

HARNESSING THE DRAGON'S STRENGTH TO ACHIEVE AMBITIOUS GOALS

SHB aims to be The most efficient bank; The premier provider of financial services to strategic corporate customers with a green supply chain and ecosystem; The preferred digital bank, and The leading retail bank. We are enhancing our financial, human, and technological capacities, driven by strong leadership and the pioneering spirit of the Dragon to achieve these goals.

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GENERAL INFORMATION



1. VISION, MISSION, CORE VALUES

VISION

Vision for 2028: SHB aims to become

- The most efficient bank
- The preferred digital bank
- The leading retail bank
- The premier provider of financial services to strategic corporate customers with a green supply chain and ecosystem.

MISSION

Emerging as the foremost destination for dependable financial solutions, we prioritize empathy and customer insight at every step of our customers' journey. Our approach integrates a sophisticated and comprehensive range of products and services, blending modern innovation with timeless principles. We are committed to meeting every customer's needs with exceptional care, adding value even to their smallest requirements.

Establishing an optimal workplace culture where every employee is valued as an integral part of the organization, continuously trained, and fully engaged in driving both the Bank's growth and their personal success.

Ensuring the protection of shareholder interests and delivering enduring value through an alternative strategy that emphasizes sustainable and efficient growth.

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Originating from the **HEART**, fostering **FAITH**, cultivating **TRUSTWORTHINESS**, accumulating **KNOWLEDGE**, attaining **WISDOM**, and perpetually ascending to **GREATER HEIGHTS**.



1. VISION, MISSION, CORE VALUES

6 CORE VALUES SHB'S CULTURE

Over its 30-year history, SHB has remained committed to ethical principles and concrete actions rooted in 6 core values. These values underpin the bank's brand philosophy and corporate culture, fostering trust among shareholders, partners, customers, employees, and the community:

HEART

At SHB, we uphold the notion of **"HEART"** as the quintessential essence. It is the nucleus of existence, embodying paramount excellence and influencing all other human attributes. Rooted in this philosophy, we endeavor to wholeheartedly dedicate ourselves to shareholders, partners, customers, employees, and the community.

FAITH

At SHB, the concept of **"FAITH"** signifies unwavering commitment to defined objectives. Our team consistently relies on their courage and capabilities, firmly trusting in the vision of the Board of Directors and the Bank's leadership. This steadfast belief extends to the Bank's mission and strategic direction.

TRUSTWORTHINESS

"TRUSTWORTHINESS" embodies integrity, a fundamental characteristic in interpersonal relationships, fostering mutual trust in agreements. At SHB, the precept of integrity is paramount. This steadfast commitment has effectively solidified SHB's esteemed reputation within the financial market, ensuring that it is both preserved and progressively fortified over time.

KNOWLEDGE

At SHB, **"KNOWLEDGE"** encompasses understanding, expertise, skills, and experience acquired through accumulation and learning. In pursuit of success, especially in the digital age, SHB personnel continuously strive to enhance their knowledge, aiming for international standards.

WISDOM

"WISDOM" is a refined aspect of "Knowledge" that systematically addresses real-life and business challenges effectively. At SHB, we take pride in leveraging wisdom to convert challenges into opportunities during economic fluctuations, transforming accumulated knowledge into practical results.

GREATER HEIGHTS

"GREATER HEIGHTS" means stature, shown by achievements and levels of expertise. Over three decades of development, starting with dedication, SHB has expanded its reach to become one of the Top 5 largest private joint stock commercial banks in Vietnam.

2. INTRODUCTION OF BOARD OF DIRECTORS, BOARD OF SUPERVISORS, BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT

BOARD OF DIRECTORS

Mr. Do Quang Hien

Chairman

Mr. Do Quang Hien, born in 1962, graduated as a Radio Physics Engineering from Hanoi University. He has a rich professional background and extensive experience.

He served at SHB and was elected Vice Chairman of the Board of Directors from 2005 to 2008. Since 2008, he has held the position of Chairman of the Board of Directors at SHB.

With four decades of experience in corporate governance and banking and finance, he has held prominent roles including Chairman and CEO at T&T Group Joint Stock Company, Saigon - Hanoi Securities Joint Stock Company, and Sai Gon - Ha Noi Insurance Corporation. Prior to that, he contributed his expertise to organizations such as Hanoi Radio & Television Broadcasting, Hanoi Electronics Company (Hanel), and the National Institute of Technology Research.

He currently holds other significant positions such as:

- Member of the Central Committee of the Vietnam Fatherland Front;
- Vice Chairman of Vietnam Association of Small and Medium Enterprises (Vinasme);
- Chairman of Hanoi Association of Small and Medium Enterprises (Hanoisme);
- President of Hanoi National University Entrepreneur Alumni Club.

Throughout his illustrious career, he has been honored and recognized for his outstanding achievements, contributing to socialism and national defense, including:

- First-class Labor Medal in 2019, Second-class in 2013, Third-class in 2008 awarded by the President of the Socialist Republic of Vietnam;

- Numerous certificates of merit from the Prime Minister, Hanoi People's Committee and Ministries;
- "Asia Pacific Entrepreneurship Awards 2017" honored by Enterprise Asia magazine;
- "Honorary Doctorate" in Russia;
- "Outstanding Capital Citizen 2018" awarded by Hanoi People's Committee;
- "City Emulation Soldier" awarded by Hanoi People's Committee in 2009;
- Title "Bach Thai Bui Portrait" awarded by the Ministry of Industry in 2001;
- "Outstanding Vietnamese Businessman" awarded by Hanoi People's Committee for many years;
- Recognized by the Council of Science and Innovation
- Hanoi People's Committee for significant contributions to social life over several years.



BOARD OF DIRECTORS



Mr. Do Quang Vinh

Vice Chairman
cum Deputy CEO

Mr. Do Quang Vinh, born in 1989, obtained a Master's degree in Finance and Business Administration from the University of East Anglia, London.

He has been with SHB since 2011 and was appointed Vice Chairman of the Board of Directors in April 2023.

With 13 years of experience in banking and finance, he currently holds multiple key positions at SHB, including Vice Chairman of the Board of Directors, Deputy CEO and Chief Digital Officer.

He also serves as Chairman of the Board of Directors at Saigon - Hanoi Securities Joint Stock Company (SHS) and Chairman of the Board of Directors at Saigon - Hanoi Insurance Corporation (BSH).

He was honored as "Asia Pacific Entrepreneurship Awards" in Financial Services in 2022 by Enterprise Asia magazine.



Mr. Do Duc Hai

Vice Chairman
cum Deputy CEO

Mr. Do Duc Hai, born in 1982, earned a Bachelor's degree in Banking and Finance from the National Economics University.

He has been with SHB since 2012 and assumed the role of Vice Chairman of the Board of Directors in April 2023.

With two decades of experience in the banking and finance, he currently holds multiple key positions within SHB: Deputy CEO and Director of the Van Phuc Branch, from January 28, 2021 to the present, Director of Investment Banking Division, Chief Corporate Banking Officer, Chairman of the Board of Directors cum Chairman of the Executive Committee of Saigon - Hanoi Laos Single-Member Limited Liability Bank.



Mr. Thai Quoc Minh

Member of BOD

Mr. Thai Quoc Minh, born in 1960, holds a Master's degree in Business Administration from Edith Cowan University, Australia.

He has been serving as a Member of the Board of Directors since 2017.

With 39 years of experience in the banking and finance sector, he has held various notable positions: Member of the Board of Directors at Unitel Telecommunications Infrastructure Development and Technology Joint Stock Company; Vice Chairman of the Board of Directors at Vinaconex Trading Development Joint Stock Company; Member of the Board of Directors at Vinaconex - Viettel Finance Joint Stock Company; Vice Chairman of the Board of Directors at Vietnam Expressway Services Joint Stock Company.



Ms. Ngo Thu Ha

Member of BOD cum CEO

Ms. Ngo Thu Ha, born in 1973, holds a PhD in Economics and possesses three decades of experience in the banking and finance sector. She is a member of CPA Australia.

Since 2008, Ms. Ha has been a part of SHB. She assumed the role of CEO from September 2022 and continues to serve in that capacity. Additionally, she was elected as a Member of the Board of Directors of SHB in April 2023.

From 2011 to August 2022, Ms. Ha served as the Deputy CEO of SHB. Concurrently, she has held various other significant roles within the Bank: Chief Financial Officer, Member of the Board of Directors of SHS, Member of the Board of Members of SHBFinance, Director of SHB Finance and Planning Department, Director of SHAMC.

BOARD OF DIRECTORS



Mr. Pham Viet Dan

Member of BOD

Mr. Pham Viet Dan, born in 1974, holds a Master's degree in Business Administration in Banking and Finance from ULB University (Université Libre de Bruxelles), Belgium.

He was elected as a Member of Board of Directors in April 2023.

With 23 years of experience in the banking and finance industry, he has spent 8 years at SHB, where he has held several key positions, including: Chief Risk Officer from September 2016 to September 2022, Member of the Board of Members of SHB Finance. Additionally, he held significant positions at other major banks such as Vietnam Export Import Commercial Joint Stock Bank (Eximbank) and HSBC Vietnam Bank Limited.



