

stength

Resonance





Flexibility

PROACTIVE ADAPTATION INTEGRATED REPORT 2021



s Covid-19 becomes endemic in much of the world after the number of infections peaked and wound down, corporates turn their focus to transformation and preparation for a proactive adaptation to sustainable and inclusive growth.

Under the theme "Proactive adaptation" for 2022, Baoviet attempts to captures our responses to tough challenges of business environment, the 4.0 Industrie and the Covid-19 pandemic. The 2022 report depicts images of Baoviet persons with beautiful melodies and words, bringing us positive energy, spreading love and sharing together to overcome the pandemic.

If life is a song, then we can experience the whole gamut of emotions in that song, from difficulties, challenges, opportunities to happiness. In any situation, stay positive as well as stay ready to adapt and to grasp new opportunities.

If business is a symphony, then Baoviet with its subsidiaries is an orchestra, where Baoviet plays a role as orchestra conductor who remains on the podium, aligns the rest of the players, acts as the team coach to provide encouragement and inspiration to keep everyone on track to reach and even exceed targets.

Accelerating digital transformation has become imperative for the business in 2021. In Baoviet, we turn our focus to build digital ecosystem, data and business process optimization, strengthen cooperation with digital partners, payment partners and other ecosystems to create a complete digital ecosystem for the whole Group. Attempting to adopt technology solutions and digital resources to incorporate products and services into one platform, we can expand our economy of scale and improve our competitive advantage, thereby bringing added values to partners, customers, employees and stakeholders. Additionally, we also attempt to build an effective working environment, ensure employee welfare benefits as well as improve employee relations such as increasing early vaccination for employees during the pandemic.

The global turbulence has ignited the whole situation where Baoviet realizes the importance of being proactive, which allows organizations to foster empowerment, think bold, act bold, being self-inquisitive, being creative, being flexible in management to respond to current and upcoming challenges, towards to sustainable and inclusive growth.

Highlights INTEGRATED REPORT 2021



#MULTI PLATFORM INTEGRATED #MODERN TECHNOLOGY #ENVIRONMENTAL FRIENDLY #ESG INTEGRATION #INTERACTIVE REPORT

Access through website: baoviet.com.vn/baocaotichhop2021

Download Integrated Report at:



Type and search keyword "Baoviet Integrated Report 2021" or "Báo cáo tích hợp Bảo Việt 2021"

We look forward to hearing form you to improve the quality of the report. Please contact Investor Relations Department

- investorbvh@baoviet.com.vn
- ☞ | (+84) 24 3928 9999

GUARANTEED BY

BAOVIET HOLDINGS' INTERNAL AUDIT

on non-financial indicators



INTEGRATED REPORTING Integrated reporting

in accordance to

the international

IIRC standard

IR

APPLY GRI DIGITAL PLATFORM for reporting



GLOBAL REPORTING INITIATIVE Sustainability reporting in accordance to GRI standard



IFRS

Financial statements reporting in accordance with international accounting standards (IFRS)







INTEGRATING ESG

in Strategy, Management and Operation towards . Sustainable Development





with Corporate activities

+







CSI

Evaluation standard for Vietnam sustainabilty enterprise index

\ 5



QR CODE Better experiences for readers by developing multi-platform

WHAT ATTRACTS INVESTORS TO Q_ L N D D

With the current low penetration rate of premium revenue/GDP (2.6%), the insurance business, especially the life insurance sector shows great potential, attracting a lot of attention from domestic and international investors.

≤200 branches >1,000 offices LARGE-SCALE DISTRIBUTION In 63 SYSTEM cities and provinces all over the country 46

> STABLE BUSINESS PERFORMANCE

> > HIGH LIQUIDITY



Stocks/session (Average 10 trading days)







50.380 (VND billion) Total consolidated revenues increase by 2.8%















11

Life insurance business (%)

Non-life insurance business (%)

Financial and other financial services (%)

> CONTRIBUTION то THE ECONOMY

43

STABLE CASH DIVIDEND

Contributing nearly **VND** billion

to the state budget since equitization

\ 7





Being the Vietnamese leading Finance-Insurance Group, BaoViet excelled 50 years of development history, the top prestigious brand on the market, a team of more than 300.000 employees, agents, consultants with the most extensive experience in the financial – insurance market. Large-scale distribution network that includes 200 branches, over 1000 insurance transaction offices in all cities and provinces of Vietnam.

