising 7% from 2020 levels and accounting for 101 percent of the 2021 target, exceeding the plan assigned by the General Meeting of Shareholders.
- Total outstanding credit reached VND 972,680 billion, up 15% from the end of 2020, complying the State Bank's credit growth ceiling, exceeding the plan assigned by the General Meeting of Shareholders.
- Funding base as a whole increased in lockstep with capital consumption. Funding from customer deposits increased by 9% year on year to VND 1,152,712 billion, reaching 102% of the 2021 goal, exceeding the plan assigned by the General Meeting of Shareholders.
- Debt quality was strictly controlled. The non-performing loans was VND 6,121 billion, bad debt ratio stood at 0.63%. Fully setting up loan loss provisions according to Circular 03 – 2 years earlier than time limit prescribed by the State Bank. The loan loss coverage ratio reached approximately 424%, the highest in the banking industry.
- Although the COVID-19 pandemic had a negative impact on service businesses and client development, with extreme measures taken at the start of the year, business indicators had signs of improvement. Service fees increased well.
- Contributions to the state budget (taxes, fees, and dividends) totaled about VND 11 trillion in 2021, confirming the bank's position as a major contributor to the state budget.
- Consolidated pre-tax profit increased 19% year on year to VND 27,389 billion, exceeding the plan assigned by the General Meeting of Shareholders by 106%.
- In essence, the capital increase from VND 37,089 billion to VND 47,325 billion was completed.
- Taking the lead in executing the Government and State Bank of Vietnam's policy on interest reduction, reduction, and free transactions for clients in order to minimize the impact of the COVID-19 pandemic, with an interest reduction of up to VND 7,100 billion in 2021. Simultaneously, actively deploying capital to the economy via new loans with the credit growth scale among the highest in the banking industry.

#### Deploying the motto of action in 2021

In 2021, the Board of Directors commanded the Board of Management to focus on leading, directing the effective implementation of governance, adapting and flexibly adjusting operations in response to the COVID-19 pandemic, consistently adhering to the Action motto "Transformation, efficiency, sustainability," and concentrating on implementing 03 "focus," 05 "breakthrough" business in 2021, specifically:

- Managing capital mobilization in accordance with capital use and market developments; reorganizing capital sources in order to contain input costs..
- Focusing on credit growth from the beginning of the year through a variety of new product solutions and excellent internal management practices. Strengthening credit quality control.
- Timely making some adjustments to the business orientation in 2021, in line with the current situation.
- Continuing to improve internal processes: promulgating new documents defining the approval authority and guiding the debt structure's execution; changing and supplementing regulations governing the opening, use, and management of accounts, capital management, and subsidiary management, etc.
- Significantly directing the branch in the direction of resolving difficulties and problems through the development of products and services and the modification of guidelines and processes. Promptly issuing solutions to address obstacles and difficulties encountered by customers and units within the Vietcombank system in implementing Vietcombank's current regulations and credit processes in the context of the COVID-19 outbreak.



# ASSESSMENT BY BOARD OF DIRECTORS

## Deploying the motto of action in 2021

- Strengthening the organizational model and expanding the operating network (approving the policy of consolidating Head office's operating model, establishing the IT and Digital Transformation Division and recruiting foreign experts to lead the operation, concluding procedures for establishing the Vietcombank Asset Valuation Center, separating the functions and tasks of the Branch Debt Management Department according to the centralized model of debt management, etc.). Concentrating on the promotion of training activities via the E-learning system and the conversion of some courses to an online format.
- Continuing to implement projects in accordance with the established direction and schedule. Being determined to expedite digital transformation in order to improve the quality of services and the customer experience. 106 digital transformation activities have been proposed to be accomplished by the end of 2022. In 2021, a number of initiatives have initially improved the customer experience and convenience (Opening an account: open online payment accounts using eKYC authentication, open securities trading accounts), while capacity enhancement/conversion projects continue to be deployed and implemented in accordance with the roadmap, actively supporting the goal of digital transformation, and so on.
- Executing the capital increase plan in accordance with the management agency's instructions.
- Successfully holding the 14th Annual General Meeting of Shareholders;
- Proactively and draconianly preventing and controlling the COVID-19 by practical actions; immediately responding to pandemic trends, ensuring both continuity of operations and corporate efficiency. Actively seeking out and properly providing immunizations to all employees within the system. Enhancing testing, coordinating rotational work, and providing documents outlining the support systems for COVID-19. The entire Vietcombank system has met entirely with the authorities' requirements, the pandemic situation has been handled, the health of Vietcombank's staff has been ensured, the transaction environment for clients has been kept secure, and business continuity has been guaranteed.
- Continuing to emphasize social security and disease prevention, Vietcombank committed to/implemented social security programs totaling VND 723 billion in 2021, including funding for COVID-19 pandemic control with the amount of VND 381 billion dollars.



Vietcombank's Board of Directors

## 02

### Evaluate the performance of the Board of Directors and Board of Management

- The Board of Directors met in plenary session once a month to examine business operations, analyzing the market, and then making timely and practical policy and direction decisions. At this plenary meeting, the General Director/Deputy General Director in charge of the BOM presented a report on all aspects of the bank's operations; on the implementation of the General Meeting of Shareholders' Resolutions, the Board of Directors' Resolutions and Decisions; and on a variety of other topics at the request of the Board of Directors. The Board of Directors assigned and delegated tasks to each member of the Board of Directors and a member of the Board of Directors who serves as General Director/Deputy General Director in charge of the BOM to direct implementation; the Board of Directors met weekly to address and resolve matters, records, and issues arising from practice within the Board of Directors' authority and functions. During the period of social distancing caused by the complicated growth of the COVID-19 outbreak, the Board of Directors continued to hold frequent meetings in person/online to quickly grasp economic swings, ensure comprehensive direction for the Vietcombank system, and realize dual goals: both efficiently combating the pandemic and driving the business.
- In December 2020, the BOD issued the Resolution No. 686 on business orientation in 2021. During the year, the Board of Directors supervised and directed the Board of Management on Vietcombank's business activities in accordance with the orientation and strategic goals; solutions were actively and synchronously implemented, ensuring the progress of the pathway and goals assigned by the General Meeting of Shareholders, the targets were fulfilled as planned, the Board of Management complied with the provisions of the Law on Credit Institutions, Vietcombank's Charter and Resolutions of the Board of Directors on management and direction.
- Members of the BOD and the BOM always considered interests of shareholders, the State and the Bank as top goals of implementation, well directed, operated and fulfilled their assigned duties and responsibilities.

# ASSESSMENT BY BOARD OF DIRECTORS

## 03

### Action motto in 2022

Sticking to the Government's action motto in 2022, which is "Unity, discipline, proactive adaptation, safety, efficiency, recovery, and development", the SBV's directives on organizing the implementation of important tasks for the banking industry, Vietcombank continue to direct business activities as follows:

**Action Motto: "Conversion, Efficiency, Sustainability".**



**Directing and operating point of view: "Responsibility – Aggression – Creativity".**



**In 2022, Vietcombank will focus on implementing 6 breakthroughs:**

- 01** Deploy the digital transformation action program and the Transformation Action Plan in accordance with approved schedule.
- 02** Improve the quality of human resources, focusing on human resources being adaptive for digital transformation. Develop digital culture in Vietcombank.
- 03** Innovate the growth model in depth, associated with restructuring operations according to business pillars; promote the overall strengths of the entire Vietcombank system.

## 04

Promoting customer care and product development.

## 05

Complete mechanisms and policies.

## 06

Actively participate in the project on restructuring weak credit institutions of the State Bank of Vietnam.

**Implement 3 central objectives in operational restructuring:**

## 01

Ensuring credit growth along with credit restructuring to gain efficiency and sustainability; Increase the proportion of retail and credit balances at the Transaction Office; Increase the proportion of collateral in total balances; Increase wholesale credit associated with customer and service development.

## 02

Maintain and strive to improve the proportion of non-credit revenue, focusing on revenue from services; Expand products and services on digital channels and improve service quality and customer experience, retain customers, create a foundation to increase service revenue in the future.

## 03

Restructuring funding sources and liquidity options to boost business efficiency.



*Vietcombank's Board of Management*

Chapter

# 13

**OVERCOME  
CHALLENGES WITH  
INTELLIGENCE AND  
COURAGE.**

## **Organization and Human resources**

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# ORGANIZATION AND HUMAN RESOURCES

## Human Resources

**21,670** EMPLOYEES  
TOTAL EMPLOYEES OF VIETCOMBANK AS OF DECEMBER 31, 2021



Vietcombank's leadership always focuses on human resource development, considering this as the key to the bank's success. With the goal of becoming the leading bank in terms of human resource quality, Vietcombank is actively implementing the Project on human resource management and development until 2025 – a premise for successful implementation of Vietcombank's development strategy to 2025, vision to 2030.

- Human resources quality is controlled from the input with a serious, fair and professional recruitment policy. Employees are assigned jobs in accordance with their qualifications, capacity and experience.
- Taking initiative in applying flexibly, creatively and drastically innovating human resources management and operation. On one hand, arranging and strengthening the organizational structure in the direction of specialization, streamlining, efficiency in accordance with international practices. On the other hand, constantly reforming staff management policies in all phases from recruitment to planning, selection, appointment, rotation, discipline, evaluation, training; renovating staff evaluation methods.
- Staff planning is carried out fully and seriously to build a team of leaders who are updated with knowledge and have professional experiences in operation and management.
- Training activities are pushed to improve both quantity and quality of training courses for employees.
- A salary mechanism is developed on the principle of flexibility, connecting remuneration to productivity, quality, and performance to create motivation for the staff.

### Personnel changes in the Board of Directors and Board of Management

The composition of the BOD and BOM had some changes as follows:

#### Dismissal:

##### Mr. Nghiem Xuan Thanh

Chairman of the Board of Directors of Vietcombank was elected as a member of the Central Committee of the Party and was mobilized and assigned by the Secretariat to hold the position of Secretary of the Hau Giang Provincial Party Committee from July 2021;

##### Mr. Pham Quang Dung,

Vietcombank's General Director was elected to hold the position of Chairman of Vietcombank's Board of Directors for the 2018-2023 term from August 30, 2021;

##### Mr. Eiji Sasaki

Mr. Eiji Sasaki had been dismissed from the position of Member of the Board of Directors cum Deputy General Director of Vietcombank to fulfill other roles as assigned by Mizuho Bank Ltd starting from April 23, 2021;

##### Mr. Dao Minh Tuan

The Deputy General Director of Vietcombank resigned from his position with retirement benefits, starting from December 1, 2021.

#### Recruitment:

##### Mr. Pham Quang Dung

Member of the Board of Directors cum General Director of Vietcombank was elected to hold the position of Chairman of the Board of Directors of Vietcombank for the 2018-2023 term from August 30, 2021;

##### Mr. Nguyen Thanh Tung

Mr. Nguyen Thanh Tung was entrusted with taking charge of Vietcombank's Executive Board, Deputy General Director of Vietcombank from August 30, 2021;

##### Mr. Shojiro Mizoguchi

Elected and appointed to hold the position of Member of the Board of Directors cum Deputy General Director of Vietcombank from April 23, 2021;

##### Mr. Colin Richard Dinn

Tenure appointment – Director of Vietcombank Digital Banking Center and Head of Information Technology and Digital Transformation Division, effective from December 1, 2021.

**Central  
Headquarters**

**121**

Branches

**476**

Transaction Offices

**04**

Subsidiaries in  
Vietnam

**01**

Representative  
Office in  
Singapore

**01**

Representative  
Office in the US

**01**

Representative  
Office in  
Ho Chi Minh City

**03**

Overseas  
Subsidiaries

**03**

Joint Ventures  
and Associates

**03**

Career  
units

Cash Processing  
Center,  
Ho Chi Minh City

Cash  
Processing  
Center, Hanoi

Training  
College



# BOARD OF DIRECTORS



**Mr. PHAM QUANG DUNG**  
Chairman of the Board of Directors

**Qualifications:**

- Master of Banking and Finance – University of Birmingham (UK);
- Bachelor of Economics – National Economics University.



**Mr. DO VIET HUNG**  
Member of the Board of Directors

**Qualifications:**

- Master of Business Administration – Chulalongkorn University (Thailand);
- Bachelor of Economics – Maritime University.



**Mr. HONG QUANG**  
Member of the Board of Directors

**Qualifications:**

- Master of Business Administration – Hanoi Foreign Trade University in association with Meiho University (Taiwan);
- Bachelor of Economics – Hanoi National Economics University;
- Bachelor of Law – Hanoi Law University.



**Mr. PHAM ANH TUAN**  
Member of the Board of Directors

**Qualifications:**

- Master of Business Administration – Southern Columbia University;
- Bachelor of Economics – University of Economics Ho Chi Minh City.



**Mr. NGUYEN MANH HUNG**  
Member of the Board of Directors

**Qualifications:**

- Master of Economics – Vietnam – The Netherlands Programme;
- Bachelor of Economics – Hanoi National Economics University.



**Mr. NGUYEN MY HAO**  
Member of the Board of Directors

**Qualifications:**

- Master of Economics – Banking Academy;
- Bachelor of Economics – Banking Academy.



**Mr. SHOJIRO MIZOGUCHI**  
Member of the Board of Directors

**Qualifications:**

- Bachelor of Commerce and Management at Hitotsubashi University (Japan).



**Mr. TRUONG GIA BINH**  
Independent member of the BOD

**Qualifications:**

- Associate Professor in Mechanics – By State Council for Academic Appraisal and Title of Vietnam;
- Doctor of Mathematics and Physics – Moscow State University in honor of M.V. Lomonosov (Russian Federation);
- Bachelor of Economics – Moscow State University in honor of M.V. Lomonosov (Russian Federation).

# BOARD OF MANAGEMENT



**Mr. NGUYEN THANH TUNG**

Deputy CEO in charge of the Board of Management

**Qualifications:**

- Master of Economics – Paris Dauphine University;
- Bachelor of Economics – Foreign Trade University.



**Ms. NGUYEN THI KIM OANH**

Deputy CEO

**Qualifications:**

- Master of Finance – University of New South Wales Australia;
- Bachelor of Economics – National Economics University.



**Mr. LE QUANG VINH**

Deputy CEO

**Qualifications:**

- Master of Finance – University of New South Wales Australia;
- Bachelor of Economics – National Economics University.



**Ms. PHUNG NGUYEN HAI YEN**

Deputy CEO

**Qualifications:**

- Master of Economics – Banking Academy – CPA Australia;
- Bachelor of Economics – Banking Academy



**Ms. DINH THI THAI**

Deputy CEO

**Qualifications:**

- Master of Economics – National Economics University;
- Bachelor of Economics – Foreign Trade University.



**Mr. PHAM MANH THANG**

Deputy CEO

**Qualifications:**

- Doctor of Economics – Banking Academy;
- Master of Economics – Banking Academy;
- Bachelor of Economics – Banking Academy.



**Mr. DANG HOAI DUC**

Deputy CEO

**Qualifications:**

- Bachelor of Economics – Banking Research & Training Center (now Ho Chi Minh City Banking University).



**Mr. SHOJIRO MIZOGUCHI**

Deputy CEO

**Qualifications:**

- Bachelor of Commerce and Management at Hitotsubashi University (Japan).

## SUPERVISORY



**Mr. LAI HUU PHUOC**  
Head of Supervisory Board

**Qualifications:**

- Master of Business Administration – Griggs University USA in association with Hanoi National University.
- Bachelor of Economics – Academy of Finance



**Ms. LA THI HONG MINH**  
Member of Supervisory Board

**Qualifications:**

- Master of Economics – National Economics University (Hanoi);
- Bachelor of Economics – Banking Academy



**Ms. DO THI MAI HUONG**  
Member of Supervisory Board

**Qualifications:**

- Master of Economics – Foreign Trade University;
- Bachelor of Economics – Foreign Trade University.

## DIVISION HEADS & CHIEF ACCOUNTANT



**Mr. HONG QUANG**  
Head of Human Resources Division

**Qualifications:**

- Master of Business Administration – Foreign Trade University (Hanoi) in association with Meiho University (Taiwan);
- Bachelor of Economics – National Economics University (Hanoi);
- Bachelor of Law – Law University of Hanoi.



**Mr. COLIN RICHARD DINN**  
Head of Information Technology and Digital Transformation Division

**Qualifications:**

- Years of experience working in various banks around Asia, strong background in technology & business implementation to drive digital and data transformation.



**Mr. LE HOANG TUNG**  
Chief Accountant

**Qualifications:**

- Master of Economics – Academy of Finance;
- Bachelor of Economics – Academy of Finance.

Chapter

# 04

OVERCOME ADVERSITY  
THROUGH FLEXIBILITY.

## Corporate Governance

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# CORPORATE GOVERNANCE

## 1. BOARD OF DIRECTORS

### Structure of the Board of Directors

No.	Full name	Position	Vietcombank shares owned		Remarks
			Number of shares	Ownership	
1	<b>Nghiem Xuan Thanh</b>	Chairman of BOD	59,025	0.00159%	Elected as Member of the BOD by the General Meeting of Shareholders since April 25 <sup>th</sup> , 2013. Elected by the Board of Directors of Vietcombank to hold the position of Chairman of the BOD from November 1 <sup>st</sup> , 2014. Non-executive members. Refrained from representing the State's capital at Vietcombank since July 3 <sup>rd</sup> , 2021.
2	<b>Pham Quang Dung</b>	Member of the Board of Directors, CEO	3,281	0.00009%	Elected as Member of the BOD by the General Meeting of Shareholders since April 25 <sup>th</sup> , 2013. Appointed by the BOD of Vietcombank to hold the position of General Director since November 1 <sup>st</sup> , 2014.
	<b>Pham Quang Dung</b>	Chairman of BOD			Appointed by the BOD of Vietcombank to hold the position of Chairman of the Board of Directors from August 30 <sup>th</sup> , 2021.
3	<b>EIJI SASAKI</b>	Member of the Board of Directors, Deputy CEO	0	0.00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 28 <sup>th</sup> , 2017. Left the position of Member of the BOD since April 23 <sup>th</sup> , 2021.
4	<b>SHOJIRO MIZOGUCHI</b>	Member of the Board of Directors, Deputy CEO	0	0.00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 23 <sup>th</sup> , 2021.
5	<b>Nguyen Manh Hung</b>	Member of BOD	2,270	0.00006%	Elected as member of the BOD at the Extraordinary General Meeting of Shareholders from December 26 <sup>th</sup> , 2014. Non-executive member.
6	<b>Pham Anh Tuan</b>	Member of BOD	0	0.00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 28 <sup>th</sup> , 2017. Non-executive member.

No.	Full name	Position	Vietcombank shares owned		Remarks
			Number of shares	Ownership	
7	<b>Nguyen My Hao</b>	Member of BOD	7012	0,00019%	Elected as Member of the BOD by the General Meeting of Shareholders since April 28 <sup>th</sup> , 2017. Non-executive member.
8	<b>Truong Gia Binh</b>	Member of BOD	0	0,00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 28 <sup>th</sup> , 2018. Non-executive member.
9	<b>Hong Quang</b>	Member of BOD	2	0.00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 27 <sup>th</sup> , 2018.
10	<b>Do Viet Hung</b>	Member of BOD	0	0.00000%	Elected as Member of the BOD by the General Meeting of Shareholders since April 26 <sup>th</sup> , 2019. Member of the Board of Directors.

### Activities of the Board of Directors

In 2021, Vietcombank's Board of Directors held 60 meetings and consulted in ballots for 176 cases to guide and direct Vietcombank's operations from time to time, to consider and decide on matters within the authority of the Board of Directors, or discuss a number of specific topics.

# CORPORATE GOVERNANCE

## Activities of the Board of Directors

Attendance rates of members of the Board of Directors in 2021 are as follows:

No.	Member of BOD	Position	Membership of BOD starting date	Number of Board of Directors meetings attended	Number of meetings attended in the form of ballot	Meeting attendance rate	Reason for absence
1	Nghiem Xuan Thanh <sup>(1)</sup>	Chairman of the Board	25/04/2013	30/60	90/176	100%	
2	Pham Quang Dung	Member of BOD, CEO	25/04/2013	40/60	135/176	100%	
3	Pham Quang Dung <sup>(2)</sup>	Chairman of the Board	25/04/2013	20/60	41/176	100%	
4	Eiji Sasaki <sup>(3)</sup>	Member of BOD, Deputy CEO	28/04/2017	05/09	0/0	100%	
5	Nguyen Manh Hung	Member of BOD	26/12/2014	60/60	176/176	100%	
6	Pham Anh Tuan	Member of BOD	28/04/2017	60/60	176/176	100%	
7	Nguyen My Hao	Member of BOD	28/04/2017	60/60	176/176	100%	
8	Hong Quang	Member of BOD	27/04/2018	60/60	176/176	100%	
9	Do Viet Hung	Member of BOD	26/04/2019	60/60	176/176	100%	
10	Truong Gia Binh <sup>(4)</sup>	Independent BOD member	27/04/2018	09/09	0/0	100%	
11	Shojiro Mizoguchi <sup>(5)</sup>	Member of BOD, Deputy CEO	23/04/2021	24/60	17/176	100%	

### Notes:

<sup>(1)</sup>: Mr. Nghiem Xuan Thanh has stepped down from representing the state capital at Vietcombank to take on new duties since July 3, 2021. Therefore, the meeting attendance rate for Mr. Nghiem Xuan Thanh is only counted from January 1, 2021 to the end of July 2, 2021.

<sup>(2)</sup>: Mr. Pham Quang Dung has been elected as Chairman of the Board of Directors since August 30, 2021.

<sup>(3)</sup>: Eiji Sasaki is a partial member of the Board of Directors, thus only considering the attendance rate for plenary sessions  
Mr. Eiji Sasaki had been dismissed from the position of Member of the Board of Directors since April 23, 2021, hence, only the meeting attendance rate from January 1, 2021 to the end of April 23, 2021 is counted.

<sup>(4)</sup>: Mr. Truong Gia Binh is an independent member of the Board of Directors, thus only considering the attendance rate for plenary sessions.

<sup>(5)</sup>: Mr. Shojiro Mizoguchi was elected as a member of the Board of Directors from April 23, 2021, thus only considering the attendance rate for plenary sessions since April 23, 2021.

## Committees within the Board of Directors

### Structure of the Committees

#### Risk Management Committee



Risk Management Committee assisted the BOD in approving appropriate policies and directions with regard to various types of risks in each period, including defining risk ratios, limits/restrictions and risk appetite of the Bank.

In 2021, the Risk Management Committee held 04 regular meetings, coordinated with relevant departments to continuously developing and completing Vietcombank's regulations/models, assessing Vietcombank's current risk situation and in the coming time, advise and propose to the Board of Directors on risk management strategies and policies, as well as measures to prevent risks in various aspects of operation.

#### Human Resource Committee



The Human Resources Committee consults and advises the Board of Directors on issues related to human resources, salary, remuneration, bonus and other welfare policies of Vietcombank. After the regulatory documents on personnel management were promulgated synchronously, the Human Resources Committee was actively and proactively consulting, evaluating, and proposing the appointment planning for authorized cadres, consolidating Organizational model and network development, acquiring personnel in line with business strategy and goals.

#### Strategy Committee



The Strategy Committee advises the Board of Directors in formulating the Bank's business development strategy, including assessment of the current situation, overall goals, long-term vision, strategic direction, business targets for each period, along with solutions and implementation roadmaps. The Strategy Committee has successfully completed its duties in the role of consulting and advising the Board of Directors to implement Vietcombank's strategies.

In 2021, in order to cope with the changes in senior personnel and the actual operational situation, Vietcombank has strengthened the personnel of the committees.

**All members of the Board of Directors have participated in training programs on corporate governance.**





# CORPORATE GOVERNANCE

## 2. SUPERVISORY BOARD

### Members and structure of the Supervisory Board:

The number of members of the Supervisory Board as of December 31, 2021 is 03 members, including 01 Head of Supervisory Board and 02 members.

In 2021, the Supervisory Board members attending the Supervisory Board meeting are as follows:

No.	Members of the Supervisory Board	Position	Membership of Supervisory Board starting date	Number of Supervisory Board meetings attended	Meeting attendance rate	Reasons for absence
1	Mr. Lai Huu Phuoc	Head of Supervisory Board	26/06/2020	7/7	100%	-
2	Ms. La Thi Hong Minh	Members of the Supervisory Board	26/04/2008	7/7	100%	-
3	Ms. Do Thi Mai Huong	Members of the Supervisory Board	26/04/2008	7/7	100%	-

### Activities of the Supervisory Board

Assessment on activities of Supervisory Board

#### Supervision on BOD, BOM and shareholders by Supervisory Board:

The Supervisory Board has supervised the Board of Directors and the Board of Management in complying governance and administration with the provisions of law, the Charter of the Bank; supervised the implementation of Vietcombank's 2021 business directions and goals approved by the General Meeting of Shareholders; supervised the implementation of the restructuring plan associated with the settlement of bad debts of Vietcombank until 2020. The operations of the Supervisory Board is carried out regularly and according to thematics, on the foundation of the Government and the State Bank's directives for the activities of credit institutions, in regards to the implementation of monetary, credit and foreign exchange policies, capital contribution investment activities, share purchases, governance abilities, operational management, risk management, in order to improve the bank's financial capacity and ensure safety within its operations.

In 2021, the world and domestic economy has been heavily affected by the COVID-19 pandemic. Regardless, the Board of Directors and Board of Management have proactively and promptly launched appropriate policies and solutions in response, and implemented drastic business measures to ensure stable development in accordance with the orientation and plan as set out to be, ensuring business continuity, safety and efficiency. The management and administration activities of the BOD and the BOM complied with the provisions of the Law on Credit Institutions and the Charter of Vietcombank.

In compliance with the provisions of the Law on Credit Institutions, the Supervisory Board monitored the list/updated the list of founding shareholders, major shareholders, members of the Board of Directors, members of the Supervisory Board, the General Director, and related persons of members of the Board of Directors, members of the Supervisory Board, the General Director. The Supervisory Board has reviewed certain contracts and transactions of Vietcombank with related persons on Vietcombank independent BOD members and reported at the request of the State Bank,

### Activities of the Supervisory Board

Assessment on activities of Supervisory Board

#### Coordination between the Supervisory Board and BOD, BOM and other managers:

Performing Regulations on the internal governance of VCB, the Supervisory Board attends regular/periodic meetings of BOD/permanent Board of Directors and monthly meetings of BOM. Supervisory Board is also fully provided with information and documents about management, governance and business activities of the Bank to serve its supervisory activity.

The Supervisory Board coordinated with the Board of Directors to review and submit to the General Meeting of Shareholders for approval to issue Vietcombank's internal governance regulations, review to issue and amend internal regulations of the Supervisory Board to ensure compliance with new legal regulations effective from January 1, 2021 and in line with Vietcombank's operating practices. The Supervisory Board worked closely with BOD and BOM in carrying out the assigned functions and tasks and supervising audit activities of the Bank.

Through its activities, the Supervisory Board has proposed opinions and suggestions to BOD and BOM for risk management enhancement, risk minimization, and compliance with the Law, Charter, and internal regulations, in order to improve the operational quality and efficiency of the Bank.