Mr. Do Van Sinh

Independent Member of BOD

Mr. Do Van Sinh, born in 1961, holds a PhD in Economics from the Ho Chi Minh National Academy of Politics.

He has served as an Independent Member of the Board of Directors since April 2022.

He has 38 years of management experience in the field of finance and has held several senior management and executive positions, including: Head of the Financial Planning Department and Deputy CEO of Vietnam Social Insurance; Member of the 14th National Assembly for the 2016-2021 term and Standing Committee Member of the Economic Committee of the 14th National Assembly from July 2016 to July 2021.



Mr. Haroon Anwar Sheikh

Independent Member of BOD

Mr. Haroon Anwar Sheikh, born in 1966, has 31 years of experience in banking, finance, financial consulting, and digital transformation.

He was appointed as an Independent Member of the Board of Directors at SHB on April 12, 2023.

Throughout his career, Mr. Haroon Anwar Sheikh has held senior positions at major banks and financial corporations worldwide, including: Director of Credit Management at Citibank; Relationship Manager at ANZ Grindlays Bank; Director of Corporate Finance at BMO Bank of Montreal in Toronto; Member of the Executive Committee, Asset and Liability Management Committee, Risk Management Committee, and Data Management and Customer Experience Forum at Standard Chartered Bank in Vietnam, Malaysia, and Singapore. Currently, he is the Director of Valiant Vietnam Co., Ltd., specializing in digital transformation and business strategy consulting.

BOARD OF SUPERVISORS



Mr. Pham Hoa Binh

Head of BOS

Mr. Pham Hoa Binh, born in 1961, obtained a Bachelor's degree in Economics, specializing in Finance and Credit, from the Banking Academy.

He has been with SHB since 2006 and has held the position of Head of the Board of Supervisors since 2012.

Mr. Pham Hoa Binh, with 34 years of experience in banking and finance, has held several key positions throughout his career, including: Head of Internal Audit at SHB, Member of SHB Board of Supervisors, Chief Inspector of the State Bank Can Tho branch, Deputy Director of Saigon Industry and Trade Joint Stock Commercial Bank - Can Tho branch.



Ms. Le Thanh Cam

Full-time Member of BOS

Ms. Le Thanh Cam, born in 1967, holds a Master's degree in Business Administration from Pacific Western University in the US and a Bachelor's degree in Banking and Finance from the National Economics University.

She has been a part of SHB since 2013 and has served as a Full-time Member of SHB Board of Supervisors since 2020.

Ms. Le Thanh Cam, with 34 years of experience in the banking and finance sector, has held various significant positions, including: Deputy Director of SHB Internal Audit Division, Director of ABBANK Treasury and Foreign Exchange Trading Division, Deputy Director of Risk Management Division at Maritime Bank, Director of Internal Audit at Maritime Bank.



Mr. Vu Xuan Thuy Son

Full-time Member of BOS

Mr. Vu Xuan Thuy Son, born in 1981, earned a Bachelor's degree in Banking and Finance from Hanoi National Economics University.

He has been employed at SHB since 2011 and has served as a Full-time Member of the Board of Supervisors since April 2022.

During his tenure at SHB, he held positions such as: Deputy Head of Internal Audit (August 2012 to June 2016), Deputy Director of Internal Audit Division (July 2016 to April 2022). He has 21 years of experience in the banking and finance sector.

BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT



Ms. Ngo Thu Ha
CEO

Ms. Ngo Thu Ha, born in 1973, holds a PhD in Economics and possesses three decades of experience in the banking and finance sector. She is a member of CPA Australia.

Since 2008, Ms. Ha has been a part of SHB. She assumed the role of CEO from September 2022 and continues to serve in that capacity. Additionally, she was elected as a Member of the Board of Directors of SHB in April 2023.

From 2011 to August 2022, Ms. Ha served as the Deputy CEO of SHB. Concurrently, she has held various other significant roles within the Bank: Chief Financial Officer, Member of the Board of Directors of SHS, Member of the Board of Members of SHBFinance, Director of SHB Finance and Planning Department, Director of SHAMC.



Mr. Do Duc Hai
Deputy CEO

Mr. Do Duc Hai, born in 1982, earned a Bachelor's degree in Banking and Finance from the National Economics University.

He has been with SHB since 2012 and assumed the role of Vice Chairman of the Board of Directors in April 2023.

With two decades of experience in the banking and finance, he currently holds multiple key positions within SHB: Deputy CEO and Director of the Van Phuc Branch, from January 28, 2021 to the present, Director of Investment Banking Division, Chief Corporate Banking Officer, Chairman of the Board of Directors cum Chairman of the Executive Committee of Saigon - Hanoi Laos Single-Member Limited Liability Bank.



Mr. Le Dang Khoa
Deputy CEO

Mr. Le Dang Khoa, born in 1974, holds a Master's degree in Business Administration from the National Economics University.

He has been with SHB and has served as Deputy CEO since March 2009, concurrently serving as the Director of the Treasury Division.

Previously, he held the position of Director of Treasury and Foreign Exchange Trading at Vietnam International Commercial Joint Stock Bank (VIB) and has 24 years of experience in the banking and finance sector.



Mr. Do Quang Vinh

Deputy CEO

Mr. Do Quang Vinh, born in 1989, obtained a Master's degree in Finance and Business Administration from the University of East Anglia, London.

He has been with SHB since 2011 and was appointed Vice Chairman of the Board of Directors in April 2023.

With 13 years of experience in banking and finance, he currently holds multiple key positions at SHB, including Vice Chairman of the Board of Directors, Deputy CEO and Chief Digital Officer.

He also serves as Chairman of the Board of Directors at Saigon - Hanoi Securities Joint Stock Company (SHS) and Chairman of the Board of Directors at Saigon - Hanoi Insurance Corporation (BSH).

He was honored as "Asia Pacific Entrepreneurship Awards" in Financial Services in 2022 by Enterprise Asia magazine.



Ms. Ninh Thi Lan Phuong

Deputy CEO

Ms. Ninh Thi Lan Phuong, born in 1974, earned a Master's degree in Banking and Finance from the Banking Academy.

She has been a part of SHB since 2007. In June 2012, she was appointed Deputy CEO of SHB. Additionally, since February 2016, she has served as the Chairwoman of the Board of Members of SHB AMC. Furthermore, she holds the position of Chief Operation Officer.

Ms. Ninh Thi Lan Phuong, with 29 years of experience in the field of finance and banking, has held several significant positions throughout her career, including: Chief Accountant, Head of Treasury Customer Service Department, Deputy Head of SHB Accounting Department.



Ms. Hoang Thi Mai Thao

Deputy CEO

Ms. Hoang Thi Mai Thao, born in 1973, obtained a Master's degree in Economics from the Banking Academy.

She has been employed at SHB since 2010. She currently holds multiple key positions within the Bank: Deputy CEO in charge of Sales cum Chief Retail Banking Officer, Member of the Board of Members of SHBFinance since January 8, 2021.

Ms. Hoang Thi Mai Thao, with 30 years of experience in the banking and finance sector, has held several significant positions throughout her career, including: Chairwoman of the Board of Members of SHBFinance, Director of Support Division at SHB, Director of SHB Treasury Division, VPBank Branch Director.

BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT



Mr. Luu Danh Duc
Deputy CEO

Mr. Luu Danh Duc, born in 1973, obtained a Master's degree in Information Technology from Institut de la Francophonie pour l'Informatique (IFI).

He joined SHB and has been serving as Deputy CEO since September 2022. Additionally, he holds the position of Chief Information Officer (CIO).

Mr. Luu Danh Duc is a senior expert with extensive experience in domestic and international banking technology. He has held notable positions, including CIO at leading corporations in Vietnam such as Vingroup and Sovico Group. He has also served as Deputy CEO in charge of IT at Sun Group and VETC, and was successful as the CIO at VIB.



Mr. Nguyen Huy Tai
Deputy CEO

Mr. Nguyen Huy Tai, born in 1974, holds a Bachelor's degree in Credit Finance from the Banking Academy and a Bachelor's degree in Law from Hanoi Law University.

He has been with SHB since 2007 and currently serves as the Deputy CEO and Director of SHB Hanoi Branch since February 2013.

Throughout his career, he has held various significant positions: Chief Debt Collection Officer, Branch Director at Bac A Bank. With 29 years of experience in banking and finance, he brings a wealth of expertise to his current roles at SHB.



Ms. Ngo Thi Van
Chief Accountant

Ms. Ngo Thi Van, born in 1980, graduated with a major in Auditing and holds a Master's degree in Business Administration from the National Economics University.

She has been with SHB since 2008. In 2014, she was appointed as Chief Accountant and Director of the SHB Accounting Department.

Ms. Ngo Thi Van, with 22 years of experience in accounting, finance, and banking, has held several significant positions throughout her career, including: Deputy Director of the SHB Finance and Accounting Department, Head of the SHB Finance and Accounting Department.