In 2021, Baoviet continues taking lead in core businesses with total revenue of non-life insurance in 2021 reached over VND 10,670 billion, accounting for almost 16% of the market share, affirming its pioneering and leading role in Vietnam's non-life insurance market; total life insurance revenue in 2021 reached VND 37,848 billion continuing to hold the No. 1 position in the life insurance market in terms of premium revenue.

Baoviet proactively takes part in shaping the insurance market and capiatal market of the financial sector of Vietnam.

Baoviet remains a pioneer in socially responsible insurance plans, such as agriculture insurance, natural disaster risk insurance, export credit insurance, aquaculture insurance...

INVESTMENT HIGHLIGHTS



growth in the future and get ready to exploiting tremendous opportunities in Vietnam insurance-financial market.

Business results grow sustainably and efficiently.

BaoViet has consistently and steadily grown our revenue and profit over the years, in all businesses including insurance - investment - financial services.

Always in the leading group of financial institutions with the highest ROE and ROA rate.



Baoviet is the public listed company with large market capitalization. BVH stock, with high liquidity is the most influential among the stocks of financial and insurance companies, and is always included in the investment portfolio of international exchange traded funds (ETFs) in Vietnam.

Belong to the leading group of financial institutions has the highest dividend yield in many years.

OUTSTANDING **MARKET POSITION**



Baoviet has created a solid foundation making the momentum for a sustainable

HIGH POTENTIAL **BUSINESS** GROWTH



HIGH POTENTIAL **BUSINESS GROWTH**



BVH **ATTRACTIVE STOCK TO INVESTORS**

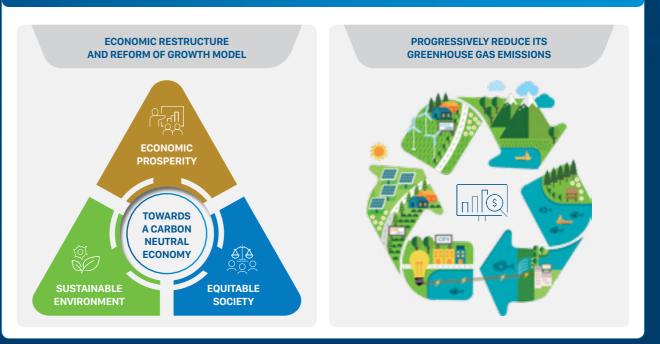




BAOVIET **WE TURN OUR COMMITMENTS ON SUSTAINABLE GROWTH INTO ACTIONS**

Sustainable development activities are actively and proactively shared by Baoviet with stakeholders in order to identify issues of concern to all parties. These issues continue to be assessed and considered by us in relation to current operations and sustainable development strategies of the enterprise, thereby identifying key issues for review. improvements in 2021.

BAOVIET COMMITS TO LIMIT GLOBAL TEMPERATURE RISE



SMALL ACTIONS, BIG IMPACT BAOVIET PLEDGES TO FULFILL COMMITMENTS ON OBJECTVIES OF COP26 WITH THE GOVERNEMENT





Baoviet focuses on these three targets to build a strong foundation for sustainable and long-lasting success. Baoviet understands that to shape a brighter future, we all need to take actions now and organizations play a key role. We thus attempt to build a specific roadmap to compensate for the shortage of resources that humans have over-exploited in the past and in the present.

NTEGRATED REPORT 2021 PROACTIVELY ADAPTING

AIM FOR THE "DUAL GOALS" OF RAPID GROWTH AND SUSTAINABLE DEVELOPMENT

Baoviet identifies that green growth goals are imperative for economic growth under tough challenges of globalization, international integration and Industrie 4.0.