#### Other activities of Supervisory Board:

In 2021, the Supervisory Board directed relevant departments to evaluate the financial statements FY 2020 and the 2021 interim financial report; completed the internal control report, anti-money laundering report, and independent review report of the internal control system of Vietcombank in 2020; implemented 21 audits; reviewed 06 topics on credit activities, investment, and procurement, information security.

The Supervisory Board directs and supervises the internal audit department on a regular basis to ensure that activities are carried out in accordance with Circular 13/2018/TT-NHNN, Vietcombank's Charter, and the Supervisory Board's regulation on organization and operation. The Supervisory Board effectively implements the project on capacity building and transformation of the internal audit function in accordance with Basel II requirements, ensuring compliance with international requirements/standards.

The members of the Supervisory Board have participated in training courses and professional exchanges in order to improve their knowledge of management and administration and participate in transformation projects of the bank.



# CORPORATE GOVERNANCE

## 3. TRANSACTIONS OF INTERNAL SHAREHOLDERS AND RELATED PERSONS

In 2021, Vietcombank did not have any transactions of internal shareholders and related persons.

## 4. INVESTOR RELATIONS

### Investor meetings

Investor relations activities have undergone many changes in order to adapt and maintain the connection with investors in the context of limited travel and face-to-face meetings. In addition to participating in seminars and information exchange meetings held by Investment Funds and Securities Companies, Vietcombank actively cooperated with VCBS Securities Company to organize quarterly business results announcement sessions of Vietcombank. This periodic event, which is entirely online, has garnered significant interest from hundreds of domestic and foreign investors. Thereby, information about Vietcombank's business activities is transmitted fully, quickly, timely and accurately to market investors, contributing to the boom of Vietcombank shares in particular and the stock market in general.

### Information disclosure activities on the stock market

Being well aware of the role of transparent and timely information on the business's performance for investors, information disclosure activities in 2021 also receive a lot of attention and focus. Vietcombank has made accurate, timely and completed disclosure of financial statements, management reports, annual reports and more than 80 extraordinary disclosures of information on banking operations through which investors and shareholders understand the operation situation as well as the plans and strategies of Vietcombank.

### Achievements in 2021

**0.63%**  
NPL ratio maintained

**B+**  
Independent strength is raised

**47.3** VND Trillion  
Charter capital of Vietcombank

In addition to a series of prestigious annual awards presented by Forbes, Brand Finance and The Asian Banker, in February 2021, Vietcombank was honored for the first time by International Finance Magazine as a bank with the Best Investor Relations – Banking and Finance. This is both an honor and a testament to the years of dedication and tireless efforts in investor relations, aiming to build a transparent and professional Vietcombank brand image.

Thanks to the efforts of the whole system and the agile and flexible shift in business orientation and focus, Vietcombank has achieved impressive growth with the largest credit growth scale in the whole industry. Asset quality was maintained with the NPL ratio continuing to be controlled at 0.63%. Thus, while the COVID-19 pandemic continues to have a negative impact on the overall economy, Vietcombank's credit rating was upgraded to Positive in 2021 by all three international credit rating agencies, namely Fitch Ratings, Moody's, and Standard & Poor's, from Stable and/or Negative in 2020. Notably, in December 2021, Fitch Ratings continued to upgrade Vietcombank's independent strength to one level from b to b+, affirming its financial strength, governance and internal strength of Vietcombank amid many difficulties and challenges.

In 2021, Vietcombank also successfully implemented the initial plan to increase charter capital assigned by the General Meeting of Shareholders. In December 2021, Vietcombank implemented a plan to issue more than 1 billion shares to pay dividends in 2019, which is expected to bring Vietcombank's charter capital to VND 47.3 trillion in January 2022. The successful issuance of shares to increase charter capital through stock dividend payment is a stepping stone, creating an important premise for Vietcombank to implement the private placement of shares. With the scale of charter capital continuously increasing, Vietcombank is completely confident towards the goal of listing Vietcombank shares on foreign stock exchanges in the near future.





## RISK MANAGEMENT

In order to maintain the strategic goal of being the best risk management bank in Vietnam, Vietcombank has always actively improved its risk management culture and pioneered in research and application of advanced risk management models and methods according to international standards, the direction of the Regulatory authorities, as well as the internal governance needs.

### 1. GENERAL INFORMATION

In terms of organization and risk management, Vietcombank regularly reviews and consolidates its risk management apparatus in line with 3 lines of defense (i) the first line is to identify, control and mitigate risks; (ii) the second line is to develop risk management policy, internal regulations on risk management, measurement, and monitoring in compliance with the law and (iii) the third line is for internal auditing. At the same time, the bank strengthens and enhances role and activities of Committees, Councils and Departments in risk management, such as: Risk Management Committee, Risk Council, Risk Management Department, Compliance Department, and Internal Audit Department. Thereby, it helps to improve the effectiveness of risk control, while actively supporting business activities to bring the best results for the Bank.

Documents, policies, regulations and guidelines on risk management are continuously reviewed and periodically updated by Vietcombank to meet the Management Authority's requirements and orientations, as well as the Bank's operational status.

# RISK MANAGEMENT



## 1. GENERAL INFORMATION

Vietcombank also focuses on investment in developing risk measurement tools and models utilizing advanced methods. Risk qualitative models were developed with an aim to cover almost every risk aspects of the Bank. Besides, the information technology systems were also regularly upgraded to best meet the corporate governance requirements. The review and improvement of data quality at Vietcombank is becoming increasingly central to operation and maintained on a regular and continuous basis, to meet the requirements of quality control as well as the completeness of data. Vietcombank has determined that data quality is the top priority in this circumstance to maintain and enhance the Bank's competitiveness.

Amidst the complicated situation posed by the COVID-19 pandemic, affecting the domestic and international economies, Vietcombank has proactively and synchronously implemented risk management solutions to ensure the implementation of dual goals: effective containment of the pandemic and completion of business plan targets. In 2021, Vietcombank will continue to maintain the minimum capital adequacy ratio to meet risk appetites as well as legal thresholds. At the same time, Vietcombank has upgraded the capital endurance test framework - the most important and complex component of the Internal Assessment Process of Capital Adequacy (ICAAP) under Basel II, thereby ensuring Vietcombank able to proactively meet capital requirements even under adverse operating conditions. Not only implementing Basel II according to the standard method, over the past time, Vietcombank has continued to review and complete necessary conditions to meet Basel II under an advanced method; thereby, ready to review and respond positively to requirements of the State Bank of Vietnam as soon as the regulations and instructions related to the implementation of Basel II under the advanced method are available.

## 2. KEY RISK MANAGEMENT AT VIETCOMBANK IN 2021

### Credit Risk Management

Credit risk includes: (i) Credit risk (the risk when customers fail to perform or are unable to fulfill part or all of their debt repayment obligations under a contract or agreement with the bank); (ii) Counterparty credit risk (the risk when the counterparty fails to perform or is unable to perform part or all of the payment obligation before or when due for proprietary transactions; repo transactions and reverse repo transactions; risk-hedging derivative trading; trading of foreign currencies and financial assets to serve the needs of customers, partners and transactions in correspondence with the transactions above).

Vietcombank's credit risk management framework includes organizational structure, policies, processes, models, limits and reports. Several results of credit risk management lately:

- Building and completing quantitative models to quantify credit risks according to Basel II; gradually putting these models into implementation for credit risk management policies and business operation management policies.
  - Continue to improve the quality and timeliness of: (i) reporting of the management of wholesale and retail credit portfolios; (ii) preparing sectoral reports as a basis for identifying industrial risks to have guidance for exposure associated with each industry with different risk assessment; (iii) providing information about related groups of connected counterparties for credit approval and delegation of authority, ensuring the credit limit for each group of customers with significant exposure are reviewed and approved at higher authority level.
  - Building, monitoring, and managing credit risk limits, including: (i) Credit limit by customer, industry, economic sector on the basis of customers' ability to repay debts, credit risk of economic sectors and fields; (ii) Credit limit by product, form of guarantee on the basis of corresponding credit risk of the product, types of collaterals
- In 2021, with the negative impact of the COVID-19 pandemic on the entire economy and business activities of companies and enterprises, Vietcombank consistently maintained both policy, regulation together with advanced technology systems, and regularly assessment of loan portfolio quality. Vietcombank's business performance results in 2021 have affirmed its position as a financially stable bank with a safe and efficient loan portfolio.
- Effective operation of the early warning framework system ("EWS") in order to assess and identify potential risky corporate customers early on, thereby improving the quality of the Bank's credit portfolio through regular post-loan assessment, promptly take preventive measures and debt handling technique to minimize damage to the Bank. Customer identification was based on the quantitative analysis of data in the core banking system, credit rating system and the qualitative questionnaires to assess the customers' prestige, business performance, and repayment capacity.
  - Regularly reviewing and timely adjusting internal risk management systems including: (i) credit risk management policy; (ii) regulation on credit limit for a customer/group of customers; (iii) regulations on Vietcombank's partner credit limit; (iv) regulation on credit approval process; (v) regulation on credit guarantee; (vi) regulation on lending/guarantee/corporate bond / factoring; (vii) credit policy for each customer, etc. in accordance with relevant law and regulations risk appetite as well as meeting business requirements of the Bank.

# RISK MANAGEMENT



## Operational Risk Management

Operational risk is the risk generated due to incomplete or internal processing error, human system error or other external factors which cause financial losses, negative non-financial impacts on the Bank (including legal risks). Operational risk does not include reputational risk and strategic risk.

Vietcombank has established and fully implemented operational risk management framework, including the model, the organizational structure, the system of policies, procedures for operational risk, risk appetite and limit management in compliance with the State Bank of Vietnam's regulations in Circular 13/2018/TT-NHNN and under advanced Basel II standards.

In 2021, Vietcombank continued to focus and strengthen operational risk management with the aim to minimize operational risk losses to protect the Bank, its shareholders and customers. Operational risk management was effectively implemented throughout the system through operational risk management tools such as incident reporting, risk self-assessment and control points, and the development and monitoring of key risk indicators (KRIs), new policies, regulations, products and services risk assessments, thereby effectively identifying, measuring, monitoring and controlling operational risk in all activities of the Bank.

Vietcombank also continued to promote initiating actions and procedures to manage operational risks such as comprehensive implementation of the fraud risk management framework, information technology risk and operational risk management framework for outsourcing activities. In addition to measures to prevent, detect and mitigate operational risks, Vietcombank continued to hedge operational risk through operational risk insurance packages on its assets as an additional measure of operational risk management to help protect the Bank in case of significant losses. In addition to technical tools, Vietcombank also constantly focused on improving the operational risk management culture through training and communication, ensuring compliance with the Code of Conduct and professional ethics and building a cohesive working environment to prevent risks.

In particular, in 2021, with complicated and unpredictable developments with the outbreak of the COVID-19 pandemic, as Vietcombank continued to closely follow the State and local government guidelines to develop and synchronously and effectively implement policies and plans to respond to the pandemic, including organizing backup locations, remote working, implementing "3 on-site, 2 locations for 1 route", especially Vietcombank has organized vaccination program against COVID-19 to ensure safety for all Vietcombank employees and customers and business continuity throughout the system, and fulfill the Bank's business development goals simultaneously.

# RISK MANAGEMENT

## Market Risk Management

Market risk is the risk generated due to negative changes in interest rates, exchange rates, gold price, securities and goods to values of Vietcombank's financial assets. Market risks include: Interest rate risk, stock price risk on the trading book and foreign exchange risk, commodity price risk on the trading and banking books.

The market risk management framework is a close cooperation of organizational structure, policies, processes, models, limits and reports of market risks with international standards. Market risk management is carried out at each business unit and operational unit based on each risk profile in particular and Vietcombank's risk appetite in general. Based on synchronous market risk management framework, Vietcombank can actively prevent risks to limit the impact of market fluctuations.

In 2021, Vietcombank continued to periodically review and update policies, procedures, methodologies while supplementing and upgrading systems, models, measurement and market risk management programs to meet the State Bank of Vietnam's regulations as well as international practices.



## Liquidity Risk Management

Liquidity risk is the risk generated when: (i) The bank fails to fulfill its repayment obligations; or (ii) The bank is able to fulfill its repayment obligations at maturity but has to pay a higher cost than the average market price according to Vietcombank's internal regulations.

Vietcombank's liquidity risk management framework has been fully set up with calculation models, organizational management structures, internal policies and procedures, processes, regulations and overall limits to identify, measure, supervise and report risks according to international practices and Basel standards, and strictly comply with the State Bank of Vietnam's regulations on solvency and liquidity ratios in banking operations. Regulations, processes, limits, liquidity risk management tools, etc. are reviewed and updated annually to promptly adapt to meet the regulatory requirements and implementation reality within the Bank.

In 2021, in addition to strict daily monitoring and control of liquidity risk, Vietcombank promptly identified and detected liquidity risk due to the impact of COVID-19 and contingency plan for liquidity backup. Furthermore, Vietcombank also concentrated its resources in the ALM/FTP project to automate management reporting in order to meet international practices on liquidity risk management. In 2021, the Bank's liquidity was always guaranteed.

# RISK MANAGEMENT

## Interest rate risk management on Bank book

Interest rate risk is the risk generated by negative changes of interest rate on income, asset value, value of liabilities and value of off-balance sheet due to: (i) floating interest rates or change in interest period; (ii) Change interest rates from different financial tools with the same maturity; (iii) Change interest rates with different maturities; (iv) Impact from products with interest rate options.

For interest rate risk management, Vietcombank has established a comprehensive system of policies, processes and limits to identify, measure, supervise and report risks according to international practices such as Basel in accordance with SBV's regulations at Circular No. 13/2018/TT-NHNN.

Vietcombank is one of the first banks to apply interest rate risk management tools and limits for daily management activities (management of the difference in reprising gap between rate-sensitive assets and rate-sensitive liabilities, the sensitivity of net interest income (NII sensitivity) and the sensitivity of the economic value of equity (EVE sensitivity)). In addition, Vietcombank also uses appropriate derivative products to minimize the negative impact of interest rate fluctuations.

In 2021, Vietcombank always monitors and supervises interest rate risk limits on the bank book to ensure that interest rate risk limits on the bank book always remain within the established limits

## Concentration risk

Concentration risk occurs when a bank's business focuses on only one customer (including related persons), partner, product, transaction, industry, economic sector, and currency with significant impact on income, risk status according to internal regulations of the Bank. Concentration risks include those related to the Bank's credit portfolio and trading book.

Vietcombank has established a comprehensive concentration risk management framework, composed of organizational model and structure, comprehensive system of policies, processes, regulations, and limits to identify, measure, supervise and report risks for compliance with the State Bank of Vietnam's regulations as well as Vietcombank's internal regulations.

With concentration credit risk management, Vietcombank diversified its credit portfolio according to the following principles: (i) defining credit limits of interest rate risk concentration risks for credit products, customers, industries and economic sectors, collaterals; (ii) identifying the connected counterparties of the

customer according to regulations of laws and identification of the Bank; (iii) defining the level of diversity and interaction of credit products, industries and economic sectors. In 2021, Vietcombank constantly supervised and monitored credit limits of concentration risks to ensure the credit limits to be maintained within the established limits. In addition, Vietcombank continues to improve the the framework for testing the capital endurance to credit risk and credit concentration risk in order to optimize capital sources in the bank's business activities.

For concentration risks in the trading book, Vietcombank officially deployed management tools based on criteria to identify trading portfolio for limit setting in order to ensure the diversity and interactivity; the limits were set based on the maximum proportion of the trading volume, the currency and the counterparty compared with the total trading balance.



# BUSINESS NETWORK

## LIST OF BRANCHES DECEMBER 31<sup>ST</sup>, 2021

As at December 31<sup>st</sup>, 2021 Vietcombank has 121 Branches and 476 Transaction Offices in operation.

No.	Branch	Address	Tel
1	<b>An Giang</b>	26 Hai Ba Trung Street, My Long Ward, Long Xuyen City, An Giang Province	02963.898999
2	<b>Ba Dinh</b>	521 Kim Ma Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City	024.37665318
3	<b>Ba Ria</b>	03 Truong Chinh Street, Phuoc Trung Ward, Ba Ria City, Ba Ria - Vung Tau Province	0254.3716275
4	<b>Bao Loc</b>	452 Tran Phu Street, Ward 2, Bao Loc City, Lam Dong Province	02633.726886
5	<b>North Binh Duong</b>	Lot D1-4-TT, NA3 Street, My Phuoc 2 IP, My Phuoc Ward, Ben Cat Town, Binh Duong Province	0274.3697979
6	<b>Bac Giang</b>	278 Hoang Van Thu Street, Dinh Ke Ward, Bac Giang City, Bac Giang Province	02043.797888
7	<b>North Ha Tinh</b>	52 Tran Phu Street, Hong Linh Town, Ha Tinh Province	0239.6262555
8	<b>Bac Lieu</b>	14-15 Lot B, Ba Trieu Street, Ward 3, Bac Lieu City, Bac Lieu Province	0291.3955055
9	<b>Bac Ninh</b>	6-way intersection Street, Dai Phuc Ward, Bac Ninh City, Bac Ninh Province	0222.3811282
10	<b>North Gia Lai</b>	737 Pham Van Dong Street, Yen The Ward, Pleiku City, Gia Lai Province	269.3867927
11	<b>North Sai Gon</b>	155-155A Truong Chinh Street, Tan Thoi Nhat Ward, District 12, Ho Chi Minh City	0287.3008999
12	<b>Ben Tre</b>	55B3, Dong Khoi Boulevard, Phu Khuong Ward, Ben Tre City, Ben Tre Province	0275.6255888
13	<b>Bien Hoa</b>	22, 3A Street, Bien Hoa 2 IP, Bien Hoa City, Dong Nai Province	0251.3991944
14	<b>Binh Dinh</b>	66C Le Duan Street, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province	0256.3526666
15	<b>Binh Duong</b>	185-187 Binh Duong Boulevard, Phu Tho Ward, Thu Dau Mot City, Binh Duong Province	0274.3831227
16	<b>Binh Phuoc</b>	744 Phu Rieng Do Street, Tan Xuan Ward, Dong Xoai Town, Binh Phuoc Province	0271.3558888
17	<b>Binh Tay</b>	129-129A Hau Giang Street, Ward 5, District 6, HCMC	0283.9600477

No.	Branch	Address	Tel
18	<b>Binh Thuan</b>	50 Nguyen Tat Thanh Boulevard, Hung Long Ward, Phan Thiet City, Binh Thuan Province	0252.3739064
19	<b>Ca Mau</b>	07 An Duong Vuong Street, Ward 7, Ca Mau City, Ca Mau Province	0290.3575857
20	<b>Can Tho</b>	03-05-07 Hoa Binh Street, Tan An Ward, Ninh Kieu District, Can Tho City	0292.3820445
21	<b>Chau Doc</b>	20 Le Loi Street, Chau Phu B Ward, Chau Doc City, An Giang Province	0296.3565603
22	<b>Chi Linh</b>	1 Thai Hoc Street, Sao Do Ward, Chi Linh Town, Hai Duong Province	02203.885522
23	<b>Chuong Duong</b>	564 Nguyen Van Cu Street, Gia Thuy Ward, Long Bien District, Hanoi City	0243.6523333
24	<b>Da Nang</b>	140-142 Le Loi Street, Hai Chau Ward, Hai Chau District, Da Nang City	0236.3822110
25	<b>Dak Lak</b>	06 Tran Hung Dao Street, Thang Loi Ward, Buon Ma Thuot City, Dak Lak Province	02623.818444
26	<b>Dong Anh</b>	Nghia Lai Village, Uy No Commune, Dong Anh District, Hanoi City	0243.8835999
27	<b>East Binh Duong</b>	26 Le Duan Street, Zone 2, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province	0274.3589999
28	<b>Dong Nai</b>	53-55, Vo Thi Sau Street, Quyet Thang Ward, Bien Hoa City, Dong Nai Province	0251.3823666
29	<b>East Saigon</b>	22F-24 Phan Dang Luu Street, Ward 06, Binh Thanh District, HCMC	0283.8407924
30	<b>Dong Thap</b>	66, 30/4 Street, Ward 1, Cao Lanh City, Dong Thap Province	0277.3872110
31	<b>Dung Quat</b>	East Dung Quat IP, Dung Quat Economic Zone, Binh Son District, Quang Ngai Province	0255.3632333
32	<b>Gia Dinh</b>	415 Le Van Viet Street, Tang Nhon Phu A Ward, Thu Duc City, HCMC	0283.7307799
33	<b>Gia Lai</b>	33 Quang Trung Street, Hoi Thuong Ward, Pleiku City, Gia Lai Province	0269.3875566
34	<b>Ha Long</b>	166 Ha Long Street, Bai Chay Ward, Ha Long City, Quang Ninh Province	0203.3811808
35	<b>Ha Nam</b>	Le Hoan Street, Hai Ba Trung Ward, Phu Ly City, Ha Nam Province	0226.3616666
36	<b>Hanoi</b>	Floor 1-5, 11B Cat Linh Street, Quoc Tu Giam Ward, Dong Da District, Hanoi City	0243.9746666
37	<b>Ha Thanh</b>	344 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi City	0243.6503333
38	<b>Ha Tinh</b>	02 Nguyen Thi Minh Khai Street, Tran Phu Ward, Ha Tinh City, Ha Tinh Province	0239.3857003



No.	Branch	Address	Tel
39	<b>Hai Duong</b>	66 Nguyen Luong Bang Street, Binh Han Ward, Hai Duong City, Hai Duong Province	03203.891259
40	<b>Hai Phong</b>	275 Lach Tray Street, Dang Giang Ward, Ngo Quyen District, Hai Phong City	0225.3842658
41	<b>Ho Chi Minh</b>	VBB Tower, 05 Me Linh Square, Ben Nghe Ward, District 1, HCMC	0283.8297245
42	<b>Hoan Kiem</b>	23 Phan Chu Trinh Street, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi City	0243.9335566
43	<b>Hoang Mai</b>	Floor 1-2, Tower 1, Times City, 458 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City	0243.8383383
44	<b>Hue</b>	78 Hung Vuong Street, Phu Nhuan Ward, Hue City, Thua Thien Hue Province	0234.3811900
45	<b>Hung Vuong</b>	664 Su Van Hanh Street, Ward 12, District 10, HCMC	02623.818444
46	<b>Hung Yen</b>	02 Nguyen Cong Hoan Street, Ban Yen Nhan Ward, My Hao Town, Hung Yen Province	0221.3941886
47	<b>Khanh Hoa</b>	17 Quang Trung Street, Van Thanh Ward, Nha Trang City, Khanh Hoa Province	0258.3568899
48	<b>Kien Giang</b>	89, 3/2 Street, Vinh Bao Ward, Rach Gia City, Kien Giang Province	0297.3862749
49	<b>Kinh Bac</b>	Long Phuong Building, 370 - 372 Tran Phu Street, Dong Ngan Ward, Tu Son Town, Bac Ninh Province	0222.3818.828
50	<b>Kon Tum</b>	01 Phan Dinh Phung Street, Quyet Thang Ward, Kon Tum City, Kon Tum Province	0260.3703337
51	<b>Ky Dong</b>	13-13 Bis Ky Dong Street, Ward 9, District 3, HCMC	0283.9318968
52	<b>Lam Dong</b>	33 Nguyen Van Cu Street, Ward 1, Da Lat City, Lam Dong Province	0263.3511811
53	<b>Lang Son</b>	39 Le Loi Street, Vinh Trai Ward, Lang Son City, Lang Son Province	0205.3859859
54	<b>Lao Cai</b>	52 Hoan Lien Street, Coc Leu Ward, Lao Cai City, Lao Cai Province	0214.3828396
55	<b>Long An</b>	2A Pham Van Ngu Street, Quarter 5, Ben Luc Town, Ben Luc District, Long An Province	0272.3633683
56	<b>East Dong Nai</b>	No.163 National Highway 1A, Hoi Nai 3 Commune, Trang Bom District, Dong Nai Province	0251.3646151
57	<b>Mong Cai</b>	05 Hung Vuong Street, Tran Phu Ward, Mong Cai City, Quang Ninh Province	0203.3757575
58	<b>South Binh Duong</b>	121, DT 743B Street, Thong Nhat 1 Quarter, Di An Ward, Di An Town, Binh Duong Province	0274.7307777

No.	Branch	Address	Tel
59	<b>South Da Nang</b>	537 Tran Hung Dao Street, An Hai Tay Ward, Son Tra District, Da Nang City	0236.3932999
60	<b>Nam Dinh</b>	629 Tran Hung Dao Street, Loc Vuong Ward, Nam Dinh City, Nam Dinh Province	0228.3558666
61	<b>South Hanoi</b>	Floor 1-2-3, Cau Tien Apartments, 1277 Giai Phong Street, Thinh Liet Ward, Hoang Mai District, Hanoi City	0243.8699696
62	<b>South Hai Phong</b>	11 Hoang Dieu, Minh Khai Ward, Hong Bang District, Hai Phong City	0225.3552299
63	<b>South Saigon</b>	Floor 1, 2, 3, 4 V6 Tower, Lot V, Himlam New Urban Area, 23 Nguyen Huu Tho, Tan Hung Ward, District 7, HCMC	0283.7701634
64	<b>Nghe An</b>	21 Quang Trung Street, Vinh City, Nghe An Province	0238.3842033
65	<b>Nghi Son</b>	Nam Yen Village, Hai Yen Commune, Tinh Gia District, Thanh Hoa Province	0237.3613999
66	<b>Nha Trang</b>	21 Le Thanh Phuong Street, Van Thang Ward, Nha Trang City, Khanh Hoa Province	0258.3826279
67	<b>Nhon Trach</b>	Nguyen Huu Canh Street, Xom Ho Hamlet, Phu Noi Commune, Nhon Trach District, Dong Nai Province	0251.3521888
68	<b>Ninh Binh</b>	1069 Tran Hung Dao Street, Quarter 14, Van Giang Ward, Ninh Binh City, Ninh Binh Province	0229.3894444
69	<b>Ninh Thuan</b>	47, 16/4 Street, Kinh Dinh Ward, Phan Rang - Thap Cham City, Ninh Thuan Province	0259.3922755
70	<b>Pho Hien</b>	186 Chu Manh Trinh Street, Hien Nam Ward, Hung Yen City, Hung Yen Province	0221.3596666
71	<b>Phu Nhuan</b>	285 Nguyen Van Troi, Ward 10, Phu Nhuan District, Ho Chi Minh City	0283.8479966
72	<b>Phu Quoc</b>	1A, Hung Vuong Street, Quarter 1, Duong Dong Town, Phu Quoc District, Kien Giang Province	0297.3981037
73	<b>Phuc Yen</b>	Hoai Nam Building, No.06 Group 8 Hai Ba Trung Street, Hung Vuong Ward, Phuc Yen Town, Vinh Phuc Province	0211.3636666
74	<b>Quy Nhon</b>	433 Lac Long Quan Street, Tran Quang Dieu Ward, Quy Nhon City, Binh Dinh Province	0256.3541377
76	<b>Phu Yen</b>	145 Hung Vuong Street, Ward 6, Tuy Hoa City, Phu Yen Province	0226.3616666
77	<b>Quang Binh</b>	01C, Tran Hung Dao Street, Dong My Ward, Dong Hoi City, Quang Binh Province	0232.3840380
78	<b>Quang Nam</b>	35 Tran Hung Dao, Tam Ky City, Quang Nam Province	0235.3813062
79	<b>Quang Ngai</b>	345 Hung Vuong Street, Tran Phu Ward, Quang Ngai City, Quang Ngai Province	0255.3828578