C-SUITE EXECUTIVES



Mr. Nguyen Dinh Duong

Chief Internal Auditor

Mr. Nguyen Dinh Duong, born in 1977, holds a Master's degree in Business Administration, a Bachelor's degree in Law, and a Bachelor's degree in banking and finance.

With a tenure at SHB since 2007, he currently serves as the Chief Internal Auditor, a role he has held since 2016. Additionally, he has been a Member of the Board of Directors and Chairman of the Audit Committee of SHB Laos since 2015, and he assumed the position of Vice Chairman of the Board of Directors of SHB Laos in 2022.

Throughout 25 years of experience in banking and finance, Mr. Duong has held several key positions, including Head of Internal Audit Department, Head of SHB Debt Collection Officer Department, and Head of the Board of Supervisors of SHS.



Mr. Luu Tien Cuong

Chief Risk Officer

Mr. Luu Tien Cuong, born in 1978, earned his Master's degree in Business Management from the Free University of Brussels, Belgium.

He joined SHB and assumed the role of Chief Risk Officer in September 2022.

Prior to his current role at SHB, he held the position of Deputy Director of Risk Management Division at MB Bank and ACB during his 25 years of experience in the banking and finance sector.



Mr. Dang Cong Hoan

Chief Retail Banking Officer

Mr. Dang Cong Hoan, born in 1977, holds a PhD in Economics from the University of Economics, Hanoi National University.

He joined SHB and currently serves as the Chief Retail Banking Officer since March 17, 2023.

With over 20 years of experience, he has held various senior positions at Techcombank, including Acting Director of the Personal Finance Service Division cum Director of CFM, Deputy Director of the Personal Finance Service Division, Deputy Director of Banking and Personal Finance Services, Director of the Product Development Center, Director and Deputy Director of the Card Center.

C-SUITE EXECUTIVES



Mr. Vu Tuan Anh

Chief Credit Officer

Mr. Vu Tuan Anh, born in 1982, holds a Bachelor's degree in Foreign Economics from the Foreign Trade University.

He joined SHB in 2014 and currently serves as the Chief Credit Officer since January 17, 2023.

With 20 years of experience in the field, Mr. Anh has held various positions, showcasing his expertise and dedication to the banking and finance industry. He has previously served as the Acting Chief Corporate Banking Officer and held the role of Director at SHB Ham Long Branch and SHB Hanoi.



Ms. Nguyen Thanh Loan

Deputy Chief HR Officer

Ms. Nguyen Thi Thanh Loan, born in 1980, holds a Master's degree in Business Administration from the National Economics University.

She joined SHB and has been serving as the Deputy Chief HR Officer since June 1, 2020.

With 23 years of experience in human resource management, Ms. Loan has held various leadership positions in prominent organizations. Previously, she served as the Deputy Director of the Human Resources Department at T&T Group and HR manager at VKX Company, a joint venture between VNPT Group, Ericsson Group - LG.



Mr. Cao Minh Tuan

Chief Debt Collection Officer

Mr. Cao Minh Tuan, born in 1981, holds a Bachelor's degree in Business Administration.

He joined SHB in 2008 and currently serves as the Chief Debt Collection Officer since January 2023.

With 19 years of experience in the banking and finance sector, Mr. Tuan has held several key positions, including Deputy Chief Debt Collection Officer and Chief Corporate Banking Officer.



Mr. Dinh Ngoc Dung

Deputy Chief Corporate Banking Officer

Mr. Dinh Ngoc Dung, born in 1976, holds a Master's degree from the National Economics University.

He joined SHB in 2012 and currently serves as the Deputy Chief Corporate Banking Officer since May 31, 2023.

With 19 years of experience, Mr. Dung has demonstrated his expertise in the banking and finance sector. He previously served as the Director of the Credit Underwriting Center at SHB.



Mr. Dong Xuan Hoa

Deputy Chief Marketing Officer

Mr. Dong Xuan Hoa, born in 1977, brings two decades of experience in communications and brand development to his role. He joined SHB in 2022 and currently serves as the Deputy Chief Marketing Officer since January 2024.

Prior to joining SHB, Mr. Hoa worked at Investment Newspaper and held the role of Head of Communications at VPBank.



3. OVERVIEW

3.1 Corporate profile

■ Corporate name:	
- Full name in Vietnamese:	Ngân hàng TMCP Sài Gòn – Hà Nội
- Full name in English:	Saigon Hanoi Commercial Joint Stock Bank
- Abbreviated name in English:	SAHABANK
■ Business registration certificate number:	1800278630 issued by Hanoi Department of Planning and Investment.
- First registration:	December 10, 1993
- Registration for the 34th amendment:	September 20, 2023
■ Charter capital:	36,193,981,130,000 VND
■ Owners' Equity:	50,098,280,000,000 VND
■ Address:	77 Tran Hung Dao - Hoan Kiem District - Hanoi City.
■ Phone:	(024) 3942 3388
■ Fax:	(024) 3941 0944
■ Website:	www.shb.com.vn
■ Stock ticker:	SHB

3.2. Key milestones

Saigon - Hanoi Commercial Joint Stock Bank (SHB), previously known as Nhon Ai Rural Commercial Joint Stock Bank, established in 1993 in Can Tho. SHB rebranded and moved its headquarters to Hanoi in 2006. Listed on the Hanoi Stock Exchange in 2009, SHB now operates 571 domestic and foreign transaction points across 50 provinces and cities. As of December 31, 2023, SHB's total assets reached VND 630,501 billion, solidifying its position among the top four largest private joint stock commercial banks by charter capital.

13.11
1993

Founding

SHB Saigon - Hanoi Commercial Joint Stock Bank (SHB), previously known as Nhon Ai Rural Commercial Joint Stock Bank, established in 1993 in Can Tho. SHB rebranded and moved its headquarters to Hanoi in 2006. Listed on the Hanoi Stock Exchange in 2009, SHB now operates 571 domestic and foreign transaction points across 50 provinces and cities. As of December 31, 2023, SHB's total assets reached VND 630,501 billion, solidifying its position among the top four largest private joint stock commercial banks by charter capital.

20.04
2009

Listing

SHB was founded on November 13, 1993, under Decision No. 214/QĐ-NH5 and Operation License No. 0041-NH/GP issued by the State Bank of Vietnam, formerly known as Nhon Ai Rural Joint Stock Commercial Bank. The Business Registration Certificate No. 1800278630 was issued by the Hanoi Department of Planning and Investment, amended for the 34th time on September 20, 2023.

1993

2005

2006



■ Nhon Ai Rural Commercial Joint Stock Bank was founded on November 13, 1993, in Can Tho, with a charter capital of VND 400 million, with the mission to serve customers in the agriculture and rural sectors.



■ In 2005, during a "landmark" encounter with the Chairman of Nhon Ai Rural Bank, entrepreneur Do Quang Hien adeptly negotiated to become a major shareholder and was entrusted with the responsibility to steer the bank forward.



■ In 2006, Nhon Ai Rural Commercial Joint Stock Bank underwent a pivotal transformation, officially transitioning its operational model to an Urban Commercial Joint Stock Bank. Concurrently, it rebranded itself as Saigon - Hanoi Commercial Joint Stock Bank (SHB), with a charter capital of VND 500 billion.

THE ODYSSEY STARTING FROM HEART TO REACH GREATER HEIGHTS

SHB's Development Journey

Embarking on a remarkable 30-year journey, Saigon - Hanoi Commercial Joint Stock Bank (SHB) has transformed from a humble rural bank into one of the Top 5 largest private joint stock commercial banks in Vietnam. Guided by the ethos "From Heart to Greater Heights", with each milestone achieved, we have soared to new heights, continually pushing boundaries and striving for excellence as we forge ahead towards a brighter future.

2007

2008

2009

2011



■ In 2007, two prominent state-owned enterprises, the Vietnam National Coal and Mineral Industries Group (Vinacomin) and the Vietnam Rubber Group (VRG), emerged as strategic stakeholders of SHB. This development underscored SHB's esteemed standing among private commercial banks. The executives from Vinacomin and VRG were directly involved in SHB's Board of Directors from 2007 to 2014.

■ In 2008, the headquarters relocation from Can Tho to Hanoi marked a significant milestone in scaling up operations, with a charter capital of VND 2,000 billion.

■ In 2009, SHB was one of the first three banks to officially list its shares on the Hanoi Stock Exchange.

■ Increased its charter capital to nearly VND 5,000 billion.

Remained one of the fastest-growing and most profitable joint stock commercial banks.

On its 18th anniversary, SHB was honored to receive the Third-Class Labor Medal awarded by the President.



2012

2013



2014

2016



- Implemented a regional expansion strategy:

In February 2012, SHB opened a branch in Cambodia, with a total investment of USD 37 million.

In September 2012, a branch in Laos was opened with a charter capital exceeding USD 5 million.

Implementing the state policy of restructuring the banking industry, SHB pioneered the merger with Hanoi Housing Bank (Habubank), a long-established bank in Vietnam. SHB assumed and managed all debts for many years afterward, contributing to the stabilization of the domestic banking system and enhancing Vietnam's image in the international market.

- Celebrating the 20th anniversary, SHB was honored to receive the Second-Class Labor Medal awarded by the President.