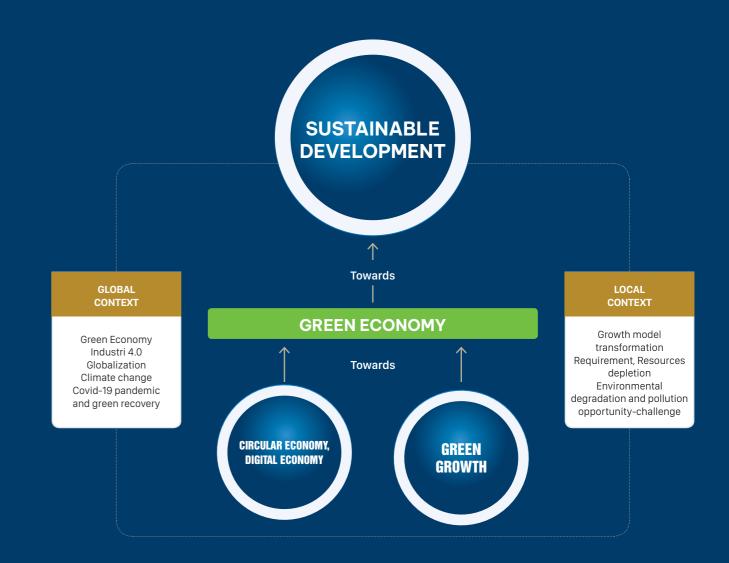


As a market leader, Baoviet pledges to pursue dual goals set by the Government:

RAPID GROWTH AND SUSTAINABLE DEVELOPMENT

Towards sustainable objectives to 2030

Pursue economic development in an environmentally and socially sustainable manner.



Baoviet pledges to join hands with other corporates and the Government in the pursuit of green growth strategy, towards objectives of rapid growth and sustainable development. For green growth to succeed, we must pursue green economy and green lifestyle, advocate sustainable consumption, implement green transformation, especially focus on circular economy and digital economy in an environmentally sustainable manner to spur green economy towards sustainable growth objectives.

>





ASSURANCE ON THE INTEGRATED REPORTING BY INTERNAL AUDIT



No: 481/2022/TĐBV-KTKTNB V/v· Assurance on selected Sustainability Indicators

THE SOCIALIST REPUBLIC OF VIETNAM Independence - Freedom - Happiness



n order to assure the reliability for selected indicators in Baoviet Group's Sustainability Report 2021, the Inspection - Internal Audit of Baoviet Holdings has performed assurance on Baoviet Group's selected Sustainability indicators 2021.

MANAGEMENT'S RESPONSIBILITY

The management of Baoviet Holdings is responsible for the preparation and presentation of Baoviet Group's Sustainability Report 2021 in accordance with the Sustainability Reporting Standards and the Financial Services Sector Disclosures of the Global Reporting Initiative (GRI). The Management is also responsible for the design and implementation of internal controls which are determined to be necessary to ensure the fairness of information, data presented in Baoviet Group's Sustainability Report 2021.

INSPECTION - INTERNAL AUDIT'S RESPONSIBILITY

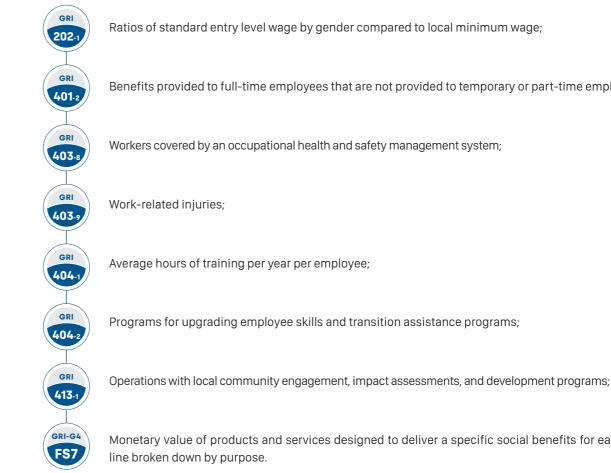
The Inspection - Internal Audit's responsibility is to provide independent and objective opinions on selected Sustainability indicators for the year 2021 based on procedures, methodology stipulated in the Decree No. 05/2019/ND-CP dated 22 January 2019 of Government on Internal Audit, Regulations on Internal Audit of Baoviet Holdings, the International Professional Practices Framework for Internal Audit and international practices. These regulations require our internal auditors to conform with the Code of Ethics and adopt the risk-based methodology from planning to performing the engagement in order to express our conclusions.

The engagement was primarily based on interviewing and performing reconcilation of data and information.

Assurance results have been discussed with the Management and the Head of related Divisions/functional units.

SCOPE OF REVIEW AND ASSURANCE

Based on existing resources, the Inspection - Internal Audit has provided limited assurance service for selected Sustainability indicators in Baoviet Group's Sustainability Report for the year 2021 according to the Sustainability Reporting Standards and the Financial Services Sector Disclosures of the GRI, including:



CONCLUSION

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Based on the works described above, in our opinion, the selected Sustainability indicators in Baoviet Group's Sustainability Report for the year 2021 have been fairly presented in accordance with the

Sustainability Reporting Standards and the Financial Services Sector Disclosures of the GRI.