No.	Branch	Address	Tel
80	<b>Quang Ninh</b>	25/4 Street, Bach Dang Ward, Ha Long City, Quang Ninh Province	0203.3629213
81	<b>Quang Tri</b>	34 Hung Vuong Street, Ward 1, Dong Ha City, Quang Tri Province	0233.3555727
82	<b>Sai Gon</b>	69 Bui Thi Xuan Street, Pham Ngu Lao Ward, District 1, HCMC	0283.8359323
83	<b>Sai Thanh</b>	2A-2B-2C Ly Thuong Kiet Street, Ward 12, District 5, HCMC	0283.9573378
84	<b>Operation center</b>	11 Lang Ha Street, Thanh Cong Ward, Ba Dinh District, Hanoi City	0243.9368547
85	<b>North Hanoi</b>	Lai Xa Industrial Cluster, Van Xuan Street, Kim Chung Commune, Hoai Duc District, Hanoi City	0243.5950000
86	<b>Soc Trang</b>	3 Tran Hung Dao Street, Cluster 6, Ward 3, Soc Trang City, Soc Trang Province	0299.3883888
87	<b>New Binh Duong</b>	16 Le Trong Tan Street, Binh Duong 2 Quarter, An Binh Ward, Di An Town, Binh Duong Province	0274.3792158
88	<b>Tan Binh</b>	108 Tay Thanh Street, Tay Thanh Ward, Tan Phu District, HCMC	0283.8157777
89	<b>Tan Dinh</b>	72 Pham Ngoc Thach, Vo Thi Sau Ward, District 3, HCMC	0283.8208762
90	<b>New Saigon</b>	1943-1945 Huynh Tan Phat Street, Quarter 5, Nha Be Town, Nha Be District, HCMC	0283.8738686
91	<b>Tan Son Nhat</b>	366A33 Phan Van Tri Street, Ward 5, Go Vap District, HCMC	0283.9856868
92	<b>West Can Tho</b>	Lot 30A7A, Tra Noc 1 IP, Tra Noc Ward, Binh Thuy District, Can Tho City	0292.3844272
93	<b>West Hanoi</b>	Lot HH-03, To Huu Street, Van Phuc Ward, Ha Dong District, Hanoi City	0243.3554545
94	<b>Tay Ho</b>	565 Lac Long Quan Street, Xuan La Ward, Tay Ho District, Hanoi City	0243.7581111
95	<b>Tay Ninh</b>	313, 30/4 Street, Quarter 1, Ward 1, Tay Ninh City, Tay Ninh Province	0276.3818996
96	<b>West Saigon</b>	321-323-325 Pham Hung Street, Him Lam Residential Area, Hamlet 4A, Binh Hung Commune, Binh Chanh District, HCMC	0251.3646151
97	<b>Thai Binh</b>	Thai Binh Financial and Commercial Center, 79A Le Loi Street, De Tham Ward, Thai Binh City, Thai Binh Province	0227.3839724
98	<b>Thai Nguyen</b>	10 Cach Mang Thang Tam Street, Phan Dinh Phung Ward, Thai Nguyen City, Thai Nguyen Province	0208.3658200
99	<b>Thang Long</b>	Phu Tho PVOIL Building, 148 Hoang Quoc Viet Street, Nghia Tan Ward, Cau Giay District, Hanoi City	024.37557194
100	<b>Thanh Cong</b>	01 Thai Ha Street, Trung Liet Ward, Dong Da District, Hanoi City	0246.2578686

No.	Branch	Address	Tel
101	<b>Thanh Hoa</b>	05 Phan Chu Trinh Street, Dien Bien Ward, Thanh Hoa City, Thanh Hoa Province	0237.3728286
102	<b>Thanh Xuan</b>	448-450 Nguyen Trai Street, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi City	0243.5578589
103	<b>Thu Duc</b>	50A, Dang Van Bi Street, Quarter 4, Binh Tho Ward, Thu Duc City, HCMC	0283.8966806
104	<b>Thu Thiem</b>	55-56, Song Hanh Street, An Phu Ward, Thu Duc City, HCMC	0287.3079668
105	<b>Tien Giang</b>	152 Dinh Bo Linh Street, Ward 2, My Tho City, Tien Giang Province	0273.3976999
106	<b>Tra Vinh</b>	05 Le Thanh Ton Street, Ward 2, Tra Vinh City, Tra Vinh Province	0294.3868780
107	<b>Tuyen Quang</b>	Group 8, Tan Quang Ward, Tuyen Quang City, Tuyen Quang Province	0207.3999666
108	<b>Vinh</b>	9 Nguyen Sy Sach Street, Ha Huy Tap Ward, Vinh City, Nghe An Province	0238.8699567
109	<b>Vinh Long</b>	5C Hung Dao Vuong Street, Ward 1, Vinh Long City, Vinh Long Province	0270.3888288
110	<b>Vinh Phuc</b>	392A Me Linh Street, Khai Quang Ward, Vinh Yen City, Vinh Phuc Province	0211.3720920
111	<b>Vung Tau</b>	27 Le Loi, Ward 4, Vung Tau City, Ba Ria - Vung Tau Province	0254.3852309
112	<b>Hoa Binh</b>	810 Cu Chinh Lan Street, Phuong Lam Ward, Hoa Binh City, Hoa Binh Province	0218.3858383
113	<b>Yen Bai</b>	Dien Bien Ward, Group 8, Minh Tan Ward, Yen Bai City, Yen Bai Province	0216.3858999
114	<b>East Quang Ninh</b>	584 Tran Phu Street, Cam Tay Ward, Cam Pha City, Quang Ninh Province	0203.3551551
115	<b>Hoi An</b>	2 Tran Cao Van, Cam Kho Ward, Hoi An City, Quang Nam Province	02353.916619
116	<b>Dak Nong</b>	74 Huynh Thuc Khang Street, Gia Nghia City, Dak Nong Province	02613.555678
117	<b>East Hai Phong</b>	12-13 LK 20, Quang Minh Urban area, Thuy Son Commune, Thuy Nguyen District, Hai Phong City	0225.3966888
118	<b>North Da Nang</b>	249A Nguyen Luong Bang Street, Hoa Khanh Bac Ward, Lien Chieu District, Da Nang City	0236.3649668
119	<b>North Dak Lak</b>	149 Tran Hung Dao, Buon Ho Town, Dak Lak Province	0262.7306789
120	<b>Son La</b>	286 To Hieu Street, Group 9, Chieng Le Ward, Son La City, Son La Province	0293.3949.888
121	<b>Hau Giang</b>	197A-197B-197C, Tran Hung Dao Street, Area 3, Ward 5, Vi Thanh City, Hau Giang Province	0293.3949.888

# BUSINESS NETWORK

## SUBSIDIARIES, JOINT-VENTURES AND ASSOCIATES IN VIETNAM

### VCBL

#### Vietcombank Leasing Co., Ltd.

Floor 4 – 25T1 Building, N05 Hoang Dao Thuy – Trung Hoa – Cau Giay District – Hanoi  
Tel: 024.39289289 | Fax: 024.39289150

### VCBS

#### Vietcomank Securities Co., Ltd.

Floor 12 & 17 – Vietcombank Building – Hoan Kiem – Hanoi  
Tel: 02439369990, 02439366991, 02439366992  
Tel: 024.39360262, 024.39360263

### VCBR

#### Vietcombank Remittance Co., Ltd.

Floor 4, VCB Ky Dong Tower, 13 – 13 Bis, Ky Dong Street, Ward 9, District 3, HCMC.  
Tel: 028.35260888 | Fax: 028.35260808

### VCBT

#### Vietcombank Tower 198 Co., Ltd.

Floor 14 – Room 1406 – 198 Tran Quang Khai, Hoan Kiem, Hanoi  
Tel: 024.39340919 | Fax: 024.39340918

### VBB

#### Vietcombank – Bonday – Ben Thanh Co., Ltd (VBB)

5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City  
Tel: 028.39.153.360

### VCBF

#### Vietcombank Fund Management Co.

Floor 15, Vietcombank Building, 198 Tran Quang Khai, Hoan Kiem District, Hanoi City  
Tel: 024.39364540 | Fax: 024.39364542

### VCBB

#### Vietcombank Bonday Co., Ltd.

35 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City  
Tel: 028.38213321, 38213345 | Fax: 028.38213366, 38213366

## REPRESENTATIVE OFFICE IN VIETNAM

#### Representative office in the South

Floors 33-34, VBB Building, 5 Me Linh Square, Ben Nghe Ward, District 1, Ho Chi Minh City  
Tel: 028.39826468 | Fax: 028.39393948

## OVERSEAS SUBSIDIARIES AND REPRESENTATIVE OFFICES

#### Vietcombank representative office in Singapore

6 Battery Road, #11-01B, Singapore 049909  
Tel: 65 6323 7558 | Fax: 65 6323 7559

#### Representative Office in the US

Suite 1427-1428, 14th floor, One Rockefeller Plaza, New York, NY 10020  
Tel: (1) 646 937 1999

### VINAFICO/ VFC

#### Vietnamese financial company in Hong Kong (VINAFICO)

16/F, Golden Star Building, 20-24, Lockhart Road, Wanchai, Hong Kong  
Tel: +852-28653905 | Fax: +852-28660007

### VCBM

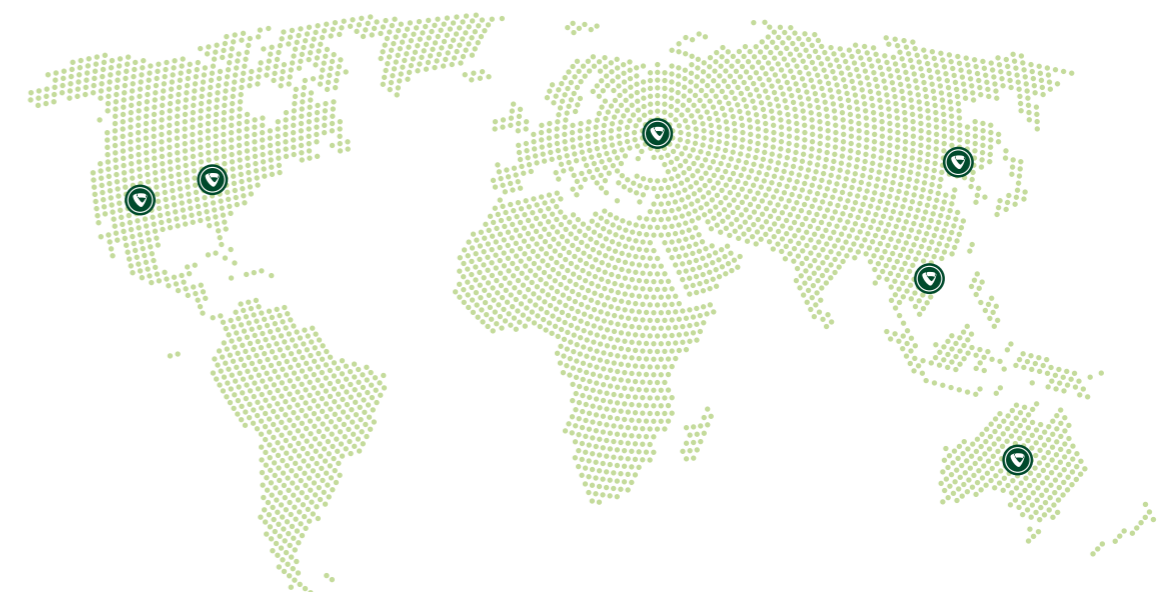
#### Vietcombank Money Inc. in the US (VCB Money. Inc)

12112 Brookhurst Street, Suite 11, Garden Grove, CA 92840 United States  
Tel: (+1)-714-979-1055 | Fax: (+1)- 714-979-1278

### VCB LÀO

#### Vietcombank Laos Limited

12, Lot 15, Lanexang Avenue, Hatsadee-Tai Village, Chanthabouly District, Vientiane, Lao PDR  
Tel: +85621253838



Chapter

# 15

**OVERCOME  
THROUGH  
PRACTICAL  
SUPPORT.**

## **Sustainable Development Report**

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Social activities of Vietcombank	<b>133</b>





# REPORT ON SOCIAL AND ENVIRONMENTAL IMPACTS

## Overview

The world has begun its third decade into the 21st century with positive signs of economic recovery, thanks to the effectiveness of vaccination program and the flexible response of governments to new variants of COVID-19 pandemic. However, the recovery has been uneven, and has largely been concentrated in a few major economies. In emerging, developing and underdeveloped economies, where many are hampered by environmental, social, and governance issues, the economic recovery is under immense pressure.

2021 is the year that witnessed a big step forward in the awareness of sustainable development: when at the United Nations Framework Convention on Climate Change (COP26) held in Glasgow, UK in November, 2021, for the first time, world leaders agree to commit to a common goal, marking the transition of economic development models from fossil-energy-based to low-emission development, in order to achieve net zero emissions. At COP26, for the first time, the Vietnamese government made a strong commitment on climate issues, to make Vietnam a country with net zero emissions by 2050. This is considered as a historical milestone of Vietnam in the awareness and promotion of sustainable development. The commitments at COP26 will be the premise for the Vietnamese government to develop strategies, plans and development orientations for all fields and industries in the coming time.

In the field of banking and finance, in 2021, the State Bank of Vietnam has developed and consulted on the Draft of Circular guiding the implementation of environmental risk management in credit activities of credit institutions and foreign bank branches. According to the government, the promulgated circular will create a common legal framework, requiring credit institutions to implement environmental risk management in credit activities. The promotion of environmental risk management when appraising and granting credit will also help the economic sector gradually develop a complete awareness of climate change, along with the factors that impact environmental protection, gravitating towards a “green” consumption mindset. In a society where every individual is well-aware, each enterprise investing in projects will also change its goals and actions to adapt to sustainable development. The legal framework for sustainable development of the banking system in Vietnam is gradually being built and improved, creating a driving force for the entire banking industry to practice sustainable development.

With a vision to become the number 1 bank in Vietnam, one of the 100 largest banks in Asia, one of the 300 largest financial banking groups in the world, and one of the 1,000 largest listed companies in the world while making contribution to Vietnam’s own development, Vietcombank focuses on improving customer experience, human resource quality, risk management, etc. towards the goal of sustainable development.

### Scope of report

Vietcombank has sustainability report on the entire Bank’s operations including the Head Office in Hanoi, branches, subsidiaries, representative offices and transaction offices nationwide. Data and Information available for disclosure are updated according to the Bank’s fiscal year starting from January 1, 2021 and ending on December 31, 2021.

# OVERVIEW OF SUSTAINABLE DEVELOPMENT

## Involvement of stakeholders

Interaction method of stakeholders	Frequency of interaction
<b>SHAREHOLDERS/INVESTORS</b>	
Shareholders' General Meeting	Annual or extraordinary
Periodic update via IR website, phone, email or in-person	Quarterly and when required by investors
Meeting analysts	Quarterly and regularly when occurred
<b>CUSTOMERS</b>	
Customer care center and hotline - 24/7 operation	24/7
Conducting satisfaction surveys	Quarterly
Social media and newsletters to follow social media responses	Daily
<b>EMPLOYEES</b>	
Satisfaction survey	Annually
Annual labor conference	Annually
Internal publications and newsletters	Daily
Discussion with the Trade Union	Annually
Environment for connection, training and exchange	Daily
<b>REGULATORY AUTHORITIES</b>	
Maintaining regular communication	Monthly
Forum exchange	Occured
Presenting presentations and reports	Occured
Contributing to policies	Occured
<b>COMMUNITY</b>	
Cooperating with local authorities	Annually
Joining social security programs with local authorities	Quarterly
<b>PRESS AGENCIES</b>	
Press conference	Quarterly
Press release/periodical consolidated statement	Quarterly
Team of experts providing insight for the press	Occured
<b>SERVICE PROVIDERS</b>	
Additional discussion in between bidding regulations, cooperating with suppliers	Occured
Maintaining a competitive environment	Regularly in the process
Ensure bidding transparency	Regularly in the process
Ensure quality service and proper origin of goods	Regularly in the process



# CONTENT OF SUSTAINABLE DEVELOPMENT

## ECONOMIC STANDARD (GRI 200)

### Effectiveness in economic activities and contributions to the state budget

In 2021, the world continues to witness the outbreak of the COVID-19 pandemic with new strains spreading rapidly. In Vietnam, although many localities were blocked and social distance measures were prolonged, thus disrupting production and the supply chain, etc., still, Vietnam continued to successfully achieve its dual goals: effective disease prevention and control, and economic recovery.

In this setting, the banking industry continues to shine as a pillar of the economy, accompanying and supporting firms and individuals in overcoming obstacles and contributing to overall economic success. As the main state-owned commercial bank in the banking industry, Vietcombank has synchronously deployed many solutions to both prevent and strictly control the pandemic in the system and among its customers; sharing and solving difficulties for customers affected by the COVID-19 pandemic, while ensuring safety and highly efficient business operations. By the end of 2021, Vietcombank's total assets amounted to VND 1,414,673 billion, up by 7% compared to 2020; Credit balance reached VND 972,680 billion, up by 15% compared to 2020 and remained within the credit growth ceiling assigned by the State Bank; Total capital mobilization reached VND 1,152,712 billion, up by 9% over the previous year. Vietcombank continues to enforce strict control over its credit quality and accelerate bad debt settlement. The balance of bad debt on the balance sheet is VND 6,121 billion, bad debt ratio being 0.63%, while the balance of risk provision fund is at VND 25,976 billion. Vietcombank's loan loss coverage ratio was 424%, which was the all-time highest level for the Bank and in the whole banking industry. Vietcombank's consolidated profit before tax reached VND 27,389 billion, up 19% compared to 2020. As of December 31, 2021, Vietcombank's market capitalization reached nearly USD 17 billion, continuing to stand at leading position among all the listed banks. With impressive business results, Vietcombank continues to be the largest tax paying bank. In 2021, Vietcombank paid nearly VND 11 trillion to the State budget, making it one of the biggest contributors.



### Increasing funding for Green projects

In credit activities, Vietcombank is paying more attention to environmental risks. "Green" projects include: green agriculture, green industry, renewable energy, clean energy, recycling and resource use, waste treatment, sustainable water management in urban and rural areas, etc. are becoming the key areas to promote lending at Vietcombank. By the end of 2021, the proportion of outstanding loans for "Green" projects at Vietcombank has doubled compared to 2020. In which, funding for renewable energy and clean energy projects accounts for more than 90% and almost all of it is medium and long-term funding. Medium and long-term funding for renewable energy and clean energy projects has grown by nearly 350% in the past year, marking a shift in credit orientation towards sustainability at Vietcombank.

### Pioneers join hands to support businesses and people to overcome difficulties

Adhering closely to the direction of the Party, the Government and the State Bank, in the spirit of actively, positively joining hands to support people and enterprises directly and indirectly affected by the COVID-19 pandemic, Vietcombank has implemented multiple solutions to support customers such as: waiver and reduction of interest and fees; restructuring the repayment term; renewing loans to support customers to restore production and business activities; rolling out credit packages with reasonable interest rates to support customers. Total outstanding loans of borrowers affected by the COVID-19 pandemic, which have been rescheduled for repayment while keeping in the same loan group is approximately VND 10,540 billion. The total amount of interest Vietcombank supports customers due to interest rate reduction in 2021 reaches VND 7,100 billion, more than twice the amount in 2020, bringing the total accumulated interest to support customers in the two years 2020-2021 up VND 10,800 billion.

### Procurement practices

Vietcombank's procurement activities are carried out centrally, ensuring synchronous use, achieving an efficient procurement scale, saving costs and time. All types of regular procurement goods are standardized. From the beginning of the year, Vietcombank planned procurement demand since the beginning of the year and entered into principle contracts with suppliers on that basis. The procurement is always effective, rational and cost-saving.

Annually, Vietcombank assesses, selects and adds suppliers that meet the capital capacity, implementation experience and gives priority to the suppliers who commit to protect the environment, ensure the quality of input materials and not to violate regulations on employment.

### Anti-corruption

Anti-corruption is the responsibility of the whole political system under the leadership of the Party. At Vietcombank, the anti-corruption work has always been focused, directed and implemented drastically. The Bank's Management identifies anti-corruption work as one of the key and regular tasks in direction and administration; combines prevention and combating. In 2020, no corruption cases were recorded and reported in the whole Vietcombank system.



# CONTENT OF SUSTAINABLE DEVELOPMENT

## ENVIRONMENTAL STANDARDS

### Emissions (GRI 305)

#### Exhaust gases

Regarding means of transportation: Vietcombank is always equipped with modern vehicles and labor tools, ensuring emission standards and registered in accordance with the State's regulations. In addition, the Bank performs periodic maintenance/repair of vehicles to ensure safety and fuel savings. Annually, Vietcombank also reviews and evaluates the quality of vehicles throughout the bank to promptly replace old, sub-standard vehicles.

Regarding emissions from air conditioning systems and generators: The bank always opts for modern, environmentally friendly equipment that meets the highest standards in terms of emissions and noise. The Bank performs maintenance activities according to the supplier's schedule and techniques to ensure high performance, energy savings, minimize waste generation, and promptly repair and replace old or damaged equipment.

#### Wastewater

The Bank encourages employees to save water at the office while water consumption is closely monitored. In 2021, the entire organization continue to abandon the use of small bottled water products, switching to glass water bottles for continual reuse, ensuring environmental friendliness and conserving water resources.

#### Waste

Solid waste is classified, collected and treated by staff according to the garbage disposal process. Vietcombank has actively implemented the digital transformation process, minimizing the use of paper and regularly reusing ink bottles, printers, paper, ballpoint pens, thus limiting replacement to reduce waste into the environment. The Bank's operations do not generate hazardous wastes that are harmful to the environment.

#### Noise

The equipment serving business activities is maintained and adjusted on a regular basis to provide minimal noise generation, a quiet and polite business environment for customers, and a civilized and comfortable work environment for employees.

### Environment (GRI 307)

Vietcombank always focuses on protecting the environment, working towards a green banking model and creating a pleasant work environment for its employees. Additionally, Vietcombank is committed to supporting a green corporate culture by focusing on electricity, water, paper, and office supplies conservation; and consciously maintaining a green-clean-beautiful working environment.



## SOCIAL STANDARDS (GRI 400)

### Employment (GRI 401 – 402)

*2021 marks the 6th consecutive years, Vietcombank has maintained its position as the bank with the best working environment in Vietnam according to the survey results of "Top 100 Best Workplaces in Vietnam" announced annually by Anphabe and Intage of Japan (Vietcombank was voted to rank 1st in the banking industry, 2nd in the whole Vietnamese market).*

#### Recruitment

As of December 31st, 2021, the total number of employees at Vietcombank is 21,670 people.

Over the years, Vietcombank has constantly innovated and perfected its recruitment policy to improve efficiency and attract high-quality human resources in the market to implement the Bank's business strategy. Recruitment, human resources development and training are carried out in an open and transparent manner in order to create equal opportunities for all employees. Specifically:

Vietcombank has a flexible and effective recruitment policy: A recruitment mechanism tailored specifically for experienced candidates, experts, highly qualified workers who are exceptionally excellent and outstanding. This helps Vietcombank attract talented candidates to apply, and screen high-quality personnel into the system.

Diversification is prevalent in the forms and methods of recruitment: Vietcombank has improved and innovated its recruitment method by investing in digital transformation, upgrading and perfecting the centralized online recruitment software system at the Head Office. Candidates may apply online and receive recruitment notices from the system. This initiative has helped to enhance professionalism, ensure public and transparent results, reduce costs, and provide candidates with a more positive experience with the branding Vietcombank's recruitment.

#### Competitive, attractive remuneration mechanism, welfare

Competitive salary policy, creating motivation:

Salaries for the Bank's employees are competitive and fair, with attractive benefits and remuneration. The salary paid to each employee is associated with professional qualifications, assigned work requirements, work efficiency, and salary distribution associated with business results, to ensure fairness and competitiveness internally and across the market, create motivation to improve labor productivity, quality, work efficiency and employees' engagement with the bank. Vietcombank implements a transparent, fair and motivating evaluation mechanism: work

efficiency is measured and evaluated based on sets of criteria for each position, thus ensuring both qualitative and quantitative assessment along with comprehensive recognition of staff contributions, thereby associated with appropriate and transparent remuneration and reward.

Vietcombank has implemented an expert mechanism for highly qualified, excellent and outstanding employees in some specific fields, meeting the needs of transformational projects, and improving governance capacity and activity.

In addition to salary, there are many other different forms of remuneration, such as: birthday, mourning, wedding gifts, vacation, New Year and Tet bonuses, travel expense support for national holiday, periodic health examination, health insurance, critical illness insurance, preferential credit products for employees, rewards for employees whose children showed good academic achievements, allowances for retired workers, etc. Vietcombank also pays special attention to female employees via the expenses to support female workers, such as: monthly support, child care assistance, maternity allowance, and gifts on March 8 and October 20. Additionally, the Trade Union and Vietcombank's Youth Union collaborate on a regular basis to organize activities aimed at increasing employee engagement: organize activities for staff children on International Children's Day 1/6, mid-autumn festival, gift to parents on International Day of the Elderly, and organizing collective activities such as Family Day, Let's run. In addition, Vietcombank's Trade Union has established regulations concerning the deployment of solidarity funds and gratitude funds (for Vietcombank and at unit level) to support employees in certain circumstances (sickness, illness, accidents, fatal diseases, etc.);

The average income of employees at Vietcombank has continuously increased over the years. In 2021, although business activities were heavily affected by the COVID-19 pandemic, Vietcombank still ensured a stable income for its employees. With the current remuneration mechanism, Vietcombank not only retains employees, especially talents but also attracts high-quality human resources in the market.



# CONTENT OF SUSTAINABLE DEVELOPMENT

## Transparent, professional working environment where all voices are listened and all good work is recognized

Every year, Vietcombank delivers an Employee Satisfaction Survey conducted by an independent third party, a leading survey company in Vietnam, to evaluate and develop appropriate solutions to ameliorate factors related to the work environment. Vietcombank has focused on comprehensively renovating the management of human resource, consolidating human resource policies from remuneration, assessment, and training, as well as implementing large human resource projects such as the Project of HR Management Program in Ho Chi Minh City, Capability Framework Project, etc. to improve the quality of human resources and enhance employee engagement.

## Occupational health and safety

Employees at Vietcombank are entitled to annual health examination and participate in fire prevention and fighting training courses.

For employees related to banknotes operations, Vietcombank has a system of incentive bonuses when dealing with toxins, money counting, loading and unloading, etc.

Vietcombank implemented early Covid -19 vaccination program for employees and relatives throughout the bank, ensuring the safety and health of employees.