Proudly affirming its role as a companion in building the country, SHB has sponsored trillions of VND for numerous key national projects.

- SHB emerged as the sole strategic financial partner in the Indochina region for the globally renowned football club, Manchester City. This partnership not only elevated SHB's position but also enhanced the Vietnamese brand's image internationally.

- SHB officially inaugurated a wholly-owned subsidiary bank in both Laos and Cambodia, further solidifying its influence and presence within the region.

Continuing its commitment to implementing the government and State Bank of Vietnam policies regarding the merger of struggling credit and financial institutions, SHB facilitated the merger of Vinaconex - Viettel Consumer Finance Company and established a Consumer Finance Company under SHB's umbrella. This move significantly bolstered the financial ecosystem and expanded the consumer finance network, further enhancing SHB's offerings and market reach.

SHB Bank and Barcelona Football Club entered into a strategic co-branding partnership, elevating the SHB brand alongside one of the world's foremost football brands.

2018



2019

2020



■ As SHB commemorated its 25th anniversary, the bank proudly received the Second-Class Labor Medal, awarded by the President for the second time.

By bringing the Premier League Cup to Vietnam, SHB provided Vietnamese fans with a rare opportunity to witness championship trophies firsthand, thereby contributing to the promotion of Vietnam's image and its people to the global stage.

Signing a strategic cooperation agreement with two major international financial institutions, the International Investment Bank (IIB) and the International Bank for Economic Cooperation (IBEC), significantly enhanced SHB's reputation. This partnership not only unlocked development opportunities but also fostered bilateral trade cooperation between Eastern European countries and Vietnam.



■ SHB took pride in being recognized as the inaugural financial partner of Amazon Group, a leader in the global e-commerce sector. This partnership fulfilled the vision of empowering Vietnamese businesses to expand their reach globally, marking a significant milestone in SHB's commitment to supporting local enterprises.



■ In its commitment to supporting Small and Medium Enterprises (SMEs), SHB took proactive steps. The Bank signed a comprehensive cooperation agreement to support member businesses of VINASME, facilitating their growth. Additionally, SHB inked an on-lending framework contract with the Small and Medium Enterprise Development Fund (SMEDF), providing crucial support to innovative startups and SMEs engaged in value chains. These initiatives have been consistently upheld and further promoted in subsequent years.

2021



- Increased the charter capital to VND 26,674 billion and affirmed its robust financial capacity.

SHB relocated its stock trading from the Hanoi Stock Exchange (HNX) to the Ho Chi Minh City Stock Exchange (HOSE) to better serve the needs of foreign investors. Moreover, the bank's emphasis on transparent management practices, in accordance with both domestic and international standards, reinforces its commitment to integrity and accountability.

To enhance the quality of its financial capital, SHB strategically opted to divest 100% of its capital at SHBFinance through an agreement with Krungsri Bank - Thailand, a member of the MUFG group. This move would allow SHB to bolster its capital surplus while minimizing exposure to significant financial risks and optimizing its financial portfolio.

SHB selected BCG, renowned as one of the world's top three strategic consulting firms, as its consulting vendor. This decision reflected SHB's strategic intent to leverage BCG's extensive expertise and experience to fine-tune its strategic direction and bolster its competitiveness within the market.

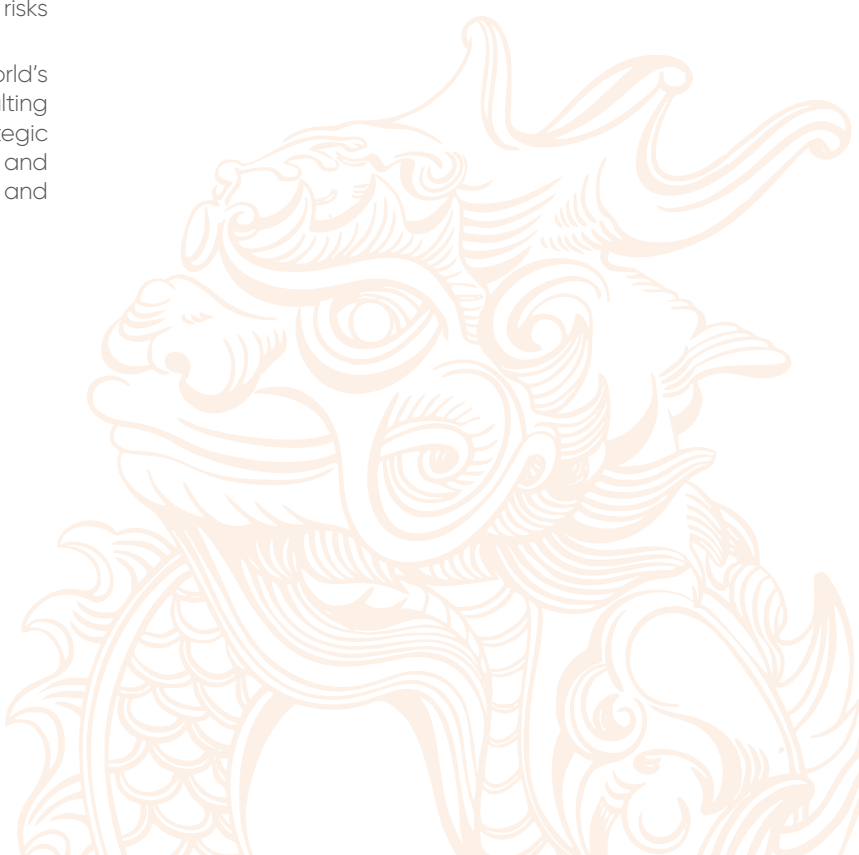
2022



- In alignment with the Government's policy and global development trends, SHB, T&T Group, Vietnam Airlines, and VNR signed a comprehensive strategic cooperation agreement on August 12, 2022.

Continuing its strategy of strengthening partnerships with major corporations, SHB signed cooperation agreements with Vietnam Railway Corporation (VNR), Vietnam National Textile and Garment Group (VINATEX), Vietnam Expressway Corporation (VEC) and Vietnam Posts and Telecommunications Group (VNPT).

In this year, SHB increased its charter capital to VND 30,674 billion, maintaining its position among the Top 5 largest private joint stock commercial banks by charter capital.



2023



- SHB proudly celebrated its 30th anniversary and was honored to receive the Third-Class Labor Medal awarded by the President of the Socialist Republic of Vietnam.

SHB shares were selected for the VN30 index, which comprises the 30 largest and most liquid companies listed on HOSE. The Bank increased its charter capital to VND 36,194 billion, placing it among the Top 4 private joint stock commercial banks with the largest charter capital.

SHB once again affirmed its reputation by meeting IFC's stringent standards, officially signing a senior loan agreement worth USD 120 million and joining IFC's Global Trade Finance Program (GTFP) with an initial trade finance guarantee limit of USD 75 million.

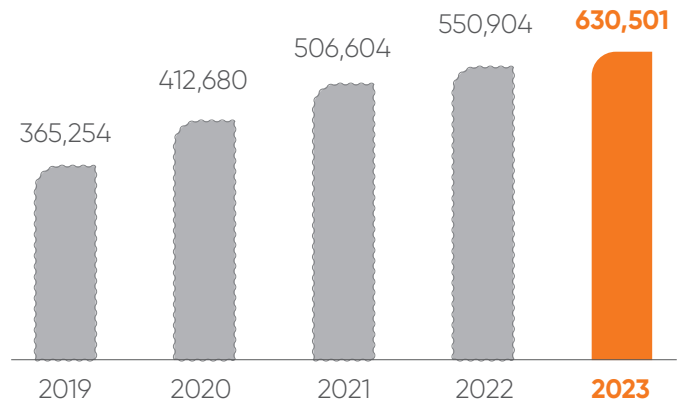
Continuing to bolster its global standing, SHB forged a memorandum of understanding (MOU) with Busan Bank (BNK Financial Group of Korea), solidifying a partnership across all domains. Particularly focused on developing corporate customers, digital banking, and investment banking, this collaboration aims to drive socio-economic development between Vietnam and Korea.

Expanding its network, SHB added 5 new branches and 25 transaction offices, thereby increasing the total number of domestic and international transaction points to 571.