Besides, to improve process of preparing Sustainability Report for

Benefits provided to full-time employees that are not provided to temporary or part-time employees;

Monetary value of products and services designed to deliver a specific social benefits for each business

the following years, the Inspection - Internal Audit has provided recommendations on process of preparing Sustainability Report for the year 2021.

Tran Thi Dieu Hang Chief Inspection – Internal Audit Executive

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urning to 2021, the world economies have gradually recovered from heavy losses caused by the COVID-19 pandemic. Since 2021 is also the premise for the development of the 2021-2030 period, Baoviet Holdings has quickly adapted to the new normal state, seized opportunities, improved its approach efficiency and service quality, and launched new integrated products for customers to become the best financial - insurance company in the market. Thanks to its unremitting efforts, Baoviet Holdings creates a breakthrough momentum to achieve the socio-economic development goals set by the Party and State for the 2021-2030 period.

Dear shareholders, customers, and colleagues,

BEST SUSTAINABILITY ENTERPRISES IN VIETNAM FOR 6 CONSECUTIVE YEARS

BEST-LISTED COMPANIES IN VIETNAM

ROACTIVELY ADAPTING

The prolonged Covid-19 pandemic has plunged the global economy into the worst decline since the 1930s depression, negative growth results from supply chain disruptions, anti-pandemic measures, and its disastrous impacts on economic activities on a global scale. Facing many difficulties and uncertainties in the domestic and international economies, Baoviet Holdings and its subsidiaries have drastically implemented business solutions in the spirit of initiative, creativity, problem resolution, thrift practices, leading to a stable and solid growth on revenue and profit.

THE FOCUS ON SUSTAINABLE DEVELOPMENT

With a central focus on market development by improving competitiveness and raising the quality of financial services combined with insurance products to meet the increasingly diverse needs of customers and the market, Baoviet Holdings has witnessed an upward trend in revenue growth and its efficiency, demonstrating its professionalism and strong internal cooperation, affirming Vietnam's leading brand and best service quality, improving international competitiveness; maintaining its position as a leading financialinsurance group in Vietnam and in the region. Last year, Baoviet Insurance Corporation and Baoviet Life Corporation maintained their good growth and their leading positions in the life insurance and non-life insurance markets in terms of premium income market share; Baoviet Fund Management Limited Company continues to be the leading fund management company in Vietnam; Baoviet Securities Joint Stock Company is one of ten companies with the largest stock brokerage market shares.

With enthusiasm and persistent efforts, always "PROACTIVELY ADAPTING", it is believed that Baoviet's image will be presented as an international, professional, dynamic, constantly developing brand always heading to the future with the desire to make life better and more prosperous

Mr. DAO DINH THI Chairman of the Board of Directors



In 2021, with solid foundations and the efforts of the whole system, we continued to achieve many positive results, which are highly appreciated by prestigious domestic and foreign organizations.

These awards made a huge contribution to enhance Baoviet's brand value, pioneering in expanding the brand value of a Vietnamese enterprise in new regions. Baoviet was honored with many prestigious awards such as leading the Top 10 Best Sustainability Enterprises in Vietnam for 6 consecutive years, the only representative of insurance companies in the list of Top 50 best-listed companies in Vietnam voted by Forbes, reaching the Top 5 Large-cap Companies listed with the best corporate governance in 2021, is the best place to work in Vietnam with the most attractive employer brand in 2021. According to the Vietnam Report Joint Stock Company (Vietnam Report), Baoviet ranks first in both lists of Top 10 prestigious life insurance companies and Top 10 prestigious non-life insurance companies in Vietnam.

This success results from the enthusiasm and tireless efforts of Baoviet's managers, employees, and consultants as well as the guidance and direction of the government agencies together with the support and companion of shareholders, customers, and partners of Baoviet throughout the year.

eKYC



Quick adaptation, flexibility, and creativity to stay ahead of the competition are always key factors that demonstrate the bravery of this enterprise. After successfully combating the complicated developments of the Covid-19 pandemic, Baoviet confidently entered the "new normal" state with a new "aspiration", which means focusing on adopting measures to markets and product development, the customer service quality improvement and the worth-mentioned digitalization strategy applied over the years. Digital infrastructure and platform building helped maintain full service for customers and sustain the sales teams during the lockdown. Any challenge can be turned into an opportunity if addressed flexibly and creatively.