## Training is diverse and comprehensive in both expertises and skills and capacities

**Clear training roadmap:** The training programs organized by Vietcombank are core training programs built according to the roadmap associated with each job position. Based on the training plan for each job position, the staff will be arranged to train in groups of specialized programs, meeting the necessary requirements of the job through many forms of training such as on-site training, video conference training, and E-learning training. In addition, some new forms of online training, including: MS Teams, Blue Jeans, etc. are also under research and deployment. Training is critical for developing core workers in order to develop a contingency of successors. As a result, Vietcombank has developed a supply of high-quality staff over the years, thereby ensuring the bank's long-term viability.

The training contents are diverse and abundance, closely following the strategic goals of the professional divisions and practical emphasis: The contents are selected to develop the annual program, closely following the actual business needs through the implementation of training demand analysis, ensuring at least 70% of the time on practice and real world solutions.

Vietcombank promotes cooperation with prestigious universities for research, exchanging and deploying sponsorship programs to attract talented students and access a supply of high-quality personnel. Vietcombank currently has cooperation agreements with some of the leading universities in Vietnam: National Economics University, Foreign Trade University, Banking Academy, Academy of Finance, and will continue to expand cooperation with other leading academies in the coming time.

## Regarding human rights

### Non-discrimination

All decisions related to Vietcombank's employees are issued based on transparent and clear criteria, without any discrimination on the basis of ethnicity, religion, or gender.

### No child labor

Vietcombank does not use child labor.

### No forced or compulsory labor

Vietcombank has always complied with the provisions of the labor code. Forced and compulsory labor is not accepted at Vietcombank.

## Responsibility to the community and society.

Continuing and promoting the tradition of being a Green bank - For the community, in 2021, Vietcombank has hosted a series of social security activities and community development programs, particularly joining hands to support the fight against COVID-19 with initiatives deployed by Vietcombank. Thereby, Vietcombank has joined hands with the whole country in repelling the pandemic, helping people return to their normal daily lives in the post-pandemic stage, while actively participating in the cause of education, health care, hunger eradication and poverty alleviation, etc. across Vietnam. The total amount committed to social security activities is approx. VND 723 billion, of which approx. VND 246 billion is directly contributed by employees and welfare funds. Education and health care are two key areas that Vietcombank sponsors the most

# SOCIAL SECURITY ACTIVITIES

## SOCIAL ACTIVITIES OF VIETCOMBANK



**723 VND Billion**  
**The amount Vietcombank has spent on social security work in 2021**

With the goal toward a green bank and sustainable development for the community, Vietcombank's social activities are increasingly promoted with many practical and meaningful programs, contributing to the general development of the community and society.

For many years, Vietcombank has been implementing a series of social security activities, with active participation from the head office to branches and affiliated companies nationwide, the goal of the activities is not beyond sharing difficulties and improving the quality of life of the poor in low-income areas across the country.

**1.548 VND Billion**  
**In the 5-year period of 2017-2021, the amount spent on social security activities by Vietcombank is**

In 2021, Vietcombank spent nearly VND 723 billion on social security work. Particularly, the amount of money to support the prevention of the COVID-19 pandemic has amounted to nearly 381 billion VND. During the period 2017-2021, Vietcombank's contribution to social security activities exceeded VND 1,548 billion.

Education and Health are two key areas that Vietcombank pays special attention to. Investment in social security activities for these two areas is widely deployed by Vietcombank in many poor localities across the country during the past time.

# SOCIAL SECURITY ACTIVITIES

## SOCIAL ACTIVITIES OF VIETCOMBANK

### EDUCATION



Not only building new schools, Vietcombank also takes the lead in sponsoring learning and teaching equipment and upgrading facilities for schools nationwide. Seated desks, library, functional classroom or simply clean water tanks, garage, sports field, etc., although simple, these are very practical for schools with many difficulties, contributing to improving and enhancing the quality of teaching and learning for teachers and students. Besides, Vietcombank has also given special attention to helping poor students feel secure on the way to school, by donating thousands of pairs of lifebuoys to poor students in the flood and river areas; donate bicycles to poor and studious students. Every year, Vietcombank also rewards scholarships to pupils and students with outstanding academic achievements or having great learning efforts despite difficult situations through the Scholarship Funds, Study Encouragement Funds, etc. Through these activities, Vietcombank wishes to contribute to ignite the faith of students who are still facing many difficulties, and to light up the passion and tradition of studiousness among the young Vietnamese generation.

### HEALTHCARE



Not only sponsoring the construction of hospitals, medical stations, and providing essential equipment for medical examination and treatment, etc., Vietcombank has also always cared for their patients by supporting surgery costs or visiting patients, especially poor children in difficult circumstances. The activities to provide meals to hospital patients in many localities are also regularly undertaken by Vietcombank's union group. Voluntary blood donation activities are always enthusiastically participated by the youth union members, officers and employees of Vietcombank.

Besides the programs that Vietcombank coordinated with local authorities and agencies, each Vietcombank's staff is fully aware of daily contribution to many practical and meaningful programs to share the responsibility of building a more civilized and beautiful society.



# SOCIAL SECURITY ACTIVITIES





## DATA ON SOCIAL COMMUNITY ACTIVITIES IN 2021 AND IN 2017-2021 PERIOD

### 1. Total Social Security Data:







Total amount of funding for Vietcombank's social security activities









### 2. Region:

No.	Region	2021 (unit: VND million)
1	 Northwest Region	95,989
2	 Central Highlands Region	44,590
3	 Southwest Region	62,175
4	 Other provinces/cities	459,115

### 3. Aspects:

No.	Purpose of sponsorship	Value realized in 2021 (Unit: VND million)
1	 Education	76,281
2	 Healthcare	7,395
3	 COVID-19 Support	380,836
4	 Sponsoring the poor/Building, Constructing gratitude and solidarity houses, etc.	136,261
5	 Overcoming consequences of natural disasters	10,786
6	 Other fields	50,310

### 4. Special social security programs/projects implemented by Vietcombank in 2021:

No.	Name of program	Amount (unit: VND billion)
1	 Supporting the prevention of COVID-19 for Southern provinces	75
2	 Donate to the vaccine fund	60
3	 Funding the construction of houses for the poor in Muong Lat district, Thanh Hoa province	30
4	 Sponsoring the program "Internet and computers for students"	25
5	 Giving gifts to victims of Agent Orange in Hanoi	10
6	 Funding the construction of houses for the poor in Loc Ha district, Ha Tinh province	7

Chapter

# 16

**OUTPERFORM AND  
CONTINUE TO  
OUTSHINE.**

## Financial statements

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## JOINT STOCK COMMERCIAL BANK FOR FOREIGN TRADE OF VIETNAM

Consolidated Financial Statements  
for the year ended 31 December 2021

## BANK INFORMATION

### Establishment and Operation Licence

Establishment and Operation Licence No. 138/GP-NHNN dated 23 May 2008 issued by the State Bank of Vietnam, Decision No. 2719/QD-NHNN dated 27 December 2011, Decision No. 523/QD-NHNN dated 22 March 2012, Decision No. 1547/QD-NHNN dated 6 August 2014, Decision No. 2182/QD-NHNN dated 26 October 2015, Decision No. 95/QD-NHNN dated 18 January 2017, Decision No. 891/QD-NHNN dated 8 May 2017, Decision No. 2293/QD-NHNN dated 31 October 2017, Decision No. 300/QD-NHNN dated 21 February 2019 and Decision No. 2447/QD-NHNN dated 25 November 2019 promulgated by the State Bank of Vietnam amending and supplementing the operations of Joint Stock Commercial Bank for Foreign Trade of Vietnam.

### Business Registration Certificate

Business Registration Certificate with Enterprise Code No. 0103024468 issued by Hanoi Department of Planning and Investment on 2 June 2008, with Enterprise Code No. 0100112437 being amended 14th time on 6 September 2021.

### Members of the Board of Directors during the year and until the issuance date of the consolidated financial statements

Mr. <b>Pham Quang Dung</b>	Chairman	Appointed on 30 August 2021
Mr. <b>Nghiem Xuan Thanh</b>	Chairman	Resigned on 3 July 2021
Mr. <b>Do Viet Hung</b>	Member	Appointed on 26 April 2019
Mr. <b>Nguyen Manh Hung</b>	Member	Re-appointed on 27 April 2018
Mr. <b>Nguyen My Hao</b>	Member	Re-appointed on 27 April 2018
Mr. <b>Eiji Sasaki</b>	Member	Dismissed on 23 April 2021
Mr. <b>Pham Anh Tuan</b>	Member	Re-appointed on 27 April 2018
Mr. <b>Hong Quang</b>	Member	Appointed on 27 April 2018
Mr. <b>Truong Gia Binh</b>	Independent Member	Appointed on 27 April 2018
Mr. <b>Shorijo Mizoguchi</b>	Member	Appointed on 23 April 2021






## BANK INFORMATION

### Members of the Board of Management during the year and until the issuance date of the consolidated financial statements

Mr. <b>Pham Quang Dung</b>	Chief Executive Officer ("CEO")	Resigned on 30 August 2021
Mr. <b>Nguyen Thanh Tung</b>	Deputy CEO In-charge of the Board of Management	Appointed on 30 August 2021
Mr. <b>Dao Minh Tuan</b>	Deputy CEO	Retired on 1 December 2021
Mr. <b>Pham Manh Thang</b>	Deputy CEO	Re-appointed on 10 March 2019
Ms. <b>Nguyen Thi Kim Oanh</b>	Deputy CEO	Re-appointed on 26 December 2019
Ms. <b>Dinh Thi Thai</b>	Deputy CEO	Re-appointed on 9 June 2020
Mr. <b>Eiji Sasaki</b>	Deputy CEO	Dismissed on 23 April 2021
Ms. <b>Phung Nguyen Hai Yen</b>	Deputy CEO	Appointed on 15 December 2017
Mr. <b>Le Quang Vinh</b>	Deputy CEO	Appointed on 15 December 2017
Mr. <b>Dang Hoai Duc</b>	Deputy CEO	Appointed on 1 April 2019
Mr. <b>Shorijo Mizoguchi</b>	Deputy CEO	Appointed on 23 April 2021

### Members of the Supervisory Board during the year and until the issuance date of the consolidated financial statements

Mr. <b>Lai Huu Phuoc</b>	Chair of the Board	Appointed on 4 November 2020
Ms. <b>La Thi Hong Minh</b>	Member	Re-appointed on 27 April 2018
Ms. <b>Do Thi Mai Huong</b>	Member	Re-appointed on 27 April 2018

 <b>Chief Accountant</b>	Mr. <b>Le Hoang Tung</b> Appointed on 15 December 2017
 <b>Legal Representative</b>	Since 30 August 2021 Mr. <b>Pham Quang Dung</b> Title: Chairman of the Board of Directors
 <b>Authorised signature on financial statements</b> <i>(According to Letter of Authorisation No. 337/UQ-VCB-CSTCKT dated 29 September 2021)</i>	Since 29 September 2021 Ms. <b>Phung Nguyen Hai Yen</b> Title: Deputy CEO
 <b>The Bank's Head Office</b>	198 Tran Quang Khai Street Hoan Kiem District, Hanoi, Vietnam
 <b>Auditor</b>	KPMG Limited Vietnam

## REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Joint Stock Commercial Bank for Foreign Trade of Vietnam ("the Bank") presents this report and the accompanying consolidated financial statements of the Bank and its subsidiaries for year ended 31 December 2021.

### The Board of Management's responsibility in respect of the consolidated financial statements

The Board of Management is responsible for the consolidated financial statements which give a true and fair view of the consolidated financial position of the Bank and its subsidiaries, and of their consolidated results of operations and their consolidated cash flows for the year. 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;
- State whether applicable accounting standards have been followed or not, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank and its subsidiaries will continue their business.

The Board of Management is responsible for ensuring that proper accounting records are kept to disclose, with reasonable accuracy at any time, the financial position of the Bank and its subsidiaries and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### Statement of the Board of Management

The Board of Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2021, and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

For and on behalf of the Board of Management:



Ms. **Phung Nguyen Hai Yen**  
Deputy CEO  
Hanoi, 21 March 2022

# INDEPENDENT AUDITOR'S REPORT

To:

**The Shareholders**  
**Joint Stock Commercial Bank for Foreign Trade of Vietnam**

We have audited the accompanying consolidated financial statements of Joint Stock Commercial Bank for Foreign Trade of Vietnam ("the Bank") and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 21 March 2022, as set out on pages 6 to 79.

## The Board of Management's responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of the 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 these 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 requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the 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 internal control of the Bank and its subsidiaries. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank's Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Joint Stock Commercial Bank for Foreign Trade of Vietnam and its subsidiaries as at 31 December 2021 and of their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited**

Vietnam

Audit Report No: 20-02-00587-22-4



**Wang Toon Kim**

Practicing Auditor Registration  
Certificate No. 0557-2018-007-1  
Deputy General Director  
Hanoi, 21 March 2022

**Truong Vinh Phuc**

Practicing Auditor Registration  
Certificate No. 1901-2018-007-1



# CONSOLIDATED BALANCE SHEET

as at 31 December 2021

Form B02/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	Note	31/12/2021 VND million	31/12/2020 VND million
<b>A</b>	<b>ASSETS</b>			
<b>I</b>	<b>Cash on hand, gold, silver and gemstones</b>	<b>4</b>	<b>18,011,766</b>	<b>15,095,394</b>
<b>II</b>	<b>Balances with the State Banks</b>	<b>5</b>	<b>22,506,711</b>	<b>33,139,373</b>
<b>III</b>	<b>Balances with and loans to other credit institutions</b>	<b>6</b>	<b>225,764,546</b>	<b>267,969,645</b>
1	Balances with other credit institutions		181,036,981	204,713,783
2	Loans to other credit institutions		48,727,565	64,255,862
3	Allowance for balances with and loans to other credit institutions		(4,000,000)	(1,000,000)
<b>IV</b>	<b>Trading securities</b>	<b>7</b>	<b>2,766,098</b>	<b>1,954,061</b>
1	Trading securities		2,822,531	1,991,861
2	Allowance for trading securities		(56,433)	(37,800)
<b>V</b>	<b>Derivative financial instruments and other financial assets</b>	<b>8</b>	<b>303,202</b>	<b>-</b>
<b>VI</b>	<b>Loans to customers</b>		<b>934,774,287</b>	<b>820,545,467</b>
1	Loans to customers	9	960,749,955	839,788,261
2	Allowance for loans to customers	10	(25,975,668)	(19,242,794)
<b>VIII</b>	<b>Investment securities</b>	<b>11</b>	<b>170,604,700</b>	<b>156,931,097</b>
1	Available-for-sale securities		71,122,502	42,148,831
2	Held-to-maturity securities		99,657,595	115,382,544
3	Allowance for investment securities		(175,397)	(600,278)
<b>IX</b>	<b>Capital contributions, long-term investments</b>		<b>2,346,176</b>	<b>2,239,006</b>
2	Investments in joint-ventures	12(a)	748,895	714,935
3	Investments in associates	12(b)	10,820	11,248
4	Other long-term investments	12(c)	1,661,461	1,587,823
5	Allowance for long-term investments	12(c)	(75,000)	(75,000)
<b>X</b>	<b>Fixed assets</b>		<b>8,626,043</b>	<b>8,539,362</b>
1	Tangible fixed assets	13	5,552,624	5,411,139
a	Cost		13,725,160	12,866,189
b	Accumulated depreciation		(8,172,536)	(7,455,050)
3	Intangible fixed assets	14	3,073,419	3,128,223
a	Cost		4,622,229	4,211,880
b	Accumulated amortisation		(1,548,810)	(1,083,657)
<b>XII</b>	<b>Other assets</b>		<b>28,969,058</b>	<b>19,816,687</b>
1	Receivables	15(a)	15,796,141	6,668,595
2	Accrued interest and fee receivables	15(b)	7,149,313	7,206,125
3	Deferred tax assets	15(c)	7,137	909,263
4	Other assets	15(d)	6,020,487	5,036,638
5	Allowance for other assets	15(d)	(4,020)	(3,934)
	<b>TOTAL ASSETS</b>		<b>1,414,672,587</b>	<b>1,326,230,092</b>

# CONSOLIDATED BALANCE SHEET

as at 31 December 2021

Form B02/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	Note	31/12/2021 VND million	31/12/2020 VND million
<b>B</b>	<b>LIABILITIES AND OWNERS' EQUITY</b>			
<b>I</b>	<b>Amounts due to the Government and the State Banks</b>	<b>16</b>	<b>9,468,116</b>	<b>41,176,995</b>
<b>II</b>	<b>Deposits and borrowings from other credit institutions</b>	<b>17</b>	<b>109,757,777</b>	<b>103,583,833</b>
1	Deposits from other credit institutions		104,043,817	100,916,433
2	Borrowings from other credit institutions		5,713,960	2,667,400
<b>III</b>	<b>Deposits from customers</b>	<b>18</b>	<b>1,135,323,913</b>	<b>1,032,113,567</b>
<b>IV</b>	<b>Derivative financial instruments and other financial liabilities</b>	<b>8</b>	<b>-</b>	<b>52,031</b>
<b>V</b>	<b>Funds for finance, entrusted investments and entrusted loans</b>	<b>19</b>	<b>7,707</b>	<b>14,679</b>
<b>VI</b>	<b>Valuable papers issued</b>	<b>20</b>	<b>17,387,747</b>	<b>21,240,197</b>
<b>VII</b>	<b>Other liabilities</b>		<b>33,609,934</b>	<b>33,953,811</b>
1	Accrued interest and fee payables	21(a)	9,326,334	9,797,834
3	Other liabilities	21(b)	24,283,600	24,155,977
	<b>TOTAL LIABILITIES</b>		<b>1,305,555,194</b>	<b>1,232,135,113</b>
<b>VIII</b>	<b>Owners' equity</b>			
1	Capital		42,428,821	42,428,821
a	Charter capital		37,088,774	37,088,774
c	Share premium		4,995,389	4,995,389
g	Other capital		344,658	344,658
2	Reserves		18,173,068	14,925,803
3	Foreign exchange differences		(5,109)	5,103
5	Retained profits		48,433,500	36,650,228
a	Previous years' retained profits		31,826,728	22,803,530
b	Current year's retained profits		16,606,772	13,846,698
6	Non-controlling interest		87,113	85,024
	<b>TOTAL OWNERS' EQUITY</b>	<b>22(a)</b>	<b>109,117,393</b>	<b>94,094,979</b>
	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>1,414,672,587</b>	<b>1,326,230,092</b>

# CONSOLIDATED BALANCE SHEET

as at 31 December 2021

Form B02/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	31/12/2021 VND million	31/12/2020 VND million
<b>OFF-BALANCE SHEET ITEMS</b>			
1	Credit guarantees	2,447,477	654,296
2	Foreign exchange commitments	81,044,022	116,656,912
	<i>Foreign currency buying commitments</i>	<i>3,470,214</i>	<i>53,984,032</i>
	<i>Foreign currency selling commitments</i>	<i>3,466,305</i>	<i>62,672,880</i>
	<i>Swap transaction commitments</i>	<i>74,107,503</i>	-
4	Letters of credit	65,378,199	45,980,494
5	Other guarantees	51,576,893	50,892,327
6	Other commitments	196,990	680,372

Hanoi, 21 March 2022

Prepared by:

Ms. **Nguyen Thi Thu Huong**

Mr. **Le Hoang Tung**

Approved by:

Ms. **Phung Nguyen Hai Yen**

Deputy Director of Financial and  
Accounting Policy Department

Chief Accountant

Deputy CEO

# CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2021

Form B03/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	Note	2021 VND million	2020 VND million
1	Interest and similar income	24	70,749,002	69,205,134
2	Interest and similar expenses	25	(28,349,385)	(32,919,659)
<b>I</b>	<b>Net interest income</b>		<b>42,399,617</b>	<b>36,285,475</b>
3	Fee and commission income	26	11,286,516	10,588,163
4	Fee and commission expenses	26	(3,879,443)	(3,980,846)
<b>II</b>	<b>Net fee and commission income</b>	<b>26</b>	<b>7,407,073</b>	<b>6,607,317</b>
<b>III</b>	<b>Net gain from trading of foreign currencies</b>	<b>27</b>	<b>4,374,820</b>	<b>3,906,399</b>
<b>IV</b>	<b>Net gain from trading securities</b>	<b>28</b>	<b>104,114</b>	<b>1,810</b>
<b>V</b>	<b>Net loss from investment securities</b>	<b>29</b>	<b>(85,126)</b>	<b>(98)</b>
5	Other income	30	3,100,370	2,544,714
6	Other expenses	30	(707,109)	(744,461)
<b>VI</b>	<b>Net other income</b>	<b>30</b>	<b>2,393,261</b>	<b>1,800,253</b>
<b>VII</b>	<b>Income from capital contributions and equity investments</b>	<b>31</b>	<b>129,810</b>	<b>461,385</b>
	<b>TOTAL OPERATING INCOME</b>		<b>56,723,569</b>	<b>49,062,541</b>
<b>VIII</b>	<b>TOTAL OPERATING EXPENSES</b>	<b>32</b>	<b>(17,574,188)</b>	<b>(16,038,250)</b>
<b>IX</b>	<b>Net operating profit before allowance for credit losses</b>		<b>39,149,381</b>	<b>33,024,291</b>
<b>X</b>	<b>Allowance for credit losses</b>	<b>33</b>	<b>(11,760,801)</b>	<b>(9,974,730)</b>
<b>XI</b>	<b>PROFIT BEFORE TAX</b>		<b>27,388,580</b>	<b>23,049,561</b>
<b>XI</b>	<b>PROFIT BEFORE TAX</b>		<b>27,388,580</b>	<b>23,049,561</b>
7	Current corporate income tax expense	34(a)	(4,547,363)	(5,081,068)
8	Deferred income tax expense	34(b)	(902,172)	504,025
<b>XII</b>	<b>Corporate income tax expenses</b>		<b>(5,449,535)</b>	<b>(4,577,043)</b>
<b>XIII</b>	<b>NET PROFIT AFTER TAX</b>		<b>21,939,045</b>	<b>18,472,518</b>
<b>XIV</b>	<b>Non-controlling interest</b>		<b>(20,232)</b>	<b>(21,207)</b>
	<b>Net profit attributable to the Bank's shareholders</b>		<b>21,918,813</b>	<b>18,451,311</b>
<b>XV</b>	<b>Basic earnings per share (VND/share) (restated)</b>	<b>35</b>	<b>4,195</b>	<b>3,387</b>

Hanoi, 21 March 2022

Prepared by:

Ms. **Nguyen Thi Thu Huong**

Mr. **Le Hoang Tung**

Approved by:

Ms. **Phung Nguyen Hai Yen**

Deputy Director of Financial and  
Accounting Policy Department

Chief Accountant

Deputy CEO

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021 (Direct method)

Form B04/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	2021 VND million	2020 VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Interest and similar income received	70,805,813	70,063,617
02	Interest and similar expenses paid	(28,835,100)	(33,194,191)
03	Net fee and commission income received	5,727,973	6,607,317
04	Net receipts from trading activities (foreign currencies, gold and securities)	4,666,765	3,464,399
05	Other expenses paid	(526,224)	(628,988)
06	Receipts from bad debts previously written off	2,912,230	2,421,725
07	Payments to employees and for other operating activities	(16,384,599)	(14,525,026)
08	Corporate income tax paid during the year	(5,877,802)	(4,680,317)
	<b>Net cash flows from operating activities before changes in operating assets and liabilities</b>	<b>32,489,056</b>	<b>29,528,536</b>
	<b>(Increase)/decrease in operating assets</b>		
09	Balances with and loans to other credit institutions Trading securities	(13,107,318)	4,040,576
10	Trading securities	(14,079,392)	10,336,784
11	Derivative financial instruments and other financial assets	(303,202)	98,312
12	Loans to customers	(120,961,694)	(105,081,370)
13	Utilisation of allowance for credit losses	(2,538,370)	(2,805,965)
14	Other operating assets	(9,978,820)	1,613,500
	<b>Increase/(decrease) in operating liabilities</b>		
15	Amounts due to the Government and the State Banks	(31,708,879)	(51,188,811)
16	Deposits and borrowings from other credit institutions	6,173,944	29,966,748
17	Deposits from customers	103,210,346	103,662,698
18	Valuable papers issued	(3,853,426)	(144,015)
19	Funds for finance, entrusted investments and entrusted loans	(6,972)	(5,752)
20	Derivative financial instruments and other financial liabilities	(52,031)	52,031
21	Other operating liabilities	950,748	7,396,305
22	Payments from reserves	(2,786,463)	(1,866,142)
<b>I</b>	<b>Net cash flows (used in)/generated from operating activities</b>	<b>(56,552,473)</b>	<b>25,603,435</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021 (Direct method)

Form B04/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

No.	Items	2021 VND million	2020 VND million
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
01	Payments for purchases of fixed assets	(1,621,433)	(3,001,902)
02	Proceeds from disposals of fixed assets	8,456	10,569
03	Payments for disposals of fixed assets	(1,201)	(3,053)
04	Payments for investments in other entities	(83,502)	-
05	Collections from investments in other entities	13,791	605,274
06	Dividends and profits received from equity investments and capital contributions	93,953	83,959
<b>II</b>	<b>Net cash flows used in investing activities</b>	<b>(1,589,936)</b>	<b>(2,305,153)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
01	Payments of dividends to shareholders	(1,886,298)	(2,986,115)
<b>III</b>	<b>Net cash flows used in financing activities</b>	<b>(1,886,298)</b>	<b>(2,986,115)</b>
<b>IV</b>	<b>Net cash flows during the year</b>	<b>(60,028,707)</b>	<b>20,312,167</b>
<b>V</b>	<b>Cash and cash equivalents at the beginning of the year</b>	<b>292,582,702</b>	<b>272,270,535</b>
<b>VII</b>	<b>Cash and cash equivalents at the end of the year (Note 36)</b>	<b>232,553,995</b>	<b>292,582,702</b>

Hanoi, 21 March 2022

Prepared by:

Ms. **Nguyen Thi Thu Huong**

Deputy Director of Financial and  
Accounting Policy Department

Approved by:

Mr. **Le Hoang Tung**

Chief Accountant

Ms. **Phung Nguyen Hai Yen**



Deputy CEO

The accompanying notes are an integral part of these consolidated financial statements

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

## 1. Reporting entity

### a. Establishment and operations

Joint Stock Commercial Bank for Foreign Trade of Vietnam ("the Bank") was established upon the transformation from a state-owned commercial bank following the approval of the Prime Minister on the equitisation plan of the Bank for Foreign Trade of Vietnam and in accordance with other relevant regulations. The Bank was granted Establishment and Operation Licence No. 138/GP-NHNN dated 23 May 2008 by the State Bank of Vietnam ("the SBV") for a period of 99 years, Business Registration Certificate No. 0103024468 dated 2 June 2008 by Hanoi Department of Planning and Investment and Enterprise Code No. 0100112437 was reissued for the fourteenth time on 6 September 2021.