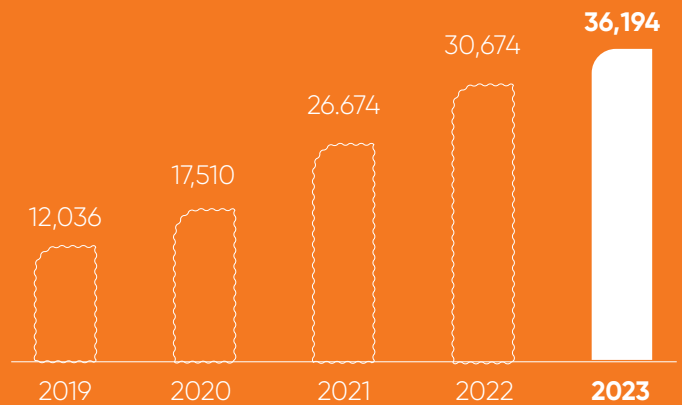


KEY PERFORMANCE INDICATORS (2019 – 2023)

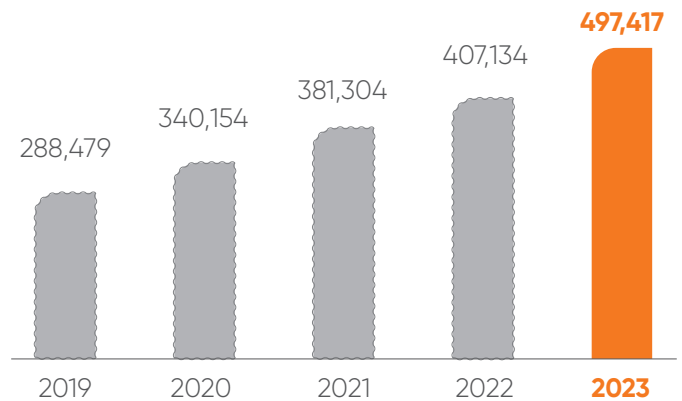
TOTAL ASSETS
630,501
(VND billion)



CHARTER
CAPITAL
36,194
(VND billion)



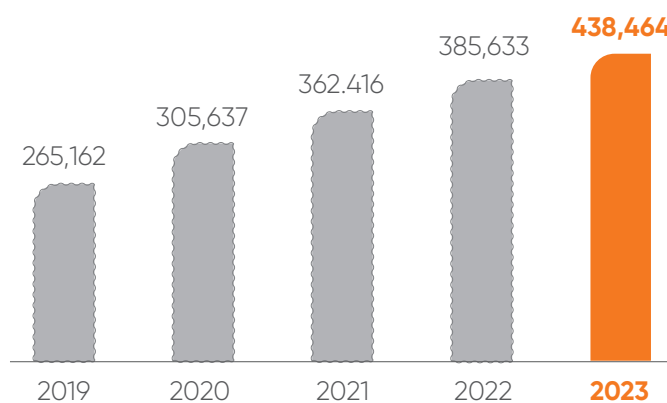
TOTAL CUSTOMER
DEPOSIT
497,417
(VND billion)



TOTAL OUTSTANDING
LOAN

438,464

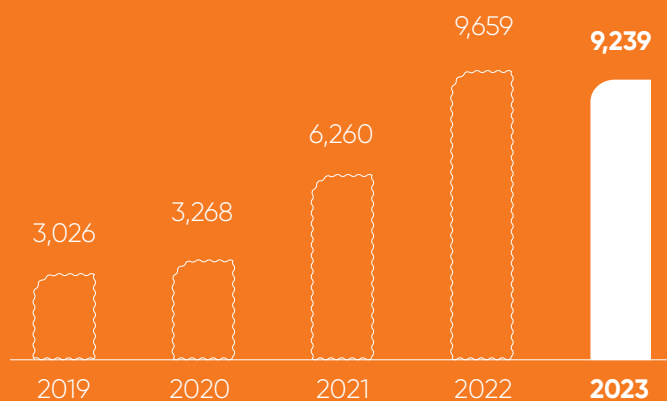
(VND billion)



PRE-TAX
PROFIT

9,239

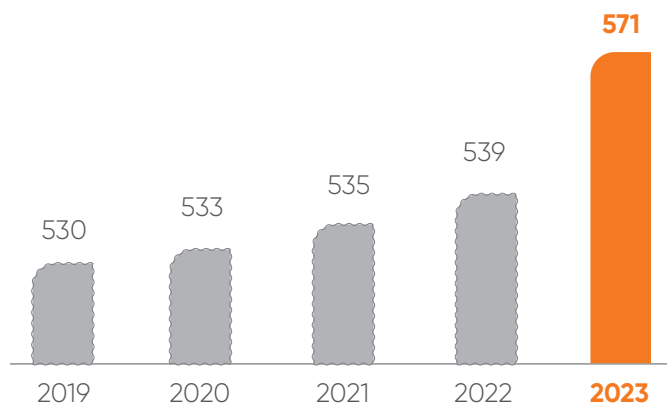
(VND billion)



NETWORK

571

(Transaction Offices)



4. BUSINESS LINES AND BUSINESS NETWORK

4.1. Business lines

SHB continually innovates and tailors its financial products and services to meet the evolving needs of customers and market trends.

The bank's core operations revolve around facilitating various financial transactions, including: Accepting short, medium, and long-term deposits from both individuals and organizations; Extending short, medium, and long-term loans to individuals and organizations; Facilitating foreign currency transactions and providing international trade finance services; Offering discounting services for commercial papers, bonds, and other valuable instruments; Factoring; Offering asset preservation services, including rental of cabinets and safes, ensuring the safekeeping of valuable assets; Bancassurance; Engaging in entrust lending and receiving entrusted lending transactions based on trust agreements; Granting credit by discounting other valuable paper transfer instruments, providing flexible financing options.

4.2. Business network

SHB consistently innovates and expands its business network to fully meet customer needs.

As of December 31, 2023, SHB continues its strategic expansion efforts, fostering its network to 571 transaction points across 50 provinces and major cities throughout Vietnam. These locations are strategically selected to serve regions with significant economic growth potential.

- Internationally, SHB extends its presence to three Southeast Asian countries: Laos (Vientiane, Champasack, Savanakheth), Cambodia (Phnom Penh, Kampong Thom, Nehru), and Myanmar.

(For further information, please refer to the "Transaction office network" section on page 139)

4.3. Governance model and organizational structure

4.3.1. Governance model:

SHB is dedicated to perfecting and innovating its organizational structure to ensure management is executed in a modern, streamlined, and efficient manner. This approach aligns with SHB's medium and long-term development strategy.

4.3.2. The organizational structure

To optimize its structure and focus resources on business development, SHB has streamlined its organizational framework. The Bank has refined the functions and responsibilities of its Divisions, Departments, and Centers, ensuring they operate in a professional, effective, and thoroughly integrated manner.

SHB's organizational and management structure comprises the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the CEO, in accordance with Article 32.1 of the Law on Credit Institutions 2010 and the amended Law on Credit Institutions 2017.

The General Meeting of Shareholders is the highest authority of the Bank.

The Board of Directors is the highest governance body within the bank, consisting of members elected by the General Meeting of Shareholders.

The Board of Directors establishes various committees, departments, and business offices to carry out specific tasks and responsibilities as assigned. These include Human Resources Committee, Risk Management Committee, Strategy Committee, Board of Directors Office, Internal Security Department, Strategic Partnership Development Committee, Expert Panel.

SHB consists of subsidiaries and subsidiary banks. The Bank comprises units at the Head Office, branches, and transaction offices. The Head Office encompasses Divisions, Departments, Centers, and Offices directly reporting to the CEO.

Khu Vực Giao Dịch



Đôi tác tin cậy, giải pháp phù hợp



ORGANIZATION CHART



BOARD OF SUPERVISORS

Internal Audit Division

Governance Audit Center

Operational Audit Center

General Audit Center

IA Department of Region 1-2-3

Administration
Department

Construction
& Branch
Development
Department

Legal
Department

Retail
Banking
Division

Corporate
Banking
Division

Credit
Management
Division

Transformation
Division

Operation
Division

Debt Management
and Collection
Division

Digital Banking
Division

/Subsidiary Banks/Subsidiaries

I. GENERAL INFORMATION

4.3.3. Subsidiaries and affiliate companies

Company name	Address	Business lines	Paid-up capital	Con-tributed capital of SHB	Holding percent-age
I. SUBSIDIARIES					
Domestic Subsidiaries					
SHB Asset Management Single-Member LLC (SHAMC)	14 th floor, 169 Nguyen Ngoc Vu, Cau Giay, Hanoi	Debt and asset management	VND 20 billion	VND 20 billion	100%
Overseas Subsidiaries					
Saigon - Hanoi Laos Single-Member Limited Liability Bank (SHB Laos)	Lanexang Road, Hatsadytai, Chanthabuly District, Vientiane Capital, Lao People's Democratic Republic	Finance, banking	VND 1,158 billion	VND 1,158 billion	100%
Saigon - Hanoi Cambodia Limited Liability Bank (SHB Cambodia)	Building No. 107, Norodom Avenue, Boeng Rang Ward, Doun Penh District, Phnom Penh, Cambodia	Finance, banking	VND 1,749 billion	VND 1,749 billion	100%
II. AFFILIATE COMPANIES					
SHB Finance Single-Member LLC (SHBFinance)	GELEX Building, 52 Le Dai Hanh Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	Finance, banking	VND 1,000 billion	VND 500 billion	50%



5. HIGHLIGHTS OF 2023

10 OUTSTANDING EVENTS

In 2023, SHB celebrated its 30th anniversary, reinforcing its capabilities and solidifying its position through 10 notable events. With a renewed vigor, the Bank moves forward, embracing the ethos of “Soar to New Heights with Dragon’s Might”.