The pandemic has dramatically accelerated the pace of digital adoption in financial and insurance services. This has ignited great opportunity for Baoviet to develop a wide range of financial and insurance products, meeting the customer demands. Over the course of more than 60 years, Baoviet always attempts to listen to our customers, improve our services to ensure the greatest customer

experiences. Vietnam's insurance market is at early stage of development and remains attractive so we do believe that with coherent strategies. Baoviet is expected to achieve robust growth and reach a new height in the future

I do believe that with our reputation over decades, Baoviet will remain strong growth and accomplish business plan in 2022, building a solid foundation for the development strategy 2021-2030 of the Group. Thereby, Baoviet affirms the position and our leading role in Vietnam's insurance market and reaches international level.

Mr. DAO DINH THI Chairman of the Board of Directors



21



CHIEF EXECUTIVE OFFICER'S MESSAGE



50,380

Total consolidated revenue

10,588

(VND billion)

in 2021 (VND billion)

The total revenue of non-life

insurance activities in 2021

37,848

Total revenue of life insurance

(VND billion)

In 2021, the world economy has been recovering after great losses due to the Covid 19 epidemic. New strains keep appearing, but the world has learned many lessons to "adapt". The global economy has recovered as a whole, but the pace of recovery has been uneven across countries. At Baoviet Holdings, 2021 is also the backbone year for the development strategy for the period 2021 - 2030. With the efforts and determination of the Board of Directors and the entire staff of BVH, we are extremely proud to announce BVH has continued to achieve stable growth and development, completing business plan targets for 2021 and continuing to maintain the No. 1 position in the life insurance market in terms of market share Insurance premium and non-life insurance premium revenue, estimated at VND 50,380 billion of total consolidated revenue. The total revenue of non-life insurance activities in 2021 reached about VND 10,588 billion. Total revenue of life insurance in 2020 is VND 37,848 billion.

In 2021, BVH has been continuing to hold the leading brand with many prestigious awards: leading the TOP10 Sustainable Enterprises in Vietnam for 6 consecutive years; is the only representative of the insurance industry in the list of Top 50 best listed companies in Vietnam voted by Forbes; in the list of 25 leading financial brands announced by Forbes Vietnam Top6 World's Best Sustainability Report, Platinum Award for World's Best Annual Report voted by LACP.

2021 is a year with many difficulties and challenges for Baoviet, but it is also the year Baoviet affirms our bravery and active effort to overcome challenges to be remarkable achievements in the new normal.

In parallel with the modernization of technology, Baoviet has constantly diversified its products, improved service quality, expanded distribution channels, brought trust and met the increasing demands of customers.

Baoviet has accompanied the Government, People and Customers during the pandemic. Promoting the spirit of "mutual solidarity" and a sense of responsibility for the community, Baoviet has contributed VND 41.5 billion to the national Covid Vaccine Fund to invest in strengthening epidemic prevention and control measures, speed up the national vaccination schedule, quickly deploy special policies to support customers who are unfortunately infected covid.

The consensus, determination and flexibility of each Baoviet employee has created a Baoviet 2021 - a "new normal" with bright colors in the context of the gloomy picture of Covid-19, creating a premise for Baoviet continue to conquer new heights in the next period.

Dear honoured shareholders, customers and colleagues,



6 The world economy in 2022 is forecasted

to be dominated by efforts to curb inflation along with combating climate change, in the context of prolonged global supply disruptions and heightened global price pressures and rising global prices and political geography tensions increased.



PROACTIVELY ADAPTING

In Vietnam, thanks to the main driving force of rapid vaccine coverage, a more flexible policy between the two goals of protecting people's health and recovering the economy with stable export activities, Vietnam is forecasted to have the strongest growth rate in ASEAN + 3 area. 2022 will be a year of opportunities for the insurance industry to proactively adapt to many breakthroughs in the insurance market in terms of products, distribution channels, customer service, and digital technology application ...

Baoviet understands that static balance means standing still, if we want to develop, we have to balance dynamically. With the selection of the key message "Proactively adapting" to portray the true portrait and activities of businesses in the face of challenges from the 4.0 technology revolution and complicated developments of the epidemic, Baoviet has prepared for itself a proactive attitude, mastering the situation, daring to think, daring to act, proactively exploring, creating, and being flexible in management to adapt to existing challenges and arising in the future, thereby holding and maintaining the pace of business activities of the whole system.