The principal activities of the Bank in accordance with Decision No. 2719/QD-NHNN dated 27 December 2011, Decision No. 2182/QD-NHNN dated 26 October 2015, Decision No. 891/QD-NHNN dated 8 May 2017, Decision No. 2293/QD-NHNN

dated 31 October 2017, Decision No. 300/QD-NHNN dated 21 February 2019 and Decision No. 2447/QD-NHNN dated 25 November 2019 amending and supplementing to Establishment and Operation Licence No. 138/GP-NHNN on the contents of the Bank's operations include mobilise and receive short, medium and long-term deposits from organisations and individuals; lend to organisations and individuals up to the nature and capability of the Bank's capital resources; conduct settlement and cash services; provide other banking services as approved by the SBV; invest in associates, joint-ventures and other companies; invest in stocks and bonds and real-estate business in accordance with the relevant regulations; trade in and supply interest rates derivatives and commodity price derivatives in accordance with the relevant regulations; purchase debts; trade in and provide foreign exchange services in the domestic and international markets in accordance with the relevant regulations of the SBV.

### b. Charter capital

Under Establishment and Operation Licence No. 138/GP-NHNN dated 23 May 2008 issued by the SBV and Business Registration Certificate No. 0103024468 dated 2 June 2008 issued by Hanoi Department of Planning and Investment, the Bank's charter capital was VND12,100,860,260,000. Under Enterprise Registration Certificate with Enterprise Code No. 0100112437 was reissued

for the 13th time on 16 January 2019 and the amendment of Establishment and Operation Licence No. 138/GP-NHNN of Joint Stock Commercial Bank for Foreign Trade of Vietnam under Decision No. 300/QD-NHNN dated 21 February 2019 of the SBV, the Bank's charter capital was VND37,088,774,480,000. The par value of share is VND10,000.

	31/12/2021		31/12/2020	
	Number of shares	%	Number of shares	%
Shares owned by the Government of Vietnam	2,774,353,387	74.80%	2,774,353,387	74.80%
Shares owned by foreign strategic shareholder (Mizuho Bank Ltd., Japan)	556,334,933	15.00%	556,334,933	15.00%
Shares owned by other shareholders	378,189,128	10.20%	378,189,128	10.20%
	3,708,877,448	100%	3,708,877,448	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

### c. Location and network

The Bank's Head Office is located at 198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2021, the Bank had one (1) Head Office, one (1) Vietcombank Human Resources Development and Training College, two (2) Cash Processing Centers, one hundred and twenty one (121) branches nationwide, four (4) local subsidiaries, three (3) overseas subsidiaries, two (2) joint-ventures, one (1) associate, one (1) representative office located in the United States of

America, one (1) representative office located in Singapore and one (1) representative office located in Ho Chi Minh City (as at 31 December 2020, the Bank had one (1) Head Office, one (1) Vietcombank Human Resources Development and Training College, two (2) Cash Processing Centers, one hundred and sixteen (116) branches nationwide, four (4) local subsidiaries, three (3) overseas subsidiaries, two (2) joint-ventures, one (1) associate, one (1) representative office located in the United States of America, one (1) representative office located in Singapore and one (1) representative office located in Ho Chi Minh City).

### d. Subsidiaries, joint-ventures and associates

#### Subsidiaries

As at 31 December 2021 and 31 December 2020:

Subsidiaries	Operation Licence	Business sector	Ownership percentage of the Bank
Vietcombank Financial Leasing Company Limited	Operation Licence No. 66/GP-NHNN dated 31 October 2017 issued by the SBV	Financial leasing	100%
Vietcombank Securities Company Limited	Operation Licence No. 09/GPHDKD dated 24 April 2002, the most recent amendment is Operation Licence No. 63/GPDC-UBCK dated 29 December 2017 issued by the State Securities Commission of Vietnam ("SSC")	Securities	100%
Vietnam Finance Company Limited in Hong Kong ("Vinafico")	Operation Licence No. 58327 dated 10 February 1978 issued by Hong Kong Monetary Authority	Financial services	100%
Vietcombank Remittance Company Limited	Enterprise Registration Certificate No. 0314633162 dated 20 September 2017 and the most recent amendment dated 27 December 2021 issued by Ho Chi Minh City Department of Investment and Planning	Money remittance	100%
Vietcombank Laos Limited	Operation Licence No. 88/BOL dated 25 May 2018 issued by Bank of the Lao P.D.R	Banking	100%
Vietcombank Money Inc.	Business Registration No. E0321392009-6 dated 15 June 2009 issued by the Authority of the State of Nevada, United States	Money transfer	87.5%
Vietcombank Tower 198 Ltd	Investment Licence No. 1578/GP dated 30 May 1996 and the most recent amendment dated 1 March 2019 issued by the Ministry of Planning and Investment	Office leasing	70%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
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dated 31 December 2014)

The Bank and its subsidiaries are collectively referred to as "Vietcombank".

## Joint-ventures

As at 31 December 2021 and 31 December 2020:

Joint-ventures	Operation Licence	Business sector	Ownership percentage of the Bank
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited	Investment Licence No. 2458/GP dated 7 February 2005 issued by the Ministry of Planning and Investment and the most recent amendment No. 2458/GCND2/41/1 dated 28 December 2012	Office leasing	52%
Vietcombank Fund Management	Establishment and Operation Licence No. 06/UBCK-GPHDQLQ dated 2 December 2005 issued by the State Securities Commission of Vietnam and the most recent amendment No. 17/GPDC-UBCK dated 9 February 2018	Investment fund management	51%

## Associates

As at 31 December 2021 and 31 December 2020:

Associates	Operation Licence	Business sector	Ownership percentage of the Bank
Vietcombank – Bonday Joint-venture Company Limited	Investment Licence No. 283/GP dated 5 December 1991 issued by the Ministry of Planning and Investment and the most recent amendment No. 283/GPDC4 dated 4 March 2002	Office leasing	16%

## e. Number of employees

As at 31 December 2021, Vietcombank had 21,670 employees (31 December 2020: 20,062 employees).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

## 2. Summary of significant accounting policies

The following significant accounting policies have been adopted by Vietcombank in the preparation and presentation of these consolidated financial statements.

### a. Purpose of preparing the consolidated financial statements

The Bank has subsidiaries as disclosed in Note 1(d). The Bank has prepared these consolidated financial statements to meet the prevailing requirements in relation to disclosure of information, specified under Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance on disclosure of information on the securities market ("Circular 96"). In addition, as required by Circular 96, the Bank has also prepared the separate financial statements of the Bank for the year ended 31 December 2021 ("the separate financial statements"), which were issued on 21 March 2022.

### b. Basis of financial statement preparation

The consolidated financial statements, presented in Vietnam Dong ("VND") and rounded to the nearest million VND ("VND million"), have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions ("CIS") issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using direct method.

### c. Annual accounting period

Vietcombank's annual accounting period is from 1 January to 31 December.

### d. Changes in accounting policies

On 30 July 2021, the State Bank of Vietnam issued Circular No. 11/2021/TT-NHNN regulating on classification of assets, allowance level, credit loss allowance calculation method and utilisation of allowance for credit losses in operations of credit institutions and foreign banks' branches ("Circular 11"). Circular 11 replaces Circular No. 02/2013/TT-NHNN dated 21 January 2013 of the SBV on classification of assets, allowance level, credit loss allowance calculation method and utilisation of allowance for credit losses in operations of credit institutions and foreign banks' branches ("Circular 02") and Circular No. 09/2014/TT-NHNN dated 18 March 2014 of the SBV on amending and supplementing certain articles of Circular 02 ("Circular 09"). Circular 11 takes effect from 1 October 2021.

Effective from 1 October 2021, Vietcombank has prospectively adopted applicable requirements of Circular 11. The changes in accounting policies of Vietcombank and effects on the consolidated financial statements, if any, due to the prospective adoption of requirements of Circular 11 are disclosed in Note 2(i).

### e. Foreign currency transactions

All transactions are recorded in their original currencies. Monetary assets and liabilities denominated in currencies other than VND are converted into VND at the exchange rates prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are converted into VND at the exchange rate at the dates of transactions. Income and expenses in foreign currencies are converted into VND in the consolidated statement of income at the spot exchange rates at the dates of transactions.

Foreign exchange differences arising during the year are recorded in the consolidated statement of income at the end of the annual accounting period.

In order to prepare the consolidated financial statements with consolidation method for the subsidiaries and equity method for the associates and joint-ventures of which their accounting currencies are not VND, assets, liabilities and equity accounts of those subsidiaries, joint-ventures and associates are converted into VND at spot exchange rates at the end of the annual accounting period, and the income and expenses are converted into VND at the average exchange rate for the annual accounting period. Exchange differences arising from the conversion are recognised in equity in the consolidated balance sheet.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

## f. Basis of consolidation

### (i) Subsidiaries

Subsidiaries are entities controlled by the Bank. The control exists when the Bank has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing the control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that the control commences until the date that the control ceases.

Inter-company balances, transactions and profit/loss on transactions between the subsidiaries and the Bank are eliminated in full when preparing the consolidated financial statements. The accounting policies of subsidiaries have been changed when necessary to ensure the consistency with the policies adopted by the Bank.

Non-controlling interest is the portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Bank.

### (ii) Associates and joint-ventures

Joint-ventures are those entities to which the Bank has joint control, established by contractual agreements and require unanimous consent of all joint-venture investors for the entity's strategic financial and operating decisions.

The Bank adopts the equity method in accounting for its investments in associates and joint ventures in the consolidated financial statements. The Bank's share of post acquisition profits or losses of its associates and joint-ventures is recognised in the consolidated statement of income. When the Bank's share of losses in associates and joint-ventures equals or exceeds the cost of its investments in the associates and joint-ventures, the Bank does not recognise further losses in its consolidated financial statements, unless it has obligations to pay on behalf of the associates and joint-ventures. Accounting policies of associates and joint-ventures have been changed where necessary to ensure consistency with the policies adopted by the Bank.

## g. Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with the SBV, treasury bills and other short-term valuable papers which are eligible for discounting with the SBV, balances with and loans to other credit institutions with original term to maturity not exceeding three months from the original date of placement or lending; investment securities with recoverability period or maturity term of not exceeding three months from the purchase date that are readily convertible into known amounts of cash, and that are subjected to an insignificant risk of change in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

## h. Balances with and loans to other credit institutions

Balances with other credit institutions, (except for demand deposits and deposit with Vietnam Bank for Social Policies according to SBV's regulation of State credit institutions maintaining deposit balance with Vietnam Bank for Social Policies) are term deposits with other credit institutions and foreign bank branches with original terms to maturity of not exceeding three months.

Loans to other credit institutions are loans with original terms to maturity of not exceeding twelve months.

Demand deposits with other credit institutions are stated at the amount of the outstanding principal.

Term deposits with and loans to other credit institutions are stated at the amount of the outstanding principal less any specific allowance for credit risk.

Debt classification of term deposits with and loans to other credit institutions and allowance for credit risk thereof is made in accordance with the requirements of Circular 11 from 1 October 2021 and of Circular 02 and Circular 09 prior to 1 October 2021. Accordingly, Vietcombank classifies debts and makes specific allowance for term deposits with and loans to other credit institutions in accordance with the accounting policy described in Note 2(i).

According to Circular 11, Vietcombank is not required to make general allowance for balances with and loans to other credit institutions.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

## i. Loans to customers

### (i) Loans to customers

Loans to customers are stated in the consolidated balance sheet at the outstanding amount of principal at the reporting date.

Allowance for credit risk of loans to customers is recorded and presented in a separate line in the consolidated balance sheet. Allowance for credit risk comprises specific allowance for credit risk and general allowance for credit risk.

### (ii) Debt classification

#### Prior to 1 October 2021

Vietcombank performed debt classification for loans to customers in accordance with the requirements of Circular 02 and Circular 09.

Since 1 January 2010, the Bank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make debt classification based on the qualitative method as approved by the SBV. However, according to Circular 02, the Bank is required to classify debts and off-balance sheet commitments in accordance with both Article 10 and Clause 1 of Article 11, Circular 02. Accordingly, in case the classification of a debt in accordance with Article 10 and Clause 1 of Article 11, Circular 02 is different, the debt shall be classified into the group of higher risk.

Since 1 January 2015, Vietcombank has used the information from Credit Information Center ("CIC") about the debt group of customers at the time of debt classification to adjust the debt group, off-balance sheet commitments. If a customer's debts and off-balance sheet commitments are classified in a debt group that has a lower risk than the debt groups provided in CIC's list, Vietcombank shall adjust its classification of debts and off-balance commitments following the debt groups provided by CIC.

#### From 1 October 2021

Vietcombank performs debt classification for loans to customers in accordance with the requirements of Circular 11.

Since 1 January 2010, the Bank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make debt classification based on the qualitative method as approved by the SBV. According to Circular 11, the Bank continues to classify debts based on qualitative method in accordance with the approval letter of the SBV and classify debts and off-balance sheet commitments in accordance with

both Article 10 and Clause 1 of Article 11, Circular 11. Accordingly, in case the classification of a debt in accordance with Article 10 and Clause 1 of Article 11, Circular 11 is different, the debt shall be classified into the group of higher risk.

Since 1 January 2015, Vietcombank has used the information from Credit Information Center ("CIC") about the debt group of customers at the time of debt classification to adjust the debt group, off-balance sheet commitments. If a customer's debts and off-balance sheet commitments are classified in a debt group that has a lower risk than the debt groups provided in CIC's list, Vietcombank shall adjust its classification of debts and off-balance commitments following the debt groups provided by CIC.

#### Prior to 17 May 2021

Vietcombank has applied Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01") issued by the SBV regulating credit institutions and foreign bank branches on rescheduling the debt repayment term, exempting, reducing interest and fees, keeping debt group unchanged in order to support customers affected by Covid-19 pandemic. Accordingly, for customers with obligation of paying principals and/or interest during the period from 23 January 2020 to the day after 3 months from the day the Prime Minister declares the end of the Covid-19 pandemic and the borrowers are not able to repay the principal and/or interest in accordance with the payment schedules specified in the signed loan contract/agreement, originally signed agreement due to decrease in revenue, profit caused by the effect of Covid-19 pandemic, Vietcombank is allowed to reschedule the repayment term for these debts while maintaining the same debt group as classified at the most recent date before 23 January 2020.

#### From 17 May 2021 to before 7 September 2021

Vietcombank has applied Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") issued by the SBV amending and supplementing certain articles of Circular 01. Accordingly, the customers whose loans were disbursed before 10 June 2020 and incurred obligations of paying principals and/or interest during the period from 23 January 2020 to 31 December 2021; and those customers are unable to pay the principal and/or interest in accordance to the payment schedules specified in signed loan contracts/agreements due to decrease in revenue, income caused by Covid-19 pandemic, Vietcombank is allowed to reschedule loan repayment term, exempt or reduce interest and fees, and keep the debt group unchanged as classified in accordance with Circular 02 as follows:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2021 (continued)

Form B05/TCTD-HN  
(Issued under Circular  
No. 49/2014/TT-NHNN  
dated 31 December 2014)

Loan disbursement timing	Period of debt payment obligation occurrence	Overdue status	Period of overdue occurrence	Principle of keeping debt group unchanged
Before 23/1/2020		Not past due or overdue up to 10 days	From 30/3/2020 to before 31/12/2021	Keeping the debt group unchanged as classified at the most recent date before 23/1/2020.
		Overdue	From 23/1/2020 to 29/3/2020	
From 23/1/2020 to before 10/6/2020	From 23/1/2020 to 31/12/2021	Not past due or overdue up to 10 days	From 17/5/2021 to before 31/12/2021	Keeping the debt group unchanged as classified at the most recent date before the date of first rescheduling loan repayment period.
		Overdue	From 23/1/2020 to before 17/5/2021	Keeping the debt group unchanged as classified at the most recent date before the date the loan becomes overdue.

## From 7 September 2021

Vietcombank has applied Circular No. 14/2021/TT-NHNN dated 7 September 2021 ("Circular 14") issued by the SBV amending and supplementing certain articles of Circular 01. Accordingly, the customers whose loans were disbursed before 1 August 2021 and incurred obligations of paying principals and/or interest during the period from 23 January 2020 to 30 June 2022; and those customers are unable to pay the principal and/or interest in accordance to the payment schedules specified in signed loan contracts/agreements due to decrease in revenue, income caused by Covid-19 pandemic, Vietcombank is allowed to reschedule loan repayment term, exempt or reduce interest and fees, and keep the debt group unchanged as follows:

Loan disbursement timing	Period of debt payment obligation occurrence	Overdue status	Period of overdue occurrence	Principle of keeping debt group unchanged
Before 23/1/2020		Not past due or overdue up to 10 days	From 30/3/2020 to 30/6/2022	Keeping the debt group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 1/8/2021		Not past due or overdue up to 10 days	From 17/5/2021 to before 17/7/2021 or from 7/9/2021 to 30/6/2022	Keeping the debt group unchanged as classified at the most recent date before the date of first rescheduling loan repayment period.
Before 23/1/2020	From 23/1/2020 to 30/6/2022	Overdue	From 23/1/2020 to 29/3/2020	Keeping the debt group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 10/6/2020		Overdue	From 23/1/2020 to before 17/5/2021	Keeping the debt group unchanged as classified at the most recent date before the date the loan becomes overdue.
From 10/6/2020 to before 1/8/2021		Overdue	From 17/7/2021 to before 7/9/2021	

For the loan balances having rescheduled repayment term, interest exempted or reduced and debt group being kept unchanged during the restructured term and their repayment period is not further rescheduled by Vietcombank in accordance with prevailing regulations: Vietcombank classifies these debts in accordance with Circular 11, taking into account the number of times of rescheduling repayment period and keeping debt group unchanged.

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## (iii) Specific allowance for credit risk

### Prior to 1 October 2021

In accordance with the requirements of Circular 02, specific allowance for credit risk of debts at the end of each quarter is determined based on the allowance rates corresponding to the results of debt classification and outstanding principals of debts at the last working day of each quarter (for the last quarter of the annual accounting period, specific allowance for credit risk is determined based on the allowance rates corresponding to the results of debt classification and outstanding principals of debt at the last working day of the second month of the last quarter of the annual accounting period) less allowed value of collateral assets.

### From 1 October 2021

In accordance with the requirements of Circular 11, specific allowance for credit risk of debts at the end of each month is determined based the allowance rates corresponding to the results of debt classification and outstanding principals of debts at the last day of the month less allowed value of collateral assets.

Specific allowance is calculated based on the following allowance rates corresponding to the outstanding principals of debts less allowed value of collateral assets:

	Allowance rate
Group 1 – Current debts	0%
Group 2 – Special mentioned debts	5%
Group 3 – Sub-standard debts	20%
Group 4 – Doubtful debts	50%
Group 5 – Loss debts	100%

Bad debts are debts in Groups 3, 4 and 5.

For the loans having rescheduled repayment term, exempted or reduced interest and fees in order to support customers affected by Covid-19 pandemic, Vietcombank determines and recognises the additional specific allowance for the entire outstanding loan balance of customers, including the loan balances having rescheduled repayment term, exempted or reduced interest according to the results of debt classification in accordance with Circular 11 (without applying the provision of keeping debt group unchanged under Circular 03) as follows:

Additional allowance	Deadline
At least 30% of the total required additional specific allowance	By 31 December 2021
At least 60% of the total required additional specific allowance	By 31 December 2022
100% of the total required additional specific allowance	By 31 December 2023

As at 31 December 2021, Vietcombank has made 100% the additional amount of specific allowance mentioned as above.

## (iv) General allowance for credit risk

### Prior to 1 October 2021

Vietcombank made general allowance at 0.75% total outstanding principals at the last working day of each quarter (for the last quarter of the annual accounting period, a general allowance for credit risk is determined at 0.75% of total outstanding principals at the last working day of the second month of the last quarter of the annual accounting period) of the debts classified in Group 1 to Group 4.

### From 1 October 2021

Vietcombank makes general allowance at 0.75% total outstanding principals at the last day of each month of the debts classified in Group 1 to Group 4.

## (v) Bad debts written-off

According to Circular 11, Vietcombank writes off bad debts in the following cases:

- Borrowers who are dissolved, bankrupted under legal regulations (in case of legal entities); or are deceased or missing (in case of individuals);
- Debts are classified into Group 5.

## j. Investments

### (i) Trading securities

Trading securities are debt securities, equity securities and other securities which are bought and held for the purpose of reselling within one year to earn capital gains.

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Trading securities are initially recognised at cost. They are subsequently measured at the lower of book value and market price. Gains or losses from the sales of trading securities are recognised in the consolidated statement of income.

## (ii) Investment securities

Investment securities are classified into two categories: available-for-sale and held-to-maturity securities. Vietcombank classifies investment securities on purchase dates. In accordance with Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, Vietcombank is allowed to reclassify investment securities once, at maximum, after the purchase date.

## Available-for-sale securities

Available-for-sale securities are debt securities, equity securities or other securities, which are acquired for an indefinite period and may be sold at any time. For equity securities, the investee is not a subsidiary, associate or joint-venture of Vietcombank and Vietcombank is neither a founding shareholder nor a strategic partner; nor has the impact on the enterprise's planning and determining of financial and operating policies under agreements to appoint personnel to the Members' Council/Board of Directors/Board of Management.

Post-acquisition interest income from available-for-sale debt securities is recognised in the consolidated statement of income on an accrual basis.

## Held-to-maturity securities

Held-to-maturity securities are debt securities, with fixed or determinable payments and maturities where the management of the Bank and its subsidiaries has the positive intention and ability to hold until maturity.

Post-acquisition interest income from held-to-maturity securities is recognised in the consolidated statement of income on an accrual basis.

Investment securities are initially recognised at cost, including transaction costs and other directly attributable costs. They are subsequently measured at amortised cost less allowance for investment securities. Premiums and discounts arising from purchases of debt securities are amortised in the consolidated statement of income using the straight-line method over the period from the purchase dates to the maturity dates.

Available-for-sale debt securities and held-to-maturity securities which are unlisted corporate bonds except for bonds issued by credit institution are classified and made allowance for credit risk

in accordance with the requirements of Circular 11 as described at Note 2(i). For other available-for-sale investment securities, allowance for diminution in the value of securities is made if their market price decreases to below their cost. For other held-to-maturity securities, allowance for diminution in the value of securities is made when there is indication of prolonged decline in securities prices or there is certain evidence that it is difficult for Vietcombank to fully recover the investment amount.

## (iii) Capital contributions and long-term investments

Other long-term investments represent Vietcombank's equity investments in other enterprises where Vietcombank owns less than 11% of voting rights and is either a founding shareholder or a strategic partner; or has influences on the enterprise's planning and determining of financial and operating policies under agreements to appoint personnel to the Members' Council/Board of Directors/Board of Management but Vietcombank does not have control or significant influence over the investees.

Other long-term investments include equity securities and other long-term capital contributions which are intended to hold for more than one year (except for capital contributions and investments into joint-ventures, associates and subsidiaries).

Other long-term investments are initially recognised at cost less allowance for diminution in the value of investments.

For investments in unlisted equity securities, the allowance for diminution in the value of long-term investments is made for the local economic entity owned by Vietcombank at the end of the annual accounting period which has signs of decrease in value compared to the Vietcombank's carrying value in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance ("Circular 48"). Accordingly, the allowance amount for the investment is the difference between the owners' actual contributed capital at the economic entity receiving capital contribution and actual equity of the economic entity at the time of calculating allowance multiplied (x) by the actual percentage of capital contributed into the economic entity by Vietcombank at the time of calculating allowance. For investments in listed securities or investments whose market price can be determined reliably, allowance is made based on the securities' market price when their carrying amounts are higher than their market prices.

## k. Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specific date in the future (repos) are still recognised in the consolidated financial statements. The corresponding cash received from these agreements is recognised in the consolidated balance sheet as a liability. The difference between the sale price and repurchase

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price is amortised in the consolidated statement of income over the term of the agreement using the straight-line method.

Securities purchased under agreements to resell at a specific date in the future are not recognised in the consolidated financial statements. The corresponding cash paid under these agreements is recognised in the consolidated balance sheet as a loan to customer. The difference between the purchase price and resale price is amortised in the consolidated statement of income over the term of the agreement using the straight-line method.

## I. Tangible fixed assets

### (i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use on the site where it is located.

In accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance ("Circular 45") guiding the framework of management, use and depreciation of fixed assets, assets shall be considered as fixed assets if they meet all of the following three criteria:

- It is certain to gain future economic benefits from the use of such assets;
- The useful life of assets is above one year;
- Historical costs of the assets must be determinable reliably, with a minimum value of VND 30,000,000.

Expenditures incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the consolidated statement of income for the year in which the costs are incurred. In case it can be clearly demonstrated that these expenditures have resulted in an increase in the expected future economic benefits obtained from the use of these tangible fixed assets beyond their originally assessed standard level of performance, the expenditures will be capitalised as an additional cost of tangible fixed assets.

### (ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

Buildings and structures	25 years
Machinery and equipment	3 - 5 years
Motor vehicles and means of transmission	6 years
Other tangible fixed assets	4 years

## m. Intangible fixed assets

### (i) Land use rights

According to Circular 45, intangible fixed assets recognised as land use rights comprise:

- The land use rights granted by the State with land use fee or receiving the transfer of legal land use rights (including definite and indefinite land use rights);
- The rights to use the leased land before the effective date of the Land Law 2003 but the rent has been paid for the leasing time or paid in advance for many years and the remaining paid land lease term is at least five years and granted with certificate of land use rights by the competent authority.

The initial cost of land use rights is determined as the total amount paid to have the land use rights plus costs of site clearance, ground levelling, registration fee (excluding costs of construction on that land) or the value of land use rights as contributed capital.

Land use rights not recognised as intangible assets comprise:

- Land use rights granted by the State without land use fee;
- Land lease rent paid one time for the entire lease term (the land lease time after the effective date of the Land Law 2003 without certificate of land use rights granted), the rent is amortised into the business expenses by the number of lease periods;
- Land lease rent paid annually, the rent is recorded into the business expenses in the year in proportion to the rent annually paid.



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According to Circular 45, intangible fixed assets which are indefinite term land use rights with land use fee or receiving the indefinite term land use rights are not amortised.

For the intangible fixed assets which are the value of definite land use rights or the leased land use rights, the amortisation period is the period permitted for the use of land of Vietcombank.

## (ii) Copyrights, patents and other intangible fixed assets

Copyrights, patents and other intangible fixed assets are stated at cost less accumulated amortisation. These intangible fixed assets are amortised on a straight-line basis over the period ranging from 3 to 4 years.

## n. Other assets

Except for receivables from uncollectible income as presented in Note 2(u)(iv), allowance for overdue other assets which are not classified as assets bearing credit risk are made in accordance with Circular 48 and Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 200"). Accordingly, allowance for these assets is based on their overdue period or estimated irrevocable loss for debts that are not due but Vietcombank has collected evidence to identify that debtor has become bankrupt, filing for bankruptcy or has absconded; or being prosecuted, detained or tried by law enforcement bodies or serving a sentence; or suffering from a serious illness (certified by the hospital); deceased; or those remains irrecoverable after Vietcombank filing a lawsuit due to its debtor had fled from his/her residence; the debt which has been sued for debt collection by Vietcombank but the case has been suspended.

Overdue period	Allowance rate
From six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

For other assets that are classified as assets with credit risk, Vietcombank classifies and makes allowance similarly to loans to customers as described in Note 2(i).

## o. Deposits and borrowings from other credit institutions

Deposits and borrowings from other credit institutions are stated at cost.

## p. Deposits from customers

Tiền gửi của khách hàng được ghi nhận theo giá gốc.