1

30th Anniversary Celebration: Awarded Third-Class Labor Medal

At its 30th Anniversary, SHB proudly received the Third-Class Labor Medal from the President of the Socialist Republic of Vietnam. Prior to this esteemed recognition, SHB was also honored by prestigious domestic and international organizations with several significant awards, including Best Trade Finance Bank in Vietnam, Best ESG Impact Bank in Vietnam, Best CSR Bank, and Best Companies to Work for in Asia.

This momentous occasion underscores SHB's 30-year journey of growth and partnership with the nation, while also serving as a testament to the State's acknowledgment of SHB's positive contributions to the country's socio-economic development.

Embracing the 6 Core Values of “Heart - Faith – Trustworthiness - Knowledge - Wisdom - Greater Heights”

President Ho Chi Minh once emphasized that “Culture lights the nation’s path”. SHB views corporate culture as the brand’s “soul”, defining its identity and values. This approach attracts talent, enhances the brand, and supports sustainable growth. Developing SHB’s corporate culture around six core values is a top priority for the Board of Directors.



In 2023, SHB celebrated its 30th anniversary by promoting its six core values through “From Heart to Greater Heights” initiatives, including Innovation Day (Innoday), Sport Festival, Shine, Icon, and more. These events highlighted the bank’s orange brand, instilling pride and fostering human values within staff, and extending this ethos to customers and the community.



3

Achieving sustainable growth through robust and holistic transformation

SHB As of December 31, 2023, Total assets reached VND 630 trillion; Total customer deposits amounted to VND 497 trillion; Regulatory capital under Basel II reached VND 70 trillion; SHB's outstanding loans reached VND 456 trillion, marking a notable year-on-year increase of 16.9%. The bank has prioritized lending in key sectors aligned with the government and SBV policies, focusing on areas that drive economic growth and development.

Total operating income reached VND 21,328 billion, reflecting a substantial 10.3% increase compared to 2022. Pre-tax profit amounted to VND 9,239 billion. Business performance remains stable, with SHB's ROE, NIM, and other key performance indicators showing positive growth trends. Particularly noteworthy is the CIR index, which reached 23.7%, consistently ranking SHB as the leader among banks with the most effective cost control for multiple consecutive quarters. Moreover, increased provisions compared to 2022 have enabled SHB to further enhance its Loan Loss Reserve to 75%.

SHB's business achievements are paralleled by the stringent risk management. The bank's prudent risk management indicators consistently surpass the State Bank's regulations, ensuring compliance with Basel II and Basel III standards in liquidity risk management.

In particular, SHB's digital transformation efforts, guided by clear strategies, have yielded positive outcomes, contributing to robust growth in both customer base and transactions. Presently, 90% of key banking operations at SHB can be seamlessly executed through digital channels, surpassing the target set forth in the Banking Industry's Digital Transformation Plan for 2028. Moreover, a significant portion - 90% of corporate and individual customer transactions are conducted entirely via Mobile banking and Internet banking digital channels, highlighting the widespread success of SHB's digital initiatives



4

Expanding Network: Opening 5 New Branches and 25 Transaction Offices

In 2023, SHB expanded its network with the addition of 5 new branches in Ben Tre, Quang Tri, Quang Binh, Bac Giang, and Phu Tho, along with 25 transaction offices nationwide. This brings the total number of domestic and international transaction offices to 571.

SHB's extensive network has been instrumental in promptly addressing the financial transaction requirements of all customers, fostering connectivity across economic sectors, generating employment opportunities, and contributing to the socio-economic development of various provinces, particularly in mountainous and rural areas. Additionally, SHB directly contributes to the state budget in these localities.



5

Increasing Charter Capital to VND 36,194 billion, Maintain Top 4 Position Among Largest Private Commercial Joint Stock Banks

On August 8, 2023, the State Securities Commission of Vietnam issued document No. 5247/UBCK-QLCB, confirming SHB's issuance of over 552 million stock dividends in 2022. Consequently, SHB's charter capital has surged to nearly VND 36,194 billion.

The ongoing augmentation of charter capital in recent periods has underscored SHB's financial resilience and governance proficiency, bolstering the bank's competitiveness in the realm of international integration. Moreover, this trajectory is poised to actualize anticipated benefits for shareholders.

6

Successful Transferring of 50% of SHBFinance Charter Capital to Partner Krungsri

On May 23, 2023, SHB and Ayudhya Public Bank Limited (Krungsri) of Thailand, a strategic member of the MUFG Group in Japan, finalized the transfer of 50% of the charter capital at Saigon - Hanoi Commercial Joint Stock Bank Finance Single-member LLC (SHBFinance). As per the agreement, the remaining 50% will be transferred after 3 years.

Additionally, SHBFinance will be converted from Saigon - Hanoi Commercial Joint Stock Bank Finance Single-member LLC to Saigon - Hanoi Commercial Joint Stock Bank Finance LLC, pursuant to the new Decision and License of the SBV issued on April 25.

This transaction is expected to generate substantial surplus for SHB shareholders, providing additional resources for the Bank to fortify its financial capacity, thus facilitating business activities in key segments. Notably, SHB will continue to prioritize investments in the digital transformation process and unlock numerous regional business opportunities.



7

SHB shares have been included in the VN30 index

On July 17, Ho Chi Minh City Stock Exchange (HOSE) selected SHB shares for inclusion in the prestigious VN30 index basket. This decision, set to take effect from August 7, 2023, through February 2, 2024, marks a pivotal moment for SHB.

The selection process rigorously assessed various criteria including capitalization, free-float ratio, liquidity, and other critical factors.

Inclusion in the VN30 index serves as a benchmark, validating the quality and prominence of SHB shares. This significant milestone coincides with SHB's robust and comprehensive transformation, garnering praise from various international organizations.



8

Moody's maintains SHB's credit rating at B1 amid volatile market conditions

On April 19, 2023, the international credit rating agency Moody's Investors Service (Moody's) reaffirmed the B1 credit rating for SHB during its latest review, despite the global market experiencing significant fluctuations and challenges throughout 2022 and early 2023. Specifically, Moody's upheld the B1 rating in the issuer category and for long-term local currency deposits for SHB, along with several other ratings.

This decision to maintain SHB's B1 and B2 Baseline Credit Assessment (BCA) ratings reflects Moody's expectation that SHB's credit will remain stable over the next 12 to 18 months.

Actively supporting customers, community and society

Amidst the tumultuous landscape of both domestic and international markets, SHB steadfastly prioritizes the welfare and sustainable progress of the nation and its communities. Anchored by the resolute commitment to social responsibility, SHB imbues every endeavor with this guiding principle. As a trailblazing bank, it proactively aligns with governmental and SBV policies, standing shoulder to shoulder with businesses and individuals even during the most challenging times.

SHB has rolled out numerous preferential lending programs, amounting to tens of trillions of VND, catering to both new and existing customers through interest rate reductions. The cumulative interest reduction for customers has exceeded VND 2,800 billion. In addition to these financial initiatives, the Bank promptly and continuously implements various non-financial policies to aid businesses in recovery phase.

Beyond its focus on business support, SHB actively extends its philanthropic endeavors nationwide. It effectively executes social security policies, extends care to veterans and their families, vulnerable individuals, impoverished households, victims of natural disasters and epidemics, as well as residents in remote, border, island, ethnic minority, and mountainous regions. Furthermore, it extends support to workers and laborers in industrial parks, export processing zones, and industrial clusters, allocating budgets amounting to tens of billions of VND for these initiatives.



Strengthening partnerships with numerous development financial institutions

SHB and the International Finance Corporation (IFC), a member of the World Bank Group, signed a 3-year senior loan agreement worth USD 120 million. Additionally, SHB entered into an agreement to participate in IFC's Global Trade Finance Program (GTFP), where SHB will act as an issuing bank with an initial trade finance guarantee limit of up to USD 75 million provided by IFC. Alongside IFC, SHB collaborates with several development financial institutions, including the World Bank (WB), the Asian Development Bank (ADB), and KfW, to execute billion-dollar projects.

At the same time, SHB signed a Memorandum of Understanding (MOU) with Busan Bank, a member of BNK Financial Group of Korea, officially establishing a partnership between the two credit institutions. This collaboration focuses on various areas, particularly the development of corporate customers, digital banking, and investment banking.



The support of numerous international financial institutions has further affirmed SHB's reputation and capacity in the global financial market. This collaboration underscores SHB's strategy of prudent, effective, and robust business growth. By building a solid foundation, SHB ensures stable and sustainable development, fully meeting prudential standards and adhering to international norms.



6. REMARKABLE ACHIEVEMENTS AND SOCIAL RECOGNITION

The year 2023 is a particularly memorable milestone in SHB's development journey, marking significant progress and concluding the series of events celebrating its 30th anniversary.

With relentless dedication, SHB garners acclaim from both governmental bodies and esteemed domestic and international organizations. In 2023, SHB solidifies and enhances its standing across numerous significant rankings, proudly earning accolades in various prestigious award categories.



STATE AWARDS

- Second-Class Labor Medal in 2018, 2013 awarded by the President of the Socialist Republic of Vietnam.
- Third-Class Labor Medal in 2023, 2011 awarded by the President of the Socialist Republic of Vietnam.
- Emulation flags and Certificates of Merit awarded to SHB by Hanoi People's Committee for many years.
- Thang Long Cup honored by Hanoi People's Committee
- Many certificates of merit and emulation flags from the Government, SBV, People's Committees of provinces and cities in locations with SHB offices.
- SHB is recognized as a leading and highly reputable institution, having garnered numerous prestigious titles from esteemed domestic and international organizations.