With the attitude of "Proactively adapting", Baoviet will continue to develop and perfect our own Digital Ecosystem by taking advantage of technology solutions and digital resources to integrate products and services into the same platform from which to help Baoviet expand our business scale and improve our competitive advantage, interconnect between internal systems and strengthen cooperation with technology partners, payment partners, other ecosystems to form a complete financial digital ecosystem for Baoviet Holdings.

Continuing the digital transformation journey of the Group and subsidiaries, in 2022 as the second year of the 5-year strategic period 2021-2025, Baoviet Holdings will continue to strengthen and perfect the app. Specifically, Baoviet will accelerate digital transformation toward paperless; adopt Alpowered optical character recognition (OCR) to boost Al-based document digitization, aiming at increasing productivity; apply eKYC (electronic Know Your Customer); accelerate adoption of Bigdata for analysing and making decisions; upgrade the whole system to enhance customer experience and complete online sales platform.

With great efforts to overcome difficulties and challenges, grasp opportunities and break through, in 2022, Baoviet determines to adopt solutions such as improving core businesses' performance, boost digital transformation, modernization IT system; enhance research and development regarding products integrating insurance and investment; improving human resource quality within the whole Group in order to maintaining our leading position in Vietnam.

With equipped technology, promoting the intellectual strength of Baoviet-ers, I do believe that Baoviet will enjoy strong growth in 2022 - the

Sincerely.

second year in our development strategy phase with strong beliefs about a strong and far-reaching Baoviet. The values that have been created by Baoviet are not only the pride of each Baovieters but also the "Prestige" which Baoviet has been keeping with customers, partners and the whole community.

On behalf of Baoviet Holdings' Board of Directors, I would like to express my sincere thanks to all honoured shareholders, customers, partners, Government Agencies and all employees, agencies and consultants in the entire system have always accompanied and supported Baoviet over the past years and I look forward to continue receiving your supports in the future to embrace us in our journey to conquer new heights.

Wishing you all health, happiness and success!





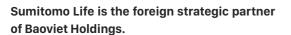
SUMITOMO LIFE CEO'S MESSAGE



Mr. TAKADA YUKINORI Sumitomo Life CEO

I was appointed president & Chief Executive Officer in 2021. Sumitomo Life aims to be a company that contributes to the "well-being" of each customer life. We understand that "wellbeing" includes not only physical health, but also mental, social, and economic health of each customer life. We will continue to aim to be an "indispensable company" by supporting our customers with human value and digital technology and contributing to "well-being".

Since 2012, Baoviet and Sumitomo Life have always been going along with building our valuable and long lasting partnership. Sumitomo Life has deepened the interaction with Baoviet by sending BOD members and technical experts to support further progress and happily accepting executives and staff from Baoviet to Japan to promote mutual understanding. In addition, Sumitomo Life made an additional investment in Baoviet in 2019, contributing to the strengthening of Baoviet's financial strength, and also dispatched new staff to Baoviet HD to strengthen support in the formulation of the next medium-term strategy and in the life insurance business in particular.



It is really encouraging that Baoviet has built a firm position as the number one brand in the rapidly growing insurance market in Vietnam and continues to make progress despite the recent global uncertainties such as the impact of the epidemic of COVID-19, regional conflicts, and inflationary trends, as well as the intensifying competition in the insurance market.

> We believe that our goal of becoming an "indispensable" company that contributes to "wellbeing" of customers and society can be shared with Baoviet. We will further strengthen the cooperative relationship and develop together with Baoviet.





Established) May 1907

Head Office Tokyo/Osaka, Japan

Operation network In Japan: 87 Branch offices. 1451 District offices.

In the world: 1

Life insurance companies in USA, Vietnam, Indonesia, Singapore and China.

Representative offices in New York, Beijing and Hanoi.

> 371.1 Total assets ² (USD Billion)

19.7 Total premium revenue ²





1 USD 1 = JPY 110.71(as of March 31, 2021)

2 Non-consolidated basis









3 Individual life and annuities



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BAOVIET'S OVERVIEW



The leading insurance and finance group with 57 Years of pioneering history of opening and accompanying the development of vietnam's insurance market.