## q. Valuable papers issued

Valuable papers issued are stated at cost and accumulated amortised premiums or discounts. Cost of valuable papers issued includes the proceeds from the issuance less directly attributable costs.

## r. Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for Vietcombank for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, Vietcombank is required to pay the eligible employee severance allowance calculated based on years of service until 31 December 2008 and employee's average monthly salary of the latest six-month period until termination. Before 2012, provision for severance allowance had been provided based on employees' years of service and their current salary level.

On 24 October 2012, the Ministry of Finance issued Circular No. 180/2012/TT-BTC ("Circular 180") guiding the financial treatment for redundancy allowance to employees of enterprises. Circular 180 provides that, in preparation of financial statements for the year 2012, if an enterprise's provision for severance allowance still has the outstanding balance, the enterprise must reverse the balance to other income for the year 2012 and must not carry forward the balance to the following year. Accordingly, Vietcombank reversed the outstanding balance of provision for severance allowance. This change in accounting policy has been applied prospectively from 2012.

## s. Bonus and welfare funds

Bonus and welfare funds are appropriated from profit after tax in accordance with the Resolution of the General Meeting of Shareholders and recorded as liabilities in the consolidated balance sheet. The bonus and welfare funds are used for the purposes specified in Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government ("Decree 93").

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## t. Capital and reserves

### (i) Ordinary shares

Ordinary shares are classified as equity and recognised at par value. Incremental costs directly attributable to the issuance of ordinary shares are recognised as a deduction from share premium in equity.

### (ii) Share premium

On receipt of capital from shareholders, the difference between the issue price and the par value of the shares is recorded in share premium under equity.

### (ii) Treasury shares

Before 1 January 2021, when shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

From 1 January 2021, treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the Bank issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

This change in accounting policy has been applied prospectively from 1 January 2021 due to change in applicable laws and regulations on buying back shares.

### (iv) Reserves

Reserves are used for specific purposes and appropriated from net profit after tax of the Bank and Vietcombank Finance Leasing Company Limited ("VCBL") at prescribed rates as below:

- Supplementary charter capital reserve: 5% of net profit after tax of each entity. According to Decree 93, the maximum

balance for this reserve does not exceed charter capital of the Bank/VCBL.

- Financial reserve: 10% of net profit after tax of each entity. The maximum balance for this reserve is not specified under Decree 93.
- Investment and development fund and other funds: appropriated following the resolutions of the General Meeting of Shareholders/Members' Council and in accordance with prevailing regulations.

The remaining net profits after tax, after appropriation to reserves and dividends payment, are recorded as retained profits.

Vietcombank Securities Company Limited ("VCBS") appropriates net profit after tax to reserves in accordance with Circular No. 146/2014/TT-BTC issued by the Ministry of Finance on 6 October 2014 as follows:

- Supplementary charter capital reserve: 5% of net profit after tax and does not exceed 10% of VCBS's charter capital.
- Financial reserve: 5% of net profit after tax and does not exceed 10% of VCBS's charter capital.

### (v) Foreign exchange differences

Foreign exchange differences are related to differences arising when financial statements in foreign currencies of overseas subsidiaries are converted into VND for the purpose of preparing consolidated financial statements.

## u. Income and expenses

### (i) Interest income and interest expenses

Vietcombank recognises interest income from debts classified in Group 1 - Current debts as defined in Note 2(i) on an accrual basis. Interest receivable from debts being kept debt group as Group 1 - Current debts as a result of applying Circular 01, Circular 03 and Circular 14 or adopting the State's regulations and interest receivable from debts classified in Group 2 to Group 5 are recognised in the consolidated statement of income upon receipt (cash basis).

Interest expenses are recognised in the consolidated statement of income on an accrual basis.

### (ii) Fee and commission income and cash dividend income

Fee and commission income are recognised in the consolidated statement of income on an accrual basis.

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Cash dividends from investment activities are recognised in the consolidated statement of income when Vietcombank's right to receive dividend is established.

## (iii) Share dividends

In accordance with Circular 200, share dividends distributed from retained profits, share premium and reserves in equity of joint stock companies are not recorded as an income in the consolidated statement of income. Instead, the additional shares received are reflected as increase in the number of shares held by Vietcombank.

## (iv) Uncollectible income

According to Circular No. 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance, receivables that are recognised as income but uncollectible at the due date are reversed as a reduction of income if the due date is within the same annual accounting period, or recorded as an expense if the due date is not within the annual accounting period, and must be monitored on the off-balance sheet for following-up on collection. When the receivable is collected, Vietcombank will record it in other income.

## v. Leases

### (i) Lessee

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease.

### (ii) Lessor

Vietcombank recognises finance leased assets as "Loans to customers" in the consolidated balance sheet at the net value of the investment defined in the lease contract. Income from finance leases are recognised as "Interest and similar income". Instalment income is amortised over the lease term using interest rate over the net investment of the leased assets. The debt classification of finance lease receivables is made in accordance with the quantitative method as stipulated in Article 10 of Circular 11 from 1 October 2021 and Article 10 of Circular 02 prior to 1 October 2021.

Vietcombank recognises operating lease assets in the consolidated balance sheet. Rental income is recognised on a straight-line basis over the lease term regardless of payment method. Expenses occurred during the leasing period, including depreciation expenses are recognised as operating expenses for the year.

## w. Corporate income tax

Corporate income tax comprises of current and deferred tax. Corporate income tax is recognised in the consolidated statement of income except that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payables in respect of the previous years.

Deferred income tax is calculated by using the balance sheet method, providing for the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## x. Related parties

Related parties of Vietcombank include:

- Individuals or organisations which have the authority to appoint management personnel, members of the Supervisory Board of the parent company or parent credit institution of Vietcombank;
- Management personnel or members of the Supervisory Board of the Bank;
- Entities or organisations which have the authority to appoint management personnel, members of the Supervisory Board of the Bank;
- Wives, husbands, parents, children (including foster parents, foster children, parents-in-law, sons-in-law, daughters-in-law, step parents, step children), siblings (including half siblings), brothers-in-law, sisters-in-law of management personnel, members of the Supervisory Board, capital contributors or shareholders who hold at least 5% of charter capital or share capital with voting rights of the Bank;
- Individuals or organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank;
- Authorised representatives of owners of contributed capital and shares of the Bank.

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The Government of Vietnam, through the State Bank of Vietnam, is a shareholder of the Bank. Therefore, in these consolidated financial statements, some Government agencies, including the Ministry of Finance and the State Bank of Vietnam are considered as related parties of Vietcombank.

## y. Segment reporting

A segment is a distinguishable component of Vietcombank engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

## z. Off-balance sheet items

### (i) Foreign exchange contracts

Vietcombank enters into foreign exchange forward and swap contracts which enable customers to transfer, modify or reduce their foreign exchange risk or other market risks and also are used for Vietcombank's business purpose.

Forward contracts are commitments to either purchase or sell a designated currency at a specific future date for a specific exchange rate and cash settlement. Forward contracts are recorded at nominal values at transaction dates and are subsequently revaluated at the reporting date. Differences on revaluation are recognised under "Foreign exchange differences" in the equity and are recorded in the consolidated statement of income at the end of the annual accounting period. Differences between the amount in VND of the foreign currency amounts which are committed to buy/sell at forward rate and spot rate are recognised in the consolidated statement of income on a straight-line basis over the term of the forward contracts.

Currency swap contracts are commitments to settle in cash at a future date based on differences between specified exchange rates, calculated on the notional principal amount. Premiums/discounts arising from the difference of the spot exchange rate at the effective date of the contracts and the forward exchange rate will be recognised on the effective date of the contracts as an asset if they are positive or as a liability if they are negative in the consolidated balance sheet. The difference is amortised in the consolidated statement of income on a straight-line basis over the term of the swap contracts.

### (ii) Interest swap contracts

Interest swap contracts are commitments to settle in cash the notional principal amounts at the interest amount based on floating or fixed interest rates. The value of commitment in interest rate swap contracts is not recognised on the consolidated balance sheet. The difference of swap interest rates is recognised in the consolidated statement of income on an accrual basis.

### (iii) Commitments and contingent liabilities

Vietcombank has credit commitments arising from its regular lending activities. These commitments are unutilised loans and overdraft facilities which are approved. Vietcombank also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Many of the contingent liabilities and commitments will expire without any advanced payment, in whole or in part. Therefore, these commitments and contingent liabilities do not represent expected future cash flows.

According to Circular 11, Vietcombank, for management purpose, has to classify guarantees, payment acceptances and irrevocable lending commitments with specific effective date into 5 groups, similar to loans to customers (Note 2(i)).

## aa. Offsetting

Financial assets and liabilities are offset and the net amounts are reported in the consolidated balance sheet if, and only if, Vietcombank has currently enforceable legal rights to offset the recognised amounts and Vietcombank has an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## bb. Basic earnings per share

Vietcombank presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank (after adjustment for appropriation to bonus and welfare funds) by the weighted average number of ordinary shares outstanding during the year.

If new shares issued during the year only change the number of shares without changing the equity, Vietcombank will adjust the weighted average number of ordinary shares outstanding during the year presented in the consolidated financial statements retrospectively for current reporting period and comparative reporting period, which leads to corresponding adjustment for EPS.

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## 3. Presentation of financial instruments in accordance with Circular No. 210/2009/TT-BTC

During its business operations, Vietcombank regularly enters into contracts which give rise to financial assets, financial liabilities and equity instruments.

Financial assets of Vietcombank mainly include:

- Cash;
- Balances with the State Banks;
- Balances with and loans to other credit institutions;
- Loans to customers;
- Trading securities;
- Investment securities;
- Capital contributions, long-term investments;
- Derivative financial instruments and other financial assets;
- Other financial assets.

Financial liabilities of Vietcombank mainly include:

- Amounts due to the Government and the State Banks;
- Deposits and borrowings from other credit institutions;
- Deposits from customers;
- Funds for finance, entrusted investments and entrusted loans;
- Valuable papers issued;
- Derivative financial instruments and other financial liabilities;
- Other financial liabilities.

### a. Classification of financial assets and liabilities

Only for the disclosure purpose in the consolidated financial statements, Vietcombank classifies financial assets and financial liabilities in accordance with Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance ("Circular 210").

Financial assets are classified as:

- Financial assets held for trading;
- Held-to-maturity investments;
- Loans and receivables;
- Available-for-sale financial assets.

Financial liabilities are classified as:

- Financial liabilities held for trading;
- Financial liabilities carried at amortised cost.

### b. Measurement and disclosures of fair value

In accordance with Circular 210, Vietcombank has to disclose the fair value of financial assets and financial liabilities to compare with the book value of those financial assets and financial liabilities as disclosed in Note 44(b).

The disclosure of fair value of the financial instruments is only for the disclosure purpose in Note 44(b). The financial instruments of Vietcombank are still recognised and recorded in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the SBV and the relevant statutory requirements applicable to financial reporting as described in the notes above.

Fair value is the amount for which an asset could be exchanged, or a liability settled, among knowledgeable, willing parties in an arm's length transaction on the measurement date.

When an active market exists for a financial instrument, Vietcombank measures the fair value of that instrument using its quoted price in the active market. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions.

In case there is not enough information to utilise valuation techniques, fair value of the financial instruments without quoted market prices in the active market are deemed not to have been reliably measured and therefore, not disclosed.

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## 4. Cash on hand, gold, silver and gemstones

	31/12/2021 VND million	31/12/2020 VND million
Cash on hand in VND	14,633,327	12,835,047
Cash on hand in foreign currencies	3,377,966	2,259,853
Valuable papers in foreign currencies	473	494
	<b>18,011,766</b>	<b>15,095,394</b>

## 5. Balances with the State Banks

	31/12/2021 VND million	31/12/2020 VND million
Balances with the State Bank of Vietnam (i)	22,311,693	33,010,030
Balances with Bank of the Lao L.D.R (ii)	195,018	129,343
	<b>22,506,711</b>	<b>33,139,373</b>

(i) Balances with the SBV consist of compulsory reserve ("CRR") balance and current deposits balance exceeding CRR.

The average balance of the demand deposits of the Bank with the SBV must not be less than the periodic balance of CRR. The amount of CRR during the CRR maintenance period is calculated by their respective CRR rates applicable to the Bank for each type of deposits during CRR maintenance period multiplied by the average balances of reservable deposits hold during the reserve computation period corresponding to that type of deposits.

The effective CRR rates at the year-end were as follows:

Type of deposits	31/12/2021	31/12/2020
Demand deposits and deposits in VND with terms of less than 12 months	3%	3%
Deposits in VND with terms of 12 months and above	1%	1%
Demand deposits and deposits in foreign currencies with terms of less than 12 months	8%	8%
Deposits in foreign currencies with terms of 12 months and above	6%	6%
Deposits from overseas credit institutions in foreign currencies	1%	1%

The interest rates of current account at the year-end were as follows:

Type of deposits	31/12/2021	31/12/2020
Within compulsory reserve in VND	0.5%/năm	0.5%/năm
Within compulsory reserve in USD	0%/năm	0%/năm
Over compulsory reserve in VND	0%/năm	0%/năm
Over compulsory reserve in USD	0%/năm	0.05%/năm

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(ii) Balances with Bank of the Lao L.D.R ("the BOL") consist of margin deposits in Lao Kip ("LAK") relating to the establishment of the Bank's subsidiary in Lao People's Democratic Republic, compulsory reserve balance and current deposits balance in accordance with the BOL's requirement.

The effective CRR rates at the year-end were as follows:

Type of deposits	31/12/2021	31/12/2020
Deposits in LAK with terms of 12 months and below	3%	4%
Deposits in foreign currencies with terms of 12 months and below	5%	8%

## 6. Balances with and loans to other credit institutions

	31/12/2021 Triệu VND	31/12/2020 Triệu VND
<b>Balances with other credit institutions</b>		
Demand deposits in VND	7,454	25,796
Demand deposits in foreign currencies	39,098,058	45,065,025
Term deposits in VND	104,007,836	118,760,458
Term deposits in foreign currencies	37,923,633	40,862,504
	<b>181,036,981</b>	<b>204,713,783</b>
<b>Loans to other credit institutions</b>		
Loans in VND	42,708,446	60,801,208
Loans in foreign currencies	6,019,119	3,454,654
	48,727,565	64,255,862
Allowance for balances with and loans to other credit institutions	(4,000,000)	(1,000,000)
	<b>225,764,546</b>	<b>267,969,645</b>

Balances with and loans to other credit institutions by debt group were as follows:

	31/12/2021 VND million	31/12/2020 VND million
Current debts	186,659,034	222,878,824
Loss debts	4,000,000	1,000,000
	<b>190,659,034</b>	<b>223,878,824</b>

Movements in allowance for balances with and loans to other credit institutions during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	1,000,000	3,000,000
Allowance made/(reversed) during the year (Note 33)	3,000,000	(2,000,000)
<b>Closing balance</b>	<b>4,000,000</b>	<b>1,000,000</b>

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## 7. Trading securities

	31/12/2021 VND million	31/12/2020 VND million
<b>Debt securities</b>		
Government bonds	1,493,814	1,126,417
Bonds issued by other local credit institutions	499,364	200,124
Securities issued by local economic entities	499,000	339,250
<b>Equity securities</b>		
Equity securities issued by other credit institutions	77,084	29,437
Equity securities issued by local economic entities	253,269	296,633
Allowance for trading securities	2,822,531 (56,433)	1,991,861 (37,800)
	<b>2,766,098</b>	<b>1,954,061</b>

Trading securities by listing status were as follows:

	31/12/2021 VND million	31/12/2020 VND million
<b>Debt securities</b>		
Listed	1,521,064	1,126,417
Unlisted	971,114	539,374
<b>Equity securities</b>		
Listed	281,547	235,767
Unlisted	48,806	90,303
	2,822,531	1,991,861

Movements in allowance for trading securities during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	37,800	88,502
Allowance made/(reversed) during the year (Note 28)	18,633	(50,702)
<b>Closing balance</b>	<b>56,433</b>	<b>37,800</b>

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## 8. Derivative financial instruments and other financial assets

	31/12/2021		31/12/2020	
	Contract value	Carrying value	Contract value	Carrying value
	VND million	VND million	VND million	VND million
		<b>Assets/ (liabilities)</b>		<b>Assets/ (liabilities)</b>
<b>Currency derivative financial instruments</b>				
Currency swap contracts	73,505,048	190,674	105,690,304	(69,164)
Currency forward contracts	23,984,714	112,528	13,207,615	17,133
	<b>97,489,762</b>	<b>303,202</b>	<b>118,897,919</b>	<b>(52,031)</b>

## 9. Loans to customers

	31/12/2021 VND million	31/12/2020 VND million
Loans to local economic entities and individuals	951,443,830	832,010,220
Discounted bills and transferrable valuable papers	3,879,226	2,549,713
Finance lease receivables	4,376,120	4,608,056
Loans given to make payments on behalf of customers	889	-
Loans to foreign organisations and individuals	1,049,890	620,272
	<b>960,749,955</b>	<b>839,788,261</b>

Loan portfolio by debt group was as follows:

	31/12/2021 VND million	31/12/2020 VND million
Current debts	951,130,994	831,765,014
Special mentioned debts	3,497,833	2,793,678
Sub-standard debts	743,995	668,690
Doubtful debts	965,987	223,292
Loss debts	4,411,146	4,337,587
	<b>960,749,955</b>	<b>839,788,261</b>

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Loan portfolio by term was as follows:

	31/12/2021 VND million	31/12/2020 VND million
Short-term debts	508,285,894	434,373,690
Medium-term debts	40,535,854	43,091,944
Long-term debts	411,928,207	362,322,627
	<b>960,749,955</b>	<b>839,788,261</b>

Loan portfolio by type of borrowers was as follows:

	31/12/2021 VND million	31/12/2020 VND million
State-owned enterprises	60,146,527	66,893,804
Limited companies	169,542,086	155,046,852
Foreign invested enterprises	66,611,876	52,121,844
Co-operative and private companies	2,819,975	2,653,308
Individuals and individual business households	448,102,945	380,751,584
Others	213,526,546	182,320,869
	<b>960,749,955</b>	<b>839,788,261</b>

Loan portfolio by industry sector was as follows:

	31/12/2021 VND million	31/12/2020 VND million
Processing and manufacturing	203,057,429	178,521,411
Trading and services	152,212,435	202,773,035
Construction	86,628,722	71,273,525
Electricity, gas, water processing and supplying	59,813,456	40,333,441
Transportation, logistics and communication	28,715,341	26,843,614
Agriculture, forestry and aquaculture	25,096,242	17,069,197
Mining	15,084,113	14,591,656
Hospitality	16,921,726	10,166,471
Others	373,220,491	278,215,911
	<b>960,749,955</b>	<b>839,788,261</b>

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## 10. Allowance for loans to customers

	31/12/2021 VND million	31/12/2020 VND million
General allowance	7,113,487	5,895,579
Specific allowance	18,862,181	13,347,215
	<b>25,975,668</b>	<b>19,242,794</b>

Movements in general allowance for loans to customers during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	5,895,579	5,282,328
Allowance made during the year (Note 33)	1,217,908	613,274
Foreign exchange difference	-	(23)
<b>Closing balance</b>	<b>7,113,487</b>	<b>5,895,579</b>

Movements in specific allowance for loans to customers during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	13,347,215	4,951,309
Allowance made during the year (Note 33)	8,054,170	11,201,979
Allowance utilised for writing-off bad debts	(2,538,370)	(2,805,965)
Foreign exchange difference	(834)	(108)
<b>Closing balance</b>	<b>18,862,181</b>	<b>13,347,215</b>

## 11. Investment securities

	31/12/2021 VND million	31/12/2020 VND million
Available-for-sale securities (a)	71,035,829	41,955,076
Held-to-maturity securities (b)	99,568,871	114,976,021
	<b>170,604,700</b>	<b>156,931,097</b>

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## a. Available-for-sale securities

	31/12/2021 VND million	31/12/2020 VND million
Available-for-sale securities		
Debt securities		
Government bonds	30,327,312	9,444,422
Debt securities issued by other local credit institutions	40,687,000	32,696,219
Debt securities issued by other local economic entities	100,000	-
Equity securities		
Equity securities issued by other local economic entities	8,190	8,190
	71,122,502	42,148,831
Allowance for available-for-sale securities (i)	(86,673)	(193,755)
Total available-for-sale securities	71,035,829	41,955,076

(i) Details of allowance for available-for-sale securities:

	31/12/2021 VND million	31/12/2020 VND million
General allowance for unlisted corporate bonds	-	193,478
Allowance for diminution in value of available-for-sale securities	86,673	277
	86,673	193,755

Movements in general allowance for unlisted corporate bonds during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	193,478	124,125
Allowance (reversed)/made during the year (Note 33)	(193,478)	69,353
<b>Closing balance</b>	<b>-</b>	<b>193,478</b>

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Movements in allowance for diminution in value of available-for-sale securities during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	277	179
Allowance made during the year (Note 29)	86,396	98
<b>Closing balance</b>	<b>86,673</b>	<b>277</b>

## b. Held-to-maturity securities

	31/12/2021 VND million	31/12/2020 VND million
<b>Held-to-maturity securities</b>		
Government bonds	40,325,603	59,001,448
Debt securities issued by other local credit institutions	47,502,241	51,041,344
Debt securities issued by local economic entities	11,829,751	5,339,752
	99,657,595	115,382,544
Allowance for held-to-maturity securities (ii)	(88,724)	(406,523)
<b>Total held-to-maturity securities</b>	<b>99,568,871</b>	<b>114,976,021</b>

(ii) Details of allowance for held-to-maturity securities:

	31/12/2021 VND million	31/12/2020 VND million
General allowance for unlisted corporate bonds	88,724	406,523

Movements in general allowance for unlisted corporate bonds during the year were as follows:

	2021 VND million	2020 VND million
Opening balance	406,523	316,399
Allowance (reversed)/made during the year (Note 33)	(317,799)	90,124
<b>Closing balance</b>	<b>88,724</b>	<b>406,523</b>

Debt classification of unlisted investment securities as assets with credit risk:

	31/12/2021 VND million	31/12/2020 VND million
Current debts	98,402,751	86,417,752

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## 12. Capital contributions, long-term investments

### a. Investments in joint-ventures

At 31 December 2021:

	Business sector	Ownership percentage (%)	Cost VND million	Carrying value VND million
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited (i)	Office leasing	52%	410,365	577,574
Vietcombank Fund Management (i)	Investment fund management	51%	135,150	171,321
			545,515	748,895

At 31 December 2020:

	Business sector	Ownership percentage (%)	Cost VND million	Carrying value VND million
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited (i)	Office leasing	52%	410,365	552,840
Vietcombank Fund Management (i)	Investment fund management	51%	135,150	162,095
			545,515	714,935

(i) The Bank owns 52% of the total contributed capital of Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited and 51% of the total contributed capital of Vietcombank Fund Management. These companies' charters require a consensus among related parties on all important decisions on the companies' operational and financial matters. Hence, owning more than half of the companies' contributed capital does not mean that the Bank has control over these companies. The investments in these two companies are classified into "Investments in joint-ventures" rather than "Investments in subsidiaries".

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## b. Investments in associates

At 31 December 2021:

Business sector	Ownership percentage (%)	Cost VND million	Carrying value VND million	
Vietcombank – Bonday Joint-venture Company Limited	Office leasing	16%	11,110	10,820

At 31 December 2020:

Business sector	Ownership percentage (%)	Cost VND million	Carrying value VND million	
Vietcombank – Bonday Joint-venture Company Limited	Office leasing	16%	11,110	11,248

The Bank has significant influence, through its participation in this company's Members' Council, but limited control over the financial and operating policies of this company. Therefore, the investment in the above company is classified into "Investments in associates" rather than "Other long-term investments".

## c. Other long-term investments

At 31 December 2021:

Business sector	Ownership percentage (%)	Carrying value VND million	
Vietnam Export – Import Commercial Joint Stock Bank	Banking	4.50%	319,907
Military Commercial Joint Stock Bank	Banking	4.35%	802,269
Small and Medium Enterprises Credit Guarantee Fund	Credit guarantee services	0.80%	1,864
Petrolimex Insurance Corporation	Insurance	8.03%	67,900
Vietnam Credit Information Joint Stock Company	Credit information services	6.64%	7,962
Vietnam Infrastructure Development and Financial Investment JSC.	Highway investment	1.97%	75,000
National Payment Corporation of Vietnam	Card and settlement services	1.83%	4,400
Vietnam Airlines JSC.	Aviation	1.02%	379,223
SWIFT, MASTER and VISA	Card and settlement services	-	2,936
			<b>1,661,461</b>
Allowance for other long-term investments			(75,000)
			<b>1,586,461</b>

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At 31 December 2020:

Business sector	Ownership percentage (%)	Carrying value VND million	
Vietnam Export – Import Commercial Joint Stock Bank	Banking	4.50%	319,907
Military Commercial Joint Stock Bank	Banking	4.31%	802,269
Small and Medium Enterprises Credit Guarantee Fund	Credit guarantee services	0.80%	1,864
Petrolimex Insurance Corporation	Insurance	8.03%	67,900
Vietnam Credit Information Joint Stock Company	Credit information services	6.64%	7,962
Vietnam Infrastructure Development and Financial Investment JSC.	Highway investment	1.97%	75,000
National Payment Corporation of Vietnam	Card and settlement services	1.83%	4,400
Vietnam Airlines JSC.	Aviation	1.04%	305,585
SWIFT, MASTER and VISA	Card and settlement services	-	2,936
			<b>1,587,823</b>
Allowance for other long-term investments			(75,000)
			<b>1,512,823</b>



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## 13. Tangible fixed assets

Year ended 31 December 2021:

	Buildings and structures	Machinery and equipment	Motor vehicles and means of transmission	Others	Total
	VND million	VND million	VND million	VND million	VND million
<b>Cost</b>					
Opening balance	5,514,381	4,507,863	1,129,540	1,714,405	12,866,189
Additions during the year	407,801	569,783	101,391	145,579	1,224,554
Purchases	407,801	557,570	101,391	135,101	1,201,863
Other increases	-	12,213	-	10,478	22,691
Decreases during the year	(99,951)	(225,177)	(22,684)	(17,771)	(365,583)
Disposals	(6,439)	(224,827)	(19,972)	(17,716)	(268,954)
Other decreases	(93,512)	(350)	(2,712)	(55)	(96,629)
<b>Closing balance</b>	<b>5,822,231</b>	<b>4,852,469</b>	<b>1,208,247</b>	<b>1,842,213</b>	<b>13,725,160</b>
<b>Accumulated depreciation</b>					
Opening balance	1,524,577	3,966,736	733,520	1,230,217	7,455,050
Additions during the year	237,978	419,560	105,783	223,779	987,100
Charges for the year	237,935	388,528	105,322	214,776	946,561
Other increases	43	31,032	461	9,003	40,539
Decreases during the year	(6,492)	(225,550)	(19,972)	(17,600)	(269,614)
Disposals	(6,439)	(224,827)	(19,972)	(17,482)	(268,720)
Other decreases	(53)	(723)	-	(118)	(894)
<b>Closing balance</b>	<b>1,756,063</b>	<b>4,160,746</b>	<b>819,331</b>	<b>1,436,396</b>	<b>8,172,536</b>
<b>Net book value</b>					
Opening balance	3,989,804	541,127	396,020	484,188	5,411,139
<b>Closing balance</b>	<b>4,066,168</b>	<b>691,723</b>	<b>388,916</b>	<b>405,817</b>	<b>5,552,624</b>

Included in tangible fixed assets were assets costing VND5,183,965 million which were fully depreciated as of 31 December 2021, but still in use (31 December 2020: VND4,879,798 million).