REAFFIRM ITS LEADING
POSITION IN RANKINGS

TOP 4

PRIVATE COMMERCIAL
BANKS IN TERMS OF
CHARTER CAPITAL

TOP 10

PRESTIGIOUS PRIVATE
COMMERCIAL BANKS

VN30

SHB SHARES
SELECTED INTO
VN30 INDEX

TOP 50

OUTSTANDING
ENTERPRISES

TOP 100

ASEAN
BANKS

TOP 500

ASIA PACIFIC
BANKS

TOP 500

MOST GLOBAL
VALUABLE BANKING
BRANDS

TOP 1000

WORLD
BANKS

INTERNATIONAL AWARDS IN 2023



Best Domestic Trade Finance Bank in Vietnam - Alpha Southeast Asia Magazine honored for 4 consecutive years



Best Companies to Work for in Asia for 3 consecutive years by HR Asia, a prominent annual human resource magazine widely circulated across the Asian.



Best Workplace Interior Design in Asia 2023 - Asia Architecture Design Awards



Biggest ESG impact 2023 in Vietnam - Finance Asia



Vietnam Domestic Social Impact Finance Initiative of the Year 2023 - Asian Banking and Finance



Banking for Women Initiative of the Year 2023 - Asian Banking and Finance



Best Sustainable Finance Bank in Vietnam 2023 - Global Finance



Vietnam Outstanding Green Bank 2023 - IDG



The best SMEs bank 2023 - IDG

And many other prestigious awards...

OUTSTANDING DOMESTIC AWARDS IN 2023



The leading bank in Brand Strength Index in Vietnam, as announced by Brand Finance.



Top 10 Most Prestigious Vietnamese Banks for 7 consecutive years by Vietnam Report.



Top 10 Sustainable and Green Enterprises 2023.



Top 10 Best Annual Report – Finance and Banking by HOSE, HNX and Vietnam Investment Review newspaper



Top 50 Vietnam the Best by Vietnam Report



Top 50 Innovative and Effective Businesses in Vietnam for 2023 by Vietnam Investment Review newspaper and Viet Research.



Top 50 Vietnam Best Profitable by Vietnam Report



New Superstar in Payment Volume Growth 2023 by VISA



Top 50 Vietnam's Trusted Products and Services 2023 award was granted to the SHB VISA Platinum international credit card by VNEconomy.

7. THE STRATEGIC DIRECTION

"SHB is strategically positioned to address the challenges and capitalize on the opportunities inherent in its comprehensive transformation strategy, aiming for exceptional growth. In 2024, SHB will reinforce its core business sectors, systematically enhance its products and services to maximize customer satisfaction, and implement development initiatives anchored in the principles of Safety, Efficiency, and Sustainability".

Ms. Ngo Thu Ha - CEO



SHB has served as a pivotal financial institution, furnishing vital capital resources to essential sectors of the Vietnamese economy. Marking three decades of distinguished success, SHB embarks on a new era with renewed strength and strategic vision. The Bank aims to become The most efficient bank; The premier provider of financial services to strategic corporate customers with a green supply chain and ecosystem; The preferred digital bank, and The leading retail bank.

To achieve this objective, SHB's Board of Directors devises adaptable, innovative, and distinct strategies for each stage. Drawing from lessons learned and building upon past successes, we shall further inherit and promote effective practices. Additionally, the BOD collaborates with partners and leading consulting firms while onboarding top domestic and international personnel to support SHB's plans, overseeing the implementation of the Bank's strategy. 2024 is expected to remain a challenging year for the Vietnamese economy in general and the banking system in particular. However, by turning challenges into opportunities, SHB leverages its rich heritage and strong financial capacity to drive a robust and comprehensive transformation. This includes enhancing customer ecosystems and value chains to realize the great aspirations, affirming and building upon past achievements. Through these efforts, SHB aims to deliver greater value to customers, shareholders, and communities, thereby fostering national prosperity and development.

7.1. Key goals

- *Medium and long-term goals*



Financial Goals for 2024



TOTAL ASSETS TO INCREASE BY

~11%



TOTAL OUTSTANDING LOANS TO GROW BY

~14%



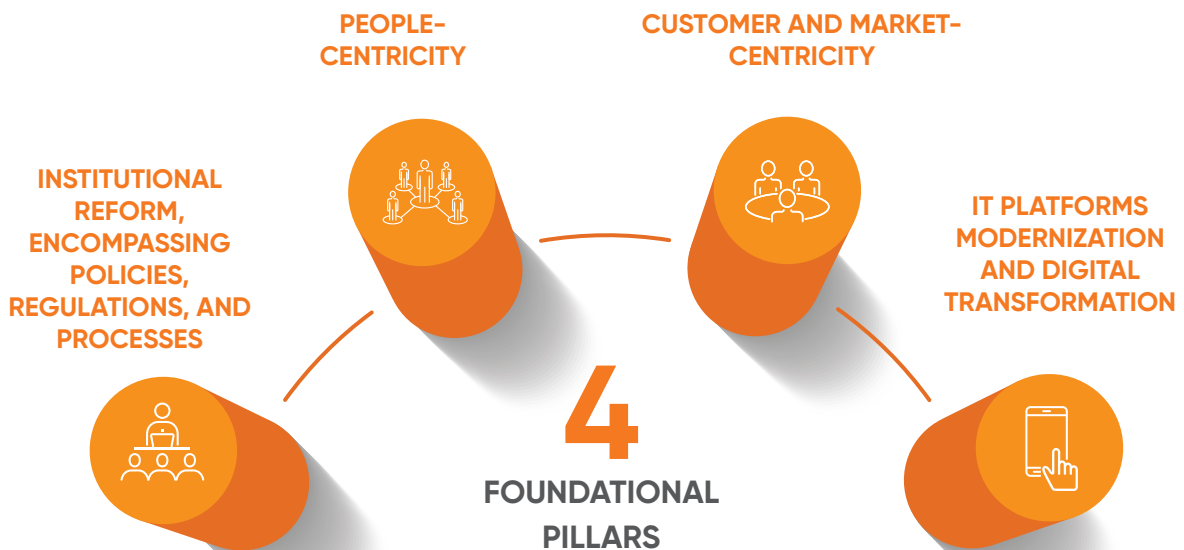
PRE-TAX PROFIT TO ADVANCE BY

22%

7.2 Medium and long-term development strategy

Drawing from extensive evaluations and research on the macro-environmental foundation, and in collaboration with leading global strategic consulting firms, SHB has adhered closely to its priority strategies. The bank has developed a long-term, direction-oriented strategy aimed at differentiation, with a market and customer-centric focus.

SHB remains committed to the following four foundational pillars:



SHB TRANSFORMATION STRATEGY FOR 2024 - 2028

Over the past three decades, SHB has positioned itself as a leading joint stock commercial bank, achieving impressive growth in total assets and revenue. However, the past successes won't guarantee similar growth in the next 5 to 10 years. The business environment is becoming increasingly competitive and interconnected. Business relationships are closely linked, as most companies now promote development through their customers' ecosystems and value chains. By continuously expanding their customer base and providing tailored products and services, businesses not only satisfy anchor customers but also engage with ecosystem participants surrounding them.

SHB's competitors have heavily invested in digital products and services, enhancing sophistication and hyper personalization in both retail and corporate banking. To bolster its position, improve competitiveness, and enhance business efficiency, SHB must urgently embark on a comprehensive transformation. This transformation should span innovation across customer segments, service delivery, institutional practices, policies, processes, organizational culture, human resources, financial management, and risk management. Information technology will play a pivotal role in driving the speed of SHB's transformation.

Leading the transformation process with a customer and market-centric focus emphasizes strategic relationships with customers and integrating banking services into their ecosystems. These partnerships are crucial, enabling SHB not only to provide support but also to actively contribute to business expansion and strengthen networks between commercial entities and their customers, thereby driving SHB's customer development and business growth.

SHB's strategic goals for 2024 - 2028:

- Nurture strategic customers: by cultivating and expanding relationships with key customers of SHB, their ecosystem participants and value chain actors.
- Build an Ecosystem Bank: developing an Ecosystem Bank to ensure common prosperity and connection between SHB and strategic customers, their ecosystem participants and their value chain actors.
- Expand Retail Banking: Create a multiplier effect in retail banking growth by offering tailored employee banking solutions to the employees of strategic

customers, their ecosystem participants and value chain actors. These services shall be expanded to their entire families.

- Improve financial and operational efficiency: by focusing on developing high-quality human resources, standardizing and digitizing processes and applying effective risk management measures.
- Promote a decentralized operating model: Establish a transparently decentralized structure that allocates resources and empowers branches with more decision-making authority. Concurrently, optimize business support processes through automation and standardized practices, thereby strengthening the accountability and managerial effectiveness at the head office.
- Adhere to industry standards and best practices, aligning them with SHB's transformation roadmap to mitigate risk and enhance Bank wide efficiency.

By 2028, SHB will become The most efficient bank; The premier provider of financial services to strategic corporate customers with a green supply chain and ecosystem; The preferred digital bank, and The leading retail bank.

To accomplish the stated goals, SHB's transformation strategy involves implementing the following initiatives:

- **Targeted customer segment:** Cultivating and expanding relationships with key customers, including large corporations, their ecosystem participants, and value chain actors. By establishing robust transaction banking and employee banking services, SHB aims to attract and compete in the employee banking segment, offering relevant products and services such as salary payments. This strategic approach drives exponential growth in retail banking and SME customer segments.
- **Sales Channel and Model:** SHB aims to enhance its business by enabling customers to select banking products and services tailored to their individual needs. This goal can be realized through the development of self-service channels and leveraging a modern digital platform. Advanced data analytics capabilities, powered by a cutting-edge technology platform, will empower the sales force and business units to identify sales opportunities, manage the sales funnel, and improve overall sales performance.
- **Adoption of Offer Management system:** The transformation will implement an Offer Management system based on customer value propositions (CVPs) and customer needs. This system will guide the development of product and service solutions, as well as the corresponding operational activities. This



“My mission is to drive transformation, shift mindsets, and redefine working practices. By doing so, we empower ourselves as the next generation to build upon the legacy of the past 30 years and uphold SHB’s core values. Leveraging the digital revolution 4.0 and advancing toward revolution 5.0 through AI, we aim to position SHB as the most efficient and preferred digital bank in the region and Asia”.

Mr. Do Quang Vinh
Vice Chairman cum Deputy CEO

model will ensure SHB remains agile and responsive to changing market dynamics while delivering value-driven and customer-centric solutions.

- **Technology and infrastructure:** SHB will invest in advanced technology platforms, modern infrastructure, and integrated operational capabilities to support the implementation of the Bank’s strategic goals. This investment is crucial for gaining a competitive edge in the marketplace, providing superior customer experiences, and driving operational excellence.

Deploy a transformation strategy through **three phases**, built according to a specific roadmap, ensuring a comprehensive transformation from developing fundamental capabilities to becoming a fully-fledged cutting-edge bank:

Phase 1 2024 – 2025	Phase 2 2026 – 2027	Phase 3 2028
Establishing fundamental capabilities	Accelerating growth	Achieving breakthroughs in efficiency and sustainability

7.3 Sustainable development goals

SHB outlines a sustainable development strategy that encompasses not only the bank’s own secure and effective financial growth but also its commitment to environmental and environmental and social responsibilities.

1

Guarantee employee remuneration, provide learning opportunities, and foster career development. Maintain an open, transparent, and equitable recruitment policy.

2

SHB is dedicated to environmental protection through various initiatives aimed at reducing greenhouse gas emissions and office waste. The Bank emphasizes the responsible and economical use of natural resources, and aims to protect and enhance the quality of the living environment. One of SHB’s key strategies is the development of green finance, where projects are appraised based on stringent criteria that ensure compliance with both international and domestic environmental standards.

3

SHB implements social welfare activities aimed at improving health conditions, supporting vulnerable individuals, and enhancing education for the community. These efforts demonstrate the corporate social responsibility and the volunteerism of its employees. SHB considers these initiatives as a fundamental cultural value essential for its ongoing development.

8. OPPORTUNITIES, CHALLENGES AND RISKS:

8.1. Macroeconomic landscape:

In 2023, the global economy continues to face significant challenges. Geopolitical tensions and severe issues of energy and food security persist. Many countries have recorded lower-than-expected growth and unprecedented increases in public debt, while high inflation poses potential risks. The decline in global aggregate demand is directly impacting countries have extensive engagement in international trade and investment.

Despite global challenges, Vietnam has achieved positive results and garnered high praise from international organizations. The country's GDP growth in the next quarter surpassed the previous quarter, reaching 5.05% for the whole year, exceeding USD 430 billion. Vietnam remains among the group of countries effectively controlling inflation, with the average Consumer Price Index (CPI) in 2023 rising by 3.25% compared to 2022, below the target of 4.5% set by the National Assembly. Core inflation increased by 4.16%.

Diverse forecasts regarding global economic growth in 2024 have emerged. The World Bank anticipates world economic growth this year to be around 2.9%, a decrease from last year's growth rate of 3%. Inflation is still projected to hover around 5.8%. Geopolitical tensions may intensify, potentially leading to heightened complexities, including increases in oil prices and disruptions in supply chains. Major economies are expected to uphold stringent monetary policies and maintain high interest rates, which will persist in exerting pressure on countries worldwide. Amidst global economic instability, several organizations maintain an optimistic outlook on Vietnam's economic growth. Fitch Ratings, a credit rating agency, forecasts that Vietnam's economy will rise by 6.3% in 2024 and 7% in 2025. The Asian Development Bank's Outlook (ADO) maintains a growth forecast of 6% for Vietnam in 2024. Similarly, the International Monetary Fund (IMF) predicts a growth rate of 5.8% for Vietnam in the same year.

In Resolution No. 103/2023/QH15, adopted during Session 6 of the 15th National Assembly, the 2024 Socio-Economic Development Plan was outlined. The resolution sets ambitious targets, including a GDP growth target ranging from 6% to 6.5%. Additionally, the average CPI growth rate is projected to range between 4% and 4.5%. The plan emphasizes three key pillars of growth: exports, investment, and domestic consumption.

FDI is poised to remain a cornerstone and driving force for Vietnam's economy in 2024 and beyond. Vietnam stands out among ASEAN nations for attracting substantial FDI inflows, solidifying its position as a rising star in the global supply chain.



8.2. Challenges and Opportunities

■ Opportunities

- The emergence of new financial institutions such as universal banking, fintech, and cross-border e-commerce, alongside digital transformation initiatives, presents significant opportunities for the banking and finance industry to expand and innovate in the future.
- Fee products like transaction banking, forex, and capital markets are expected to remain attractive in Vietnam.
- Syndicated loan products, mergers and acquisitions (M&A), and financial restructuring activities are projected to experience robust growth from 2022 to 2025, as regulations gradually reduce the short-term loan to medium and long-term capital ratio (to 37%).
- Favorable lending conditions are expected for priority sectors, including manufacturing, processing, agriculture, forestry, seafood enterprises, salt production, high-tech agriculture businesses, and clean agriculture businesses.
- The influx of new foreign direct investment (FDI) into Vietnam is expected to foster opportunities for growth in foreign exchange (FX) trading.
- The bond market stands to benefit from the debt rescheduling circular issued by the SBV.

■ Challenges and Risks

- The sharp decline in deposit interest rates diminishes the appeal of bank deposits and savings.



- Escalating competition: State-owned banks are enhancing their capabilities and engaging in price competition, while foreign and regional banks are also intensifying their competitive efforts.
- Rapid advancements in Technology 4.0, AI, and digital transformation are posing potential risks to information security and safety.
- The lingering effects of the pandemic continue to drive an upward trend in NPL at banks and financial institutions. Potential risks persist in the bond market.
- Competition in the corporate customer segment is intensifying, with state-owned banks commanding a significant market share and other banks actively pursuing opportunities.

■ **State Policy Implications for the Banking and Finance Sector in 2024:**

State policies exert a significant influence on the financial market and the growth of businesses and key economic sectors. These policies entail various measures, including enabling interest rate reductions, implementing solutions to support bond markets, guiding policies to stabilize markets, and facilitating favorable loan conditions for businesses and priority sectors in accordance with state directives. Priority sectors encompass manufacturing and processing, agriculture, forestry, seafood, green energy, high-tech agriculture, and clean agriculture.

- (1) Extension of Circular 01 on Debt Restructuring, Interest Exemption, and Reduction until June 30, 2022;
- (2) 2% Interest Rate Reduction Program According to Decree 31;

- (3) Directive to Credit Institutions to Reduce Costs and Balance Funds to Continue Interest Rate Reduction to Support Businesses;
- (4) Amendment of Circular 22 on Changing the LDR Ratio Calculation to Reduce Interest Rate and Liquidity Pressure through Circular 26, effective early 2023;
- (5) Issuance of Circular 02/2023/TT-NHNN by the SBV at the end of April 2023;
- (6) Passage of the Amended Law on Credit Institutions by the National Assembly on January 18, 2024;
- (7) Implementation of Circular No. 06/2023/TT-NHNN;
- (8) Support Policies, Investment Stimulus Packages, and Financial Relief Measures, including Extension of the Government's 2% VAT Reduction Period;
- (9) Government Support Policy through Decree 08/2023/ND-CP and Decree No. 10/2023/ND-CP Amending and Supplementing a Number of Articles of Decrees Guiding the Implementation of the Land Law;
- (10) Implementation of Decision 2345/QĐ-NHNN

Experts anticipate that credit growth in 2024 could range from 13% to 14%, aligning with the projected annual GDP growth of 6% to 6.5%. Notably, retail loans, including consumer loans, home loans, and auto loans, are expected to experience robust stimulation in a low-interest-rate environment.