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## 14. Intangible fixed assets

Year ended 31 December 2021:

	Land use rights	Copyrights and patents	Others	Total
	VND million	VND million	VND million	VND million
<b>Cost</b>				
Opening balance	2,502,661	1,664,031	45,188	4,211,880
Additions during the year	10,702	407,587	1,355	419,644
Purchases	10,702	407,587	1,281	419,570
Other increases	-	-	74	74
Decreases during the year	(8,620)	(675)	-	(9,295)
Disposals	-	(664)	-	(664)
Other decreases	(8,620)	(11)	-	(8,631)
<b>Closing balance</b>	<b>2,504,743</b>	<b>2,070,943</b>	<b>46,543</b>	<b>4,622,229</b>
<b>Accumulated amortisation</b>				
Opening balance	104,485	952,551	26,621	1,083,657
Charges for the year	16,570	445,946	3,303	465,819
Charges for the year	16,570	445,946	3,229	465,745
Other increases	-	-	74	74
Decreases during the year	-	(666)	-	(666)
Disposals	-	(664)	-	(664)
Other decreases	-	(2)	-	(2)
<b>Closing balance</b>	<b>121,055</b>	<b>1,397,831</b>	<b>29,924</b>	<b>1,548,810</b>
<b>Net book value</b>				
Opening balance	2,398,176	711,480	18,567	3,128,223
<b>Closing balance</b>	<b>2,383,688</b>	<b>673,112</b>	<b>16,619</b>	<b>3,073,419</b>

Included in intangible fixed assets were assets costing VND724,061 million which were fully depreciated as of 31 December 2021, but still in use (31 December 2020: VND670,960 million).

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## 15. Other assets

### (a) Receivables

	31/12/2021 VND million	31/12/2020 VND million
Internal receivables	1,680,794	1,653,804
External receivables (i)	14,115,347	5,014,791
	<b>15,796,141</b>	<b>6,668,595</b>

### (i) External receivables

	31/12/2021 VND million	31/12/2020 VND million
Advances for purchases of fixed assets	1,155,796	800,898
Receivables from the State Budget in relation to the interest subsidy program	338,989	325,088
Overpaid corporate income tax (Note 38)	307	1,182
Deductible value added tax (Note 38)	12,360	14,251
Advances for other taxes (Note 38)	2	230
Construction in progress (*)	314,690	455,357
Receivables from L/C paid in advance	8,805,446	2,289,583
Other receivables	3,487,757	1,128,202
	<b>14,115,347</b>	<b>5,014,791</b>

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(\*) Details of construction in progress are follows:

	31/12/2021 VND million	31/12/2020 VND million
<b>Construction in progress</b>	<b>314,690</b>	<b>455,357</b>
<i>In which, major constructions:</i>	<i>226,949</i>	<i>88,986</i>
Dong Thap Branch's office project	40,858	30,431
Phu Tho Branch's office project	36,968	20,111
Bac Lieu Branch's office project	35,761	23,972
Thai Binh Branch's office project	32,730	1,893
Vung Tau Branch's office project	30,631	3,396
Tan Dinh Branch's office project	26,912	2,470
Hoan Kiem Branch's office project	17,998	2,259
Binh Duong Branch's office project	2,028	1,986
Dong Binh Duong Branch's office project	1,707	1,457
Ho Chi Minh City Branch's office project	1,356	1,011

### (b) Accrued interest and fee receivables

	31/12/2021 VND million	31/12/2020 VND million
From loans to customers	2,373,032	2,381,755
From balances with and loans to other credit institutions	585,970	171,405
From investment securities	3,976,278	4,530,898
From derivative transactions	212,234	120,257
Fees receivable	1,799	1,810
	<b>7,149,313</b>	<b>7,206,125</b>

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## (c) Deferred tax assets

	31/12/2021 VND million	31/12/2020 VND million
Deferred tax assets arising from deductible temporary differences	7,137	909,263

## (d) Other assets

	31/12/2021 VND million	31/12/2020 VND million
Prepaid expenses for office and fixed assets rental	779,336	802,036
Materials	154,271	141,229
Advances for card payments	2,347,368	1,289,754
Prepaid land rental costs	715,347	726,733
Other assets	2,024,165	2,076,886
	<b>6,020,487</b>	<b>5,036,638</b>
Allowance for other assets	(4,020)	(3,934)
	<b>6,016,467</b>	<b>5,032,704</b>

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## 16. Amounts due to the Government and the State Banks

	31/12/2021 VND million	31/12/2020 VND million
<b>Borrowings from the State Bank of Vietnam</b>	<b>1,749,584</b>	<b>2,347,294</b>
Borrowings on the credit files basis	1,415,715	1,800,563
Other borrowings	333,869	546,731
<b>Deposits from the State Treasury</b>	<b>7,694,274</b>	<b>36,393,923</b>
Demand deposits in VND	201,329	463,641
Demand deposits in foreign currencies	492,945	513,282
Term deposits in VND	7,000,000	35,417,000
<b>Deposits from the State Bank of Vietnam</b>	<b>24,258</b>	<b>2,435,778</b>
	<b>9,468,116</b>	<b>41,176,995</b>

## 17. Deposits and borrowings from other credit institutions

	31/12/2021 VND million	31/12/2020 VND million
<b>Deposits from other credit institutions</b>	<b>104,043,817</b>	<b>100,916,433</b>
Demand deposits in VND	17,340,108	6,654,782
Demand deposits in foreign currencies	39,719,757	42,123,289
Term deposits in VND	40,870,931	33,600,000
Term deposits in foreign currencies	6,113,021	18,538,362
<b>Borrowings in VND from other CIs</b>	<b>5,713,960</b>	<b>2,667,400</b>
	<b>109,757,777</b>	<b>103,583,833</b>

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## 18. Deposits from customers

	31/12/2021 VND million	31/12/2020 VND million
<b>Demand deposits</b>	<b>367,149,083</b>	<b>307,026,182</b>
Demand deposits in VND	291,799,494	238,209,238
Demand deposits in gold, foreign currencies	75,349,589	68,816,944
<b>Term deposits</b>	<b>730,223,470</b>	<b>693,604,644</b>
Term deposits in VND	659,247,019	614,908,265
Term deposits in gold, foreign currencies	70,976,451	78,696,379
<b>Deposits for specific purposes</b>	<b>31,642,014</b>	<b>27,325,921</b>
<b>Margin deposits</b>	<b>6,309,346</b>	<b>4,156,820</b>
	<b>1,135,323,913</b>	<b>1,032,113,567</b>

Deposits from customers by customer type were as follows:

	31/12/2021 VND million	31/12/2020 VND million
Economic entities	569,423,275	522,325,061
Individuals	565,900,638	509,788,506
	<b>1,135,323,913</b>	<b>1,032,113,567</b>

## 19. Funds for finance, entrusted investments and entrusted loans

	31/12/2021 VND million	31/12/2020 VND million
Funds for finance, entrusted investments and entrusted loans in VND	7,707	14,679

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## 20. Valuable papers issued

	31/12/2021 VND million	31/12/2020 VND million
<b>Certificates of deposit</b>		
Medium-term in VND	115	115
<b>Bills and bonds</b>		
Short-term in VND	47	47
Short-term in foreign currencies	30	30
Medium-term in VND	6,413,775	10,437,945
Medium-term and long-term in foreign currencies	12	12
Long-term in VND	10,973,768	10,802,048
	<b>17,387,747</b>	<b>21,240,197</b>

## 21. Other liabilities

### (a) Accrued interest and fee payables

	31/12/2021 VND million	31/12/2020 VND million
Interest expense for deposits from customers	8,772,456	9,345,530
Interest expense for deposits and borrowings from other credit institutions	77,968	21,387
Interest expense for valuable papers issued	348,464	365,041
Interest expense for derivative financial instruments	127,446	65,876
	<b>9,326,334</b>	<b>9,797,834</b>

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## (b) Other liabilities

	31/12/2021 VND million	31/12/2020 VND million
Internal payables (i)	3,748,978	3,914,344
External payables (ii)	16,461,244	15,801,471
Bonus and welfare funds	4,073,378	4,440,162
	<b>24,283,600</b>	<b>24,155,977</b>

## (i) Internal payables

	31/12/2021 VND million	31/12/2020 VND million
Payables to employees	3,030,508	3,253,225
Other liabilities	718,470	661,119
	<b>3,748,978</b>	<b>3,914,344</b>

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## (ii) External payables

	31/12/2021 VND million	31/12/2020 VND million
Tax payables (Note 38)	833,841	2,191,103
- Corporate income tax payable	598,092	1,927,716
- Value added tax payable	63,025	124,718
- Other taxes payable	172,724	138,669
Unearned income	5,038,432	6,718,012
Payables for construction and acquisition of fixed assets	1,491,780	1,212,030
Deposits in custody relating to pending payments	515,295	205,442
Other payables to customers	924,538	834,760
Other pending items in settlement	147,418	204,272
Payables to the State Budget in relation of interest subsidy program	64,528	64,528
Borrowings from the Ministry of Finance	806,617	906,194
Dividends payable (*)	3,329,224	747,619
Other payables	3,309,571	2,717,511
	<b>16,461,244</b>	<b>15,801,471</b>

(\*) On 5 January 2022, the Bank fully paid cash dividend of 2020 to the shareholders in accordance with Resolution No. 609A/NQ-VCB-HDQT dated 9 December 2021 of the Board of Directors.

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## 22. Owners' equity

### (a) Changes in owners' equity

	Charter capital	Share premium	Other capital	Reserves			Foreign exchange differences	Retained profits	Non-controlling interest	Total	
				Supple-mentary charter capital reserve	Financial reserve	Investment and development fund					Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	
<b>Balance at 1/1/2021</b>	<b>37,088.774</b>	<b>4,995,389</b>	<b>344,658</b>	<b>4,961,163</b>	<b>9,893,979</b>	<b>70,661</b>	<b>14,925,803</b>	<b>5,103</b>	<b>36,650,228</b>	<b>85,024</b>	<b>94,094,979</b>
Net profit for the year	-	-	-	-	-	-	-	-	21,918,813	20,232	21,939,045
Statutory reserves temporarily appropriated for 2021 of the Bank	-	-	-	1,059,547	2,119,093	-	3,178,640	-	(3,178,640)	-	-
Bonus and welfare funds temporarily appropriated for 2021 of the Bank	-	-	-	-	-	-	-	-	(2,051,535)	-	(2,051,535)
Adjustments for the appropriation of statutory reserves and bonus and welfare funds according to the Resolution of General Meeting of Shareholders	-	-	-	3,590	7,180	-	10,770	-	(353,991)	-	(343,221)
Adjustments according to the Resolution of the subsidiary	-	-	-	(3,255)	2,018	-	(1,237)	-	(20,274)	(628)	(22,139)
Dividends in cash of 2020 to shareholders (Note 23)	-	-	-	-	-	-	-	-	(4,450,653)	-	(4,450,653)
Dividends according to the Resolution of the subsidiary	-	-	-	-	-	-	-	-	-	(17,250)	(17,250)
Utilisation of reserves during the year	-	-	-	-	(10,285)	-	(10,285)	-	-	-	(10,285)
Statutory reserves temporarily appropriated for 2021 of the subsidiaries	-	-	-	31,786	37,591	-	69,377	-	(69,377)	-	-
Bonus and welfare funds temporarily appropriated for 2021 of the subsidiaries	-	-	-	-	-	-	-	-	(12,489)	-	(12,489)
Foreign currency conversion differences	-	-	-	-	-	-	-	(10,212)	-	(265)	(10,477)
Adjustments for joint-ventures and associates accounted under equity method	-	-	-	-	-	-	-	-	1,602	-	1,602
Other movements	-	-	-	-	-	-	-	-	(184)	-	(184)
<b>Balance at 31/12/2021</b>	<b>4,450.653</b>	<b>4,995.389</b>	<b>344.658</b>	<b>6,052.831</b>	<b>12,049.576</b>	<b>70,661</b>	<b>18,173,068</b>	<b>(5,109)</b>	<b>48,433,500</b>	<b>87,113</b>	<b>109,117,393</b>

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## (b) Details of shareholders of the Bank

	31/12/2021		31/12/2020	
	VND million	%	VND million	%
<b>Ordinary shares</b>				
The Government of Vietnam	27,743,534	74.80%	27,743,534	74.80%
Foreign strategic shareholder (Mizuho Bank Ltd., Japan)	5,563,349	15.00%	5,563,349	15.00%
Other shareholders	3,781,891	10.20%	3,781,891	10.20%
	<b>37,088,774</b>	<b>100%</b>	<b>37,088,774</b>	<b>100%</b>

The Bank's authorised and issued share capital is as follows:

	31/12/2021		31/12/2020	
	Number of shares	VND million	Number of shares	VND million
<b>Authorised share capital</b>	<b>3,708,877,448</b>	<b>37,088,774</b>	<b>3,708,877,448</b>	<b>37,088,774</b>
<b>Issued share capital</b>				
Ordinary shares	3,708,877,448	37,088,774	3,708,877,448	37,088,774
<b>Outstanding shares in circulation</b>				
Ordinary shares	3,708,877,448	37,088,774	3,708,877,448	37,088,774

All ordinary shares of the Bank have a par value of VND10,000.

## 23. Dividends

In accordance with Resolution No. 14/TN2021/NQ-DHDCD dated 23 April 2021, the Bank's General Shareholders approved for the authorisation to the Bank's Board of Directors to implement profit distribution of 2020 following to official opinion of the SBV. On 9 December 2021, the Bank's Board of Directors issued Resolution No. 609/NQ-VCB-HDQT approving dividend distribution plan of 2020 with dividend in cash of 12% par value, equivalent to VND4,450,653 million and share dividend equivalent to VND8,565,378 million. Also on 9 December 2021, the Bank's Board of Directors issued Resolution No. 609A/NQ-VCB-HDQT approving implementation plan for paying cash dividend of 2020 and share dividend of 2019. The Bank fully paid cash dividend of 2020 to shareholders (12%) on 5 January 2022 and completed the payment of share dividend of 2019 (27.6%) on 6 January 2022.

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## 24. Interest and similar income

	2021 VND million	2020 VND million
Interest income from loans to customers	59,307,940	56,056,454
Interest income from deposits	1,781,197	2,362,665
Interest income from trading and investing in debt securities	8,138,973	9,405,447
<i>from investment securities</i>	7,980,833	9,197,858
<i>from trading securities</i>	158,140	207,589
Interest income from finance leases	307,677	330,131
Fees from guarantee activities	476,100	448,022
Other income from credit activities	737,115	602,415
	<b>70,749,002</b>	<b>69,205,134</b>

## 25. Interest and similar expenses

	2021 VND million	2020 VND million
Interest expense on deposits	26,588,386	31,150,286
Interest expense on borrowings	283,757	197,705
Interest expense on valuable papers issued	1,427,850	1,503,840
Other expenses on credit activities	49,392	67,828
	<b>28,349,385</b>	<b>32,919,659</b>

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## 26. Net fee and commission income

	2021 VND million	2020 VND million
<b>Fee and commission income from</b>		
Settlement services	5,984,352	6,017,661
Treasury services	68,340	74,593
Entrustment and agency activities	35,404	9,289
Other services	5,198,420	4,486,620
	<b>11,286,516</b>	<b>10,588,163</b>
<b>Fee and commission expenses for</b>		
Settlement services	(2,998,989)	(3,192,493)
Treasury services	(119,558)	(109,932)
Telecommunication services	(136,648)	(125,174)
Entrustment and agency activities	(12,085)	(6,107)
Other services	(612,163)	(547,140)
	<b>(3,879,443)</b>	<b>(3,980,846)</b>
	<b>7,407,073</b>	<b>6,607,317</b>

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## 27. Net gain from trading of foreign currencies

	2021 VND million	2020 VND million
<b>Gains from trading of foreign currencies</b>		
From spot currency to contracts	8,202,819	6,841,473
From currency derivative financial instruments	451,852	650,399
From foreign exchange differences	371,356	474,545
From revaluation of derivative contracts	669,968	6,541
	<b>9,695,995</b>	<b>7,972,958</b>
<b>Losses on trading of foreign currencies</b>		
From spot currency to contracts	(3,357,381)	(2,913,034)
From currency derivative financial instruments	(1,374,802)	(1,068,516)
From foreign exchange differences	(539,283)	(39,477)
From revaluation of derivative contracts	(49,709)	(45,532)
	<b>(5,321,175)</b>	<b>(4,066,559)</b>
	<b>4,374,820</b>	<b>3,906,399</b>

## 28. Net gain from trading securities

	2021 VND million	2020 VND million
Income from trading securities	191,383	113,299
Expenses for trading securities	(68,636)	(162,191)
Allowance (made)/reversed for trading securities (Note 7)	(18,633)	50,702
	<b>104,114</b>	<b>1,810</b>



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## 29. Net loss from investment securities

	2021 VND million	2020 VND million
Income from investment securities	1,270	-
Allowance made for available-for-sale investment securities (Note 11(a))	(86,396)	(98)
	<b>(85,126)</b>	<b>(98)</b>

## 30. Net other income

	2021 VND million	2020 VND million
<b>Other income</b>		
Income from recoveries of loans previously written off	2,912,230	2,421,725
Income from interest rate swap transactions	-	195
Other income	188,140	122,794
	<b>3,100,370</b>	<b>2,544,714</b>
<b>Other expenses</b>		
Expenses on interest rate swap transactions	(206,197)	(117,968)
Expenses on debts trading activities	(138)	(171)
Expenses on social activities	(426,725)	(301,184)
Other expenses	(74,049)	(325,138)
	<b>(707,109)</b>	<b>(744,461)</b>
	<b>2,393,261</b>	<b>1,800,253</b>

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## 31. Income from capital contributions and equity investments

	2021 VND million	2020 VND million
Dividend income from equity investments (Note 34(a))	93,953	83,959
<i>Dividend income from capital contribution, share purchases</i>	81,390	69,684
<i>Dividend income from trading equity securities</i>	12,563	14,275
Profit from disposals of equity investments	3,927	335,274
Share of profits from equity accounted investments in joint-ventures and associates (Note 34(a))	31,930	42,152
	<b>129,810</b>	<b>461,385</b>

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## 32. Operating expenses

	2021 VND million	2020 VND million
Tax, duties and fees	246,056	246,322
Salaries and related expenses	9,586,008	8,603,051
<i>Of which:</i>		
<i>Salary and allowances (Note 37)</i>	8,499,318	7,674,765
<i>Contributions based on salary</i>	719,808	683,529
<i>Other allowances</i>	5,882	5,868
Expenses on assets	3,462,426	2,902,528
<i>Of which:</i>		
<i>Depreciation of fixed assets</i>	1,412,306	1,168,499
Administrative expenses	3,496,591	3,603,531
Insurance expense for deposits from customers	711,257	631,788
Other expenses	71,850	51,030
	<b>17,574,188</b>	<b>16,038,250</b>

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## 33. Allowance for credit losses

	2021 VND million	2020 VND million
<b>Allowance for balances with and loans to other credit institutions</b>		
Allowance made/(reversed) (Note 6)	3,000,000	(2,000,000)
<b>General allowance for loans to customers</b>		
Allowance made (Note 10)	1,217,908	613,274
<b>Specific allowance for loans to customers</b>		
Allowance made (Note 10)	8,054,170	11,201,979
<b>General allowance for unlisted corporate bonds</b>		
Allowance (reversed)/made for available-for-sale securities (Note 11(a))	(193,478)	69,353
Allowance (reversed)/made for held-to-maturity securities (Note 11(b))	(317,799)	90,124
	<b>11,760,801</b>	<b>9,974,730</b>

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## 34. Corporate income tax

### (a) Reconciliation of effective tax rate

	2021 VND million	2020 VND million
<b>Profit before tax</b>	<b>27,388,580</b>	<b>23,049,561</b>
<i>Adjustments:</i>		
Taxable income of subsidiaries	(938,679)	(481,245)
Dividends received during the year (Note 31)	(93,953)	(83,959)
Share of profits from investments in joint-ventures and associates under the equity method (Note 31)	(31,930)	(42,152)
Tax exempt income from consolidation adjustments	(8,411)	(36,959)
Non-deductible expenses	2,728	4,518,833
Reversal of non-deductible expenses of the prior year	(4,511,958)	(2,000,000)
<b>Taxable income</b>	<b>21,806,377</b>	<b>24,924,079</b>
Corporate income tax rate	20%	20%
Corporate income tax of the Bank (tax rate: 20%)	4,361,275	4,984,816
Corporate income tax of subsidiaries	183,968	96,252
Income tax payable on profits received from overseas subsidiaries	2,120	-
<b>Current corporate income tax expense for the year</b>	<b>4,547,363</b>	<b>5,081,068</b>

### (b) Deferred corporate income tax expense

	2021 VND million	2020 VND million
Deferred corporate income tax expense arising from deductible temporary differences	902,172	(504,025)

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### (c) Applicable tax rates

The Bank and its subsidiaries have an obligation to pay the Government income tax at the rate of 20% of taxable profits, except for Vietnam Finance Company Limited in Hong Kong whose applicable tax rate is 16.5%. Corporate income tax computation is subject to review and approval by tax authorities.

## 35. Basic earnings per share

### (a) Net profit used for calculating basic earnings per share

	2021 VND million	2020 VND million (restated)	2020 VND million (as previously reported)
Net profit for the year	21,918,813	18,451,311	18,451,311
Appropriation to bonus and welfare funds (*)	(2,064,024)	(2,423,361)	(1,871,407)
<b>Net profit attributable to the ordinary shareholders for the year</b>	<b>19,854,789</b>	<b>16,027,950</b>	<b>16,579,904</b>

(\*) Bonus and welfare funds are temporarily appropriated at the year-end. Therefore, net profit used for calculating basic earnings per share for the years ended 31 December was deducted the amount appropriated to bonus and welfare funds for the respective year.

### (b) Weighted average number of ordinary shares

	2021 Number of shares	2020 Number of shares (restated)	2020 Number of shares (as previously reported)
Issued ordinary shares at 1 January	3,708,877,448	3,708,877,448	3,708,877,448
Effect of share dividends (i)	1,023,639,123	1,023,639,123	-
<b>Weighted average number of outstanding ordinary shares for the year</b>	<b>4,732,516,571</b>	<b>4,732,516,571</b>	<b>3,708,877,448</b>

(i) The restatement takes into consideration effect of share issuance to pay dividends in accordance with Resolution No. 609A/NQ-VCB-HDQT dated 9 December 2021 of the Board of Directors approving for paying the share dividend of 2019 with the rate of 27.6%. The Bank completed the share issuance to pay dividends on 6 January 2022. Refer to Note 45.

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## (c) Basic earnings per share

	2021	2020 (restated)	2020 (as previously reported)
Basic earnings per share (VND/share)	4,195	3,387	4,470

## 36. Cash and cash equivalents

	31/12/2021 VND million	31/12/2020 VND million
Cash on hand, gold, silver and gemstones	18,011,766	15,095,394
Balances with the State Banks	22,506,711	33,139,373
Balances with and loans to other credit institutions with original term not exceeding 3 months	192,035,518	244,347,935
	<b>232,553,995</b>	<b>292,582,702</b>

## 37. Employees' benefits

	2021	2020
Total number of employees (person)	<b>21,670</b>	20,062
<b>Employees' income</b>		
Total salary and allowance (VND million) (Note 32)	8,499,318	7,674,765
<b>Monthly average income/person (VND million)</b>	<b>32.68</b>	<b>31.88</b>

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## 38. Obligations to the State Budget

	Balance at 1/1/2021	Movements during the year			Số dư tại ngày 31/12/2021	
		Incurred	Paid	Payables	Advances	Total
	VND million	VND million	VND million	VND million	VND million	VND million
Value added tax	110,467	524,553	(584,355)	63,025	(12,360)	50,665
Current corporate income tax	1,926,534	4,549,053	(5,877,802)	598,092	(307)	597,785
<i>In which:</i>						
<i>Corporate income tax of Vietcombank</i>	1,926,606	4,547,363	(5,876,525)	597,444	-	597,444
<i>Adjustments on tax of previous years</i>	(14)	1,689	(1,277)	648	(250)	398
<i>inafico's tax obligation in 2008</i>	(58)	1	-	-	(57)	(57)
Other taxes	138,439	1,512,506	(1,478,223)	172,724	(2)	172,722
	<b>2,175,440</b>	<b>6,586,112</b>	<b>(7,940,380)</b>	<b>833,841</b>	<b>(12,669)</b>	<b>821,172</b>

## 39. Assets and valuable papers for pledging, mortgaging and discount, re-discount

### Assets and valuable papers received for pledging, mortgaging and discount, re-discount

	31/12/2021 VND million	31/12/2020 VND million
Deposits	138,879,634	124,105,909
Valuable papers	63,043,823	93,030,576
Real estate	1,162,890,412	957,536,579
Other collaterals	268,181,578	266,888,049
	<b>1,632,995,447</b>	<b>1,441,561,113</b>

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## 40. Contingent liabilities and other commitments

In the normal course of business, Vietcombank is a party to financial instruments which are recorded as off-balance sheet items. These financial instruments mainly comprise financial guarantees and letters of credit. These instruments involve elements of credit risk in excess of the amounts recognised in the consolidated balance sheet.

Credit risk for off-balance sheet financial instruments is defined as the possibility of incurring a loss because any other counterparty to a financial instrument fails to discharge its contractual obligations.

Financial guarantees are conditional commitments issued by Vietcombank to guarantee transactions of its customers with third parties including loan guarantee, payment guarantee, performance guarantee and bid guarantee. Such guarantees expose Vietcombank to similar credit risk to loans to customers.

Commercial at sight letters of credit represent a financing transaction by Vietcombank to its customers where the customer is usually the buyer/importer of goods and the beneficiary is typically the seller/exporter. Credit risk is limited as the imported merchandise serves as collaterals for the transaction.

Deferred payment letters of credit contain the risk of customers not making payment to their beneficiaries upon contract performance. When deferred payment letters of credit are defaulted by customers, Vietcombank recognises a compulsory loan to a customer and at the same time a corresponding liability representing the financial obligation of Vietcombank to pay the beneficiaries and to fulfil the guarantor obligations.

Vietcombank normally requires margin deposits to support credit-related financial instruments as necessary. The margin deposits ratio required varies from 0% to 100% of the value of a commitment granted depending on the creditworthiness of customers as assessed by Vietcombank.

## 41. Significant transactions and balances with related parties

### (a) Significant transactions with related parties

Relationship	2021 VND million	2020 VND million
<b>Income/(expense)</b>		
<b>The State Bank of Vietnam</b>	Representative of owner	
Interest income from deposits	107,034	147,042
Interest expense on deposits and borrowings	(70,677)	(107,008)
<b>The Ministry of Finance</b>	Related party of owner	
Interest expense on deposits	(120,582)	(539,434)
Interest expense on borrowings	(18,870)	(34,167)

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### (b) Significant balances with related parties

Relationship	31/12/2021 VND million	31/12/2020 VND million
<b>Receivable/(payable)</b>		
<b>The State Bank of Vietnam</b>	Representative of owner	
Deposits at the SBV	22,311,693	33,010,030
Deposits and borrowings from the SBV	(1,773,842)	(4,783,072)
<b>The Ministry of Finance</b>	Related party of owner	
Deposits at the Bank	(7,694,274)	(36,393,923)
Borrowings from the Ministry of Finance	(806,617)	(906,194)
<b>Mizuho Bank Ltd., Japan</b>	Strategic shareholder	
Deposits at Mizuho Bank Ltd., Japan	1,910,189	9,711,861
Deposits from Mizuho Bank Ltd., Japan	(694,909)	(4,236,034)

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## 42. Disclosure of remuneration for members of the Board of Directors and members of the Supervisory Board and salary for members of the Board of Management

Remuneration for members of the Board of Directors and members of the Supervisory Board and salary for members of the Board of Management incurred and paid from the salary fund during the year were as follows:

	2021 VND million	2020 VND million
Members of the Board of Directors	13,678	13,792
Members of the Supervisory Board	3,860	3,651
Members of the Board of Management	17,348	14,710
	<b>34,886</b>	<b>32,153</b>

The average salary in 2021 of Vietcombank's responsible managers (including the Chairman of the Board of Directors, members of the Board of Directors, CEO, Deputy CEO, Chief Accountant, members of the Supervisory Board) is VND203 million/person/month, the average remuneration of independent members of the Board of Directors is VND40.6 million/month. The salary fund for managers in 2021 is VND48.72 billion.

The above salary level was approved by the SBV under Official Letter No. 5580/NHNN-TCCB dated 3 August 2021 regarding the 2021 salary budget of Joint Stock Commercial Bank for Foreign Trade of Vietnam.

phân bổ tới các đơn vị trong Ngân hàng.

## 43. Segment reporting

### (a) Geographical segment

Year ended 31 December 2021	The North (*)		The Central and Highland		The South		Overseas		Elimination		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
1	Interest and similar income	88,090,126	16,632,624	48,626,402	110,246	(82,710,396)	70,749,002					
2	Interest and similar expenses	(71,973,457)	(9,966,676)	(29,133,907)	(2,597)	82,727,252	(28,349,385)					
1	Net interest income	16,116,669	6,665,948	19,492,495	107,649	16,856	42,399,617					
3	Fee and commission income	8,334,535	753,894	2,797,100	101,264	(700,277)	11,286,516					
4	Fee and commission expenses	(4,268,235)	(38,053)	(106,110)	(29,088)	562,043	(3,879,443)					
<b>II</b>	<b>Net fee and commission income</b>	<b>4,066,300</b>	<b>715,841</b>	<b>2,690,990</b>	<b>72,176</b>	<b>(138,234)</b>	<b>7,407,073</b>					
<b>III</b>	<b>Net gain from trading of foreign currencies</b>	<b>2,876,025</b>	<b>169,193</b>	<b>1,326,945</b>	<b>2,657</b>	<b>-</b>	<b>4,374,820</b>					
<b>IV</b>	<b>Net gain from trading securities</b>	<b>108,130</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,016)</b>	<b>104,114</b>					
<b>V</b>	<b>Net loss from investment securities</b>	<b>(85,126)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(85,126)</b>					
5	Other income	1,358,589	623,009	1,100,765	18,007	-	3,100,370					
6	Other expenses	(513,671)	(85,168)	(108,270)	-	-	(707,109)					
VI	Net other income	844,918	537,841	992,495	18,007	-	2,393,261					
VII	Income from capital contributions and equity investments	129,810	-	-	-	-	129,810					
	<b>Total operating income</b>	<b>24,056,726</b>	<b>8,088,823</b>	<b>24,502,925</b>	<b>200,489</b>	<b>(125,394)</b>	<b>56,723,569</b>					
<b>VIII</b>	<b>Total operating expenses</b>	<b>11,438,928</b>	<b>(1,695,398)</b>	<b>(4,477,411)</b>	<b>(100,685)</b>	<b>138,234</b>	<b>(17,574,188)</b>					
<b>IX</b>	<b>Net operating profit before allowance for credit losses</b>	<b>12,617,798</b>	<b>6,393,425</b>	<b>20,025,514</b>	<b>99,804</b>	<b>12,840</b>	<b>39,149,381</b>					
X	Allowance for credit losses	(9,163,200)	(537,820)	(2,028,395)	(31,386)	-	(11,760,801)					
XI	Profit before tax	3,454,598	5,855,605	17,997,119	68,418	12,840	27,388,580					
7	Current corporate income tax expense	233,728	(1,171,121)	(3,599,998)	(9,972)	-	(4,547,363)					
8	Deferred income tax expense	(902,172)	-	-	-	-	(902,172)					
<b>XII</b>	<b>Corporate income tax expenses</b>	<b>(668,444)</b>	<b>(1,171,121)</b>	<b>(3,599,998)</b>	<b>(9,972)</b>	<b>-</b>	<b>(5,449,535)</b>					
<b>XIII</b>	<b>Profit after tax</b>	<b>2,786,154</b>	<b>4,684,484</b>	<b>14,397,121</b>	<b>58,446</b>	<b>12,840</b>	<b>21,939,045</b>					

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## 43. Segment reporting (continued)

### (b) Business segment

Year ended 31 December 2021		Banking financial services	Non-banking financial services	Securities	Others	Elimination	Total
		VND million	VND million	VND million	VND million	VND million	VND million
1	Interest and similar income	152,611,731	363,211	451,213	33,243	(82,710,396)	70,749,002
2	Interest and similar expenses	(110,754,826)	(116,867)	(189,021)	(15,923)	82,727,252	(28,349,385)
<b>I</b>	<b>Net interest income</b>	<b>41,856,905</b>	<b>246,344</b>	<b>262,192</b>	<b>17,320</b>	<b>16,856</b>	<b>42,399,617</b>
3	Fee and commission income	11,065,250	7,911	654,029	259,603	(700,277)	11,286,516
4	Fee and commission expenses	(4,244,793)	(1,149)	(119,797)	(75,747)	562,043	(3,879,443)
<b>II</b>	<b>Net fee and commission income</b>	<b>6,820,457</b>	<b>6,762</b>	<b>534,232</b>	<b>183,856</b>	<b>(138,234)</b>	<b>7,407,073</b>
<b>III</b>	<b>Net gain/(loss) from trading of foreign currencies</b>	<b>4,375,901</b>	<b>(1,081)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,374,820</b>
<b>IV</b>	<b>Net (loss)/gain from trading securities</b>	<b>(14,205)</b>	<b>-</b>	<b>122,335</b>	<b>-</b>	<b>(4,016)</b>	<b>104,114</b>
<b>IV</b>	<b>Net (loss)/gain from investment securities</b>	<b>(86,287)</b>	<b>-</b>	<b>1,161</b>	<b>-</b>	<b>-</b>	<b>(85,126)</b>
5	Other income	3,058,390	30,676	5,233	6,071	-	3,100,370
6	Other expenses	(698,962)	-	(8,141)	(6)	-	(707,109)
<b>VI</b>	<b>Net other income</b>	<b>2,359,428</b>	<b>30,676</b>	<b>(2,908)</b>	<b>6,065</b>	<b>-</b>	<b>2,393,261</b>
<b>VII</b>	<b>Income from capital contributions and equity investments</b>	<b>117,247</b>	<b>-</b>	<b>12,563</b>	<b>-</b>	<b>-</b>	<b>129,810</b>
	<b>Total operating income</b>	<b>55,429,446</b>	<b>282,701</b>	<b>929,575</b>	<b>207,241</b>	<b>(125,394)</b>	<b>56,723,569</b>
<b>VIII</b>	<b>Total operating expenses</b>	<b>(17,189,758)</b>	<b>(136,582)</b>	<b>(281,900)</b>	<b>(104,182)</b>	<b>138,234</b>	<b>(17,574,188)</b>
<b>IX</b>	<b>Net operating profit before allowance for credit losses</b>	<b>38,239,688</b>	<b>146,119</b>	<b>647,675</b>	<b>103,059</b>	<b>12,840</b>	<b>39,149,381</b>
<b>X</b>	<b>Allowance for credit losses</b>	<b>(11,762,197)</b>	<b>1,396</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,760,801)</b>
<b>XI</b>	<b>Profit before tax</b>	<b>26,477,491</b>	<b>147,515</b>	<b>647,675</b>	<b>103,059</b>	<b>12,840</b>	<b>27,388,580</b>
7	Current corporate income tax expense	(4,373,159)	(29,231)	(127,264)	(17,709)	-	(4,547,363)
8	Deferred income tax expense	(902,392)	-	220	-	-	(902,172)
<b>XII</b>	<b>Corporate income tax expenses</b>	<b>(5,275,551)</b>	<b>(29,231)</b>	<b>(127,044)</b>	<b>(17,709)</b>	<b>-</b>	<b>(5,449,535)</b>
<b>XIII</b>	<b>Profit after tax</b>	<b>21,201,940</b>	<b>118,284</b>	<b>520,631</b>	<b>85,350</b>	<b>12,840</b>	<b>21,939,045</b>

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## 44. Disclosures of financial instruments

### (a) Collateral disclosure

Vietcombank does not hold collaterals which are allowed to be sold or re-pledged in the absence of default by the owner of the collaterals.

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### (b) Fair value disclosure

Circular 210 requires disclosures on fair value measurement method and related information of financial assets and financial liabilities for the purpose of comparing the carrying values and fair values.

The following table presents carrying value and fair value of Vietcombank's financial assets and liabilities as at 31 December 2021:

As at 31 December 2021		Carrying value – gross					Total carrying value	Fair value
		Held for trading	Held-to-maturity	Loans and receivables	Available-for-sale	Recognised at amortised cost		
		VND million	VND million	VND million	VND million	VND million	VND million	VND million
<b>Financial assets</b>								
I	Cash on hand, gold, silver and gemstones	-	-	18,011,766	-	-	18,011,766	18,011,766
II	Balances with the State Banks	-	-	22,506,711	-	-	22,506,711	22,506,711
III	Balances with and loans to other credit institutions	-	-	229,764,546	-	-	229,764,546	(*)
IV	Trading securities	2,822,531	-	-	-	-	2,822,531	(*)
V	Derivative financial instruments and other financial assets	303,202	-	-	-	-	303,202	(*)
VI	Loans to customers	-	-	960,749,955	-	-	960,749,955	(*)
VIII	Investment securities	-	99,657,595	-	71,122,502	-	170,780,097	(*)
IX	Capital contributions, long-term investments	-	-	-	1,661,461	-	1,661,461	(*)
XII	Other financial assets	-	-	23,698,763	-	-	23,698,763	(*)
		<b>3,125,733</b>	<b>99,657,595</b>	<b>1,254,731,741</b>	<b>72,783,963</b>	<b>-</b>	<b>1,430,299,032</b>	
<b>Financial liabilities</b>								
I	Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	-	-	119,225,893	119,225,893	(*)
II	Deposits from customers	-	-	-	-	1,135,323,913	1,135,323,913	(*)
IV	Funds for finance, entrusted investments and entrusted loans	-	-	-	-	7,707	7,707	(*)
V	Valuable papers issued	-	-	-	-	17,387,747	17,387,747	(*)
VI	Other financial liabilities	-	-	-	-	16,586,083	16,586,083	(*)
		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,288,531,343</b>	<b>1,288,531,343</b>	

(\*) Due to insufficient information for valuation techniques, fair value of these financial assets and liabilities without an active market is not reliably estimated, and therefore is not disclosed.



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## (c) Risk management policies for financial instruments

The Board of Directors has the highest authority and responsibilities for Vietcombank's financial risk management to facilitate its sustainable growth.

Having taken those responsibilities, the Board of Directors appropriately promulgates risk management policies and strategies for each period, establishes risk limits, directly approves high-value business transactions in accordance with legal and internal requirements for each period, and determines organisational structure and key personnel positions.

Risk management strategies and policies of the Board of Directors are adhered to Vietcombank's charter and General Shareholders' Meeting resolution for each period.

The Risk Management Committee was established by the Board of Directors to assist the Board of Directors in managing all risks that may arise from Vietcombank's day-to-day business operations.

The Asset and Liability Credit and Operational Risk Committee ("ALCO") was established and chaired by the Chief Executive Officer. ALCO members are key personnel of the Bank being in-charge of risk management.

ALCO is responsible for comprehensively monitoring and managing assets and liabilities in the consolidated and separate balance sheet of Vietcombank in order to maximise profit while minimising losses arising from negative market trends, manage liquidity risk and appropriately direct interest and foreign exchange rate schemes.

Within its authority, ALCO has the authority to make risk management decisions.

## (i) Credit risk

Vietcombank is exposed to credit risk, which is the risk of incurring a loss because its customers or counterparties fail to discharge their contractual obligations. Credit exposures arise mainly in lending activities relating to loans to customers, and in investments in debt securities. Off-balance sheet financial instruments, such as loan commitments, also contain credit risk. Vietcombank controls and manages credit risk by setting up related policies and procedures, including the credit risk management policies and operational risk management policy by the Risk Management Committee and Credit Committee.

Vietcombank classifies loans to customers and other credit institutions, off-balance sheet commitments, entrusted loans and unlisted corporate bonds in accordance with Circular 11 (Note 2(i)), and regularly assesses credit risks of non-performing loans in order to have appropriate resolutions.

In order to manage credit risks, Vietcombank has established policies and procedures relating to credit risk management; established credit manuals; performed credit risk assessment; set up internal credit rating systems and loan classification and decentralised authorisation in credit activities.

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	Neither past due nor impaired	Past due but not impaired	Impaired and allowance made	Total
	VND million	VND million	VND million	VND million
Balances with the State Banks	22,506,711	-	-	22,506,711
<b>Balances with and loans to other CIs – gross</b>	<b>225,764,546</b>	<b>-</b>	<b>4,000,000</b>	<b>229,764,546</b>
Balances with other CIs	181,036,981	-	-	181,036,981
Loans to other CIs	44,727,565	-	4,000,000	48,727,565
<b>Trading securities – gross</b>	<b>2,492,178</b>	<b>-</b>	<b>-</b>	<b>2,492,178</b>
<b>Loans to customers – gross</b>	<b>915,069,549</b>	<b>9,427,931</b>	<b>36,252,475</b>	<b>960,749,955</b>
<b>Investment securities – gross</b>	<b>170,771,907</b>	<b>-</b>	<b>-</b>	<b>170,771,907</b>
Available-for-sale securities	71,114,312	-	-	71,114,312
Held-to-maturity securities	99,657,595	-	-	99,657,595
<b>Other assets</b>	<b>23,694,743</b>	<b>-</b>	<b>4,020</b>	<b>23,698,763</b>
	<b>1,360,299,634</b>	<b>9,427,931</b>	<b>40,256,495</b>	<b>1,409,984,060</b>

Description and the carrying value of collaterals held by Vietcombank at the reporting date are described in Note 39.

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## (c) Risk management policies for financial instruments (continued)

### (i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will unexpectedly fluctuate due to changes in market interest rates.

The actual interest re-pricing term is the remaining term starting from the end of the annual accounting period to the nearest interest re-pricing date of the items in the consolidated balance sheet.

The following assumptions and conditions have been adopted in the analysis of actual interest re-pricing term of asset and liabilities items in the consolidated balance sheet of Vietcombank:

- Cash, gold, silver and gemstones, capital contributions, long-term investments, and other assets (including fixed assets and other assets) are classified as free of interest items;
- Trading securities being debt securities are classified as "Up to 1 month" items;
- The actual interest re-pricing terms of investment securities are subject to issuers' terms and conditions on interest rate of issuing institution for each security type;
- The actual interest re-pricing term of balances with and loans to other credit institutions, loans to customers, amounts due to the Government and the SBV, deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments, entrusted loans and other liabilities are identified as follows:
  - Items with fixed interest rate during the contractual term: the actual interest re-pricing term is based on the contractual maturity date subsequent to the end of the annual accounting period;
  - Items with floating interest rate: the actual interest re-pricing term is based on the nearest re-pricing term subsequent to the end of the annual accounting period.
- The actual interest re-pricing term of valuable papers issued is based on valuable papers' maturities and the Bank's interest rate for each issuance.

The following table presents the interest rate re-pricing terms of Vietcombank's assets and liabilities as at 31 December 2021:

	Overdue	Free of interest	Up to 1 month	From 1 to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	
<b>Assets</b>										
I	Cash on hand, gold, silver and gemstones	-	18,011,766	-	-	-	-	-	18,011,766	
II	Balances with the State Banks	-	-	22,506,711	-	-	-	-	22,506,711	
III	Balances with and loans to other CIs - gross	-	10,669	183,794,282	34,952,243	7,715,554	3,291,798	-	229,764,546	
IV	Trading securities - gross	-	330,353	2,492,178	-	-	-	-	2,822,531	
V	Derivative financial instruments and other financial assets	-	303,202	-	-	-	-	-	303,202	
VI	Loans to customers - gross	14,993,990	-	172,448,117	310,676,371	260,819,163	98,564,288	98,299,142	4,948,884	960,749,955
VII	Investment securities - gross	-	8,190	2,111,059	3,324,665	17,325,548	16,855,031	102,658,355	28,497,249	170,780,097
VIII	Investments - gross	-	2,421,176	-	-	-	-	-	2,421,176	
IX	Fixed assets	-	8,626,043	-	-	-	-	-	8,626,043	
X	Other assets - gross	-	28,973,078	-	-	-	-	-	28,973,078	
	<b>Total assets</b>	<b>14,993,990</b>	<b>58,684,477</b>	<b>383,352,347</b>	<b>348,953,279</b>	<b>285,860,265</b>	<b>118,711,117</b>	<b>200,957,497</b>	<b>33,446,133</b>	<b>1,444,959,105</b>
<b>Liabilities</b>										
I	Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	106,192,785	10,750,186	1,900,858	382,064	-	-	119,225,893
II	Deposits from customers	-	150,208	640,725,084	171,006,753	128,539,559	175,235,307	19,662,565	4,437	1,135,323,913
IV	Funds for finance, entrusted investments and entrusted loans	-	-	-	-	-	-	7,707	-	7,707
V	Valuable papers issued	-	-	459	-	3,000,000	6,022,518	2,999,770	5,365,000	17,387,747
VI	Other liabilities	-	32,803,317	739,171	67,446	-	-	-	-	33,609,934
	<b>Total liabilities</b>	<b>-</b>	<b>32,953,525</b>	<b>747,657,499</b>	<b>181,824,385</b>	<b>133,440,417</b>	<b>181,639,889</b>	<b>22,670,042</b>	<b>5,369,437</b>	<b>1,305,555,194</b>
	<b>Interest sensitivity gap - on balance sheet</b>	<b>14,993,990</b>	<b>25,730,952</b>	<b>(364,305,152)</b>	<b>167,128,894</b>	<b>152,419,848</b>	<b>(62,928,772)</b>	<b>178,287,455</b>	<b>28,076,696</b>	<b>139,403,911</b>

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## (c) Risk management policies for financial instruments (continued)

### (iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which Vietcombank transacts is VND. Vietcombank's loans to customers are mainly denominated in VND, USD and EUR. Some of Vietcombank's other assets and other liabilities are in currencies other than VND, USD and EUR. Vietcombank has set limits on currency positions based on its internal risk management system and relevant statutory requirements stipulated by the SBV. Currency positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

The followings are the major exchange rates applied by Vietcombank at the reporting date:

	Exchange rate as at	
	31/12/2021	31/12/2020
USD/VND	22,780	23,125
EUR/VND	25,969	28,499

The following table presents Vietcombank's assets and liabilities denominated in foreign currencies that were converted into VND as at 31 December 2021:

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	VND		USD		EUR		Other currencies		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
<b>Assets</b>										
I Cash on hand, gold, silver and gemstones	14,703,937	2,641,854	340,080	18,011,766						
II Balances with the State Banks	11,152,830	11,252,471	-	22,506,711						
III Balances with the State Banks	146,723,738	69,219,626	3,763,009	229,764,546						
IV Trading securities - gross	2,822,531	-	-	2,822,531						
V Derivative financial instruments and other financial assets	37,484,864	(37,199,449)	71	303,202						
VI Loans to customers - gross	845,200,615	113,074,620	1,424,830	960,749,955						
VII Investment securities - gross	148,000,097	22,780,000	-	170,780,097						
VIII Capital contributions, long-term investments - gross	2,421,176	-	-	2,421,176						
IX Fixed assets	8,584,402	34,855	-	8,626,043						
X Other assets - gross	25,975,824	2,915,758	1,417	28,973,078						
<b>Total assets</b>	<b>1,243,070,014</b>	<b>184,719,735</b>	<b>5,529,407</b>	<b>1,444,959,105</b>	<b>11,639,949</b>					
<b>Liabilities</b>										
I Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	72,875,914	36,744,634	1,497,186	119,225,893	8,108,159					
II Deposits from customers	984,153,159	143,954,865	4,092,955	1,135,323,913	3,122,934					
IV Funds for finance, entrusted investments and entrusted loans	7,707	-	-	7,707	-					
V Valuable papers issued	17,387,705	42	-	17,387,747	-					
VI Other liabilities	32,160,137	1,268,727	86,977	33,609,934	94,093					
<b>Total liabilities</b>	<b>1,106,584,622</b>	<b>181,968,268</b>	<b>5,677,118</b>	<b>1,305,555,194</b>	<b>11,325,186</b>					
<b>Currency position on balance sheet</b>	<b>136,485,392</b>	<b>2,751,467</b>	<b>(147,711)</b>	<b>139,403,911</b>	<b>314,763</b>					

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## (c) Risk management policies for financial instruments (continued)

### (iv) Liquidity risk

Liquidity risk occurs when Vietcombank fails to fulfil its financial commitments with customers or counterparties due to unavailability of funds or liquidity.

The maturity of assets and liabilities represents the remaining terms of these assets and liabilities from the end of the annual accounting period to the maturity date according to the underlying contractual agreements or term of issuance.

The following assumptions and conditions have been adopted in the preparation of Vietcombank's assets and liabilities maturity analysis in the consolidated balance sheet:

- Balances with the SBV are considered as current accounts with maturity less than one month, including the compulsory deposits;
- The maturity of trading securities is considered to have maturity of less than one month because they are held in the short term for profit taking on price differences;
- The maturity of investment securities is based on maturity dates of each securities established by the issuers of these financial instruments;
- The maturities of balances with and loans to other credit institutions and loans to customers are based on the contractual maturity date. The actual maturity may vary from the original contractual term when the loan/deposit contract is extended;
- The maturity of capital contributions, equity investments is considered to be over five years as equity investments have no specified maturity;
- Deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments and entrusted loans, and valuable papers issued are determined based on either the nature of the loans, deposits and valuable papers issued or their contractual maturities. For example, demand deposits of other credit institutions at Vietcombank and current accounts of Vietcombank at other credit institutions paid upon customers' demand are considered to be demand deposits, the maturity of term deposits and borrowings is based on the contractual maturity date. In practice, such items may be rolled over and maintained for longer period.

The following table analyses the remaining terms to maturity of Vietcombank's assets and liabilities from 31 December 2021:

	Overdue			Current				Total	
	Over 3 months	Up to 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years		
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	
<b>Assets</b>									
I	Cash on hand, gold, silver and gemstones	-	-	18,011,766	-	-	-	-	18,011,766
II	Balances with the State Banks	-	-	22,506,711	-	-	-	-	22,506,711
III	Balances with and loans to other credit institutions – gross	-	-	183,804,951	34,952,243	10,332,042	675,310	-	229,764,546
IV	Trading securities – gross	-	-	2,822,531	-	-	-	-	2,822,531
V	Derivative financial instruments and other financial assets	-	-	-	303,202	-	-	-	303,202
VI	Loans to customers – gross	2,295,917	12,698,073	62,283,447	181,948,352	306,657,758	155,036,446	239,829,962	960,749,955
VII	Investment securities – gross	-	-	969,249	2,716,665	21,755,579	106,336,355	39,002,249	170,780,097
VIII	Capital contributions, long-term investments – gross	-	-	-	-	-	-	2,421,176	2,421,176
IX	Fixed assets	-	-	-	-	-	-	8,626,043	8,626,043
X	Other assets – gross	-	-	-	28,973,078	-	-	-	28,973,078
	<b>Total assets</b>	<b>2,295,917</b>	<b>12,698,073</b>	<b>290,398,655</b>	<b>248,893,540</b>	<b>338,745,379</b>	<b>262,048,111</b>	<b>289,879,430</b>	<b>1,444,959,105</b>
<b>Liabilities</b>									
I	Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	105,859,143	10,751,763	1,634,460	937,407	43,120	119,225,893
II	Deposits from customers	-	-	282,882,615	186,742,490	322,343,976	46,328,445	297,026,387	1,135,323,913
IV	Funds for finance, entrusted investments and entrusted loans	-	-	-	-	-	7,707	-	7,707
V	Valuable papers issued	-	-	905	-	3,000,000	5,788,750	8,598,092	17,387,747
VI	Other liabilities	-	-	3,573,962	22,019,883	7,078,607	-	937,482	33,609,934
	<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>392,316,625</b>	<b>219,514,136</b>	<b>334,057,043</b>	<b>53,062,309</b>	<b>306,605,081</b>	<b>1,305,555,194</b>
	<b>Net liquidity gap</b>	<b>2,295,917</b>	<b>12,698,073</b>	<b>(101,917,970)</b>	<b>29,379,404</b>	<b>4,688,336</b>	<b>208,985,802</b>	<b>(16,725,651)</b>	<b>139,403,911</b>

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## 45. Subsequent events

On 6 January 2022, the Bank completed the payment of share dividend from the retained profit of 2019 at the rate of 27.6%. According to the Report on results of shares issuance to pay dividends No. 2061/VCB-CLTG&TKTH dated 6 January 2021 of the Bank and Official Letter No. 218/UBCKNN-QLCB dated 12 January 2022 of the State Securities Commission of Vietnam in relation to the report on results of the shares issuance to pay dividends of the Bank, the number of shares distributed is 1,023,639,123 shares. Accordingly, the total number of shares after the share issuance to pay dividends is 4,732,516,571 shares. The effect of this event on basic earnings per share was disclosed in Note 35.

Except for the above event, until the issuance date of these consolidated financial statements, there was no significant event subsequent to 31 December 2021 that may have material effect to financial position of Vietcombank and require adjustments or disclosures in the on consolidated financial statements for the year ended 31 December 2021.

## 46. Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Management of the Bank on 21 March 2022.

Hanoi, 21 March 2022

Prepared by:

Ms. **Nguyen Thi Thu Huong**

Mr. **Le Hoang Tung**

Approved by:

Ms. **Phung Nguyen Hai Yen**



*Deputy Director of  
Financial and Accounting  
Policy Department*

*Chief Accountant*

*Deputy CEO*



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**JOINT STOCK COMMERCIAL BANK FOR  
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