OVERVIEW

Maintain the position as the leading

in Vietnam, enhance the international

competitiveness, reinforce financial

financial-insurance Group

capacity, deliver resilient

To ensure the peace of mind, prosperity, and long-term benefits for our customers, investors, employees and community

MISSION

APPROACHABLE

Make yourself approachable and serve your customer professionally, and as you would like to be served yourself



QUALITY

Improve the quality of everything you do and reach for a higher standard





AN OVER HALF CENTURY JOURNEY OF

Sustainable value creation

0-1-1965-D



Vietnam Insurance

on 15 January 1965

to undertake non-life

Company was founded

1965

business.



1989 Vietnam Insurance Company was reformed into Vietnam Insurance Corporation.



2013 Baoviet Insurance and Baoviet Life completed increasing charter capital to VND 2,000 billion.



2012 Sumitomo Life becam strategic investor of Baoviet.

Baoviet Bank increasing chartered capital to VND3,000 billion.



2011 **Baoviet Holdings** increased chartered capital to VND6,805 billion by issuing additional shares to existing shareholders.



2010 Baoviet launched a new brand identity.







```
2009
Baoviet Holdings was listed
on the Ho Chi Minh City Stock
Exchange (Code: BVH).
```

2008

Baoviet Commercial Joint Stock Bank was established.

Baoviet Invest Joint Stock Company was established. HSBC Insurance increased its stake in Baoviet to 18%.





SAFE ADAPTATION **DURING THE PANDEMIC**





Total consolidated

俞

OVERVIEW



2016 The first financial insurance group of Vietnam reached \$01 billion in total revenue.



2019 Successfully implemented the project of Private Placement Share issuance with partner SML, raising the total charter capital of Bao Viet to VND 7,423 billion, helping Baoviet Holdings complete its

strategy.

2020

Completed business plan under the Covid epidemic affecting the global economy.

2016-2020 capital raising







32

2015

Completing the

Insurance Group

restructuring project

of Baoviet Finance and

for the period 2011-2015.



1996 Baoviet established the first life insurance company in the market.



1999 **Baoviet Securities Joint** Stock Company was incorporated as the first securites company in Vietnam.



2007

After a successful initial public offering (IPO), Baoviet financial-insurance group was incorporated.

HSBC Insurance acquired 10% stake in Baoviet.

2005

Baoviet Fund Management Company was established.





BUSINESS LINE AND NETWORK

aoviet is the first company to provide non-life insurance and life insurance services in Vietnam. Currently, Baoviet provides comprehensive financial services including insurance, banking, securities, fund management and investment with distribution network across the country, serving millions of customers.

Baoviet Holdings operates under the Business Registration Certifcate No. 0100111761, registered for the first time on October 15, 2007, registered for the 13th amendment on January 9, 2020, operating in the following fields:

INSURANCE

INVESTMENT

QUÁNIDÁO TRƯỜNG SA

- General insurance: Aviation insurance; Vehicle insurance; Marine insurance; Fire and property insurance; Cargo insurance; Engineering insurance; Personal insurance; Medical health insurance; Agricultural insurance...;
- Life insurance: Whole life insurance, Endowment insurance; Term insurance; Universal life insurance; unit linked Insurance, Pension insurance, etc.;
- Reinsurance service.

- · Investment in subsidiaries and associate companies;
- · Management of investment funds, portfolio trust management;
- · Management of securities investment funds, investments real estate business.



36% l ife custome service offices

Non-life custome

service offices

CUSTOMERS

Baoviet provides services to all types of individual and group customers across the country.

FINANCIAL SERVICE

- Stock Brokerage; Proprietary trading; Financial and securities investment consulting; Securities underwriting; Securities depository;
- Trading fnancial services and other felds as regulated by law;
- · Securities investment consultancy.

NETWORK

Extensive distribution network across Vietnam with nearly 200 branches and subsidiaries providing insurance, banking, securities and fund management services in 63 cities and provinces, more than 600 non-life insurance transaction offices and more than 362 life insurance transaction offices throughout the country.

PRODUCTS & SERVICES

Baoviet provides a diversified product portfolio with more than 80 non-life insurance products, 55 life insurance products, and other banking, sercurities, fund management products.

KEY BUSINESS AREAS

Branches located at key economic areas of the country such as Ho Chi Minh City, Hanoi, Da Nang, Nghe An, Hai Phong, Binh Duong remain high performing units, contributing significantly to Baoviet's total revenue.



- Capital mobilization: receiving deposits, issuance of certifcates of deposits, bonds and other valuable papers;
- · Credit activities: credit in the form of loans, discount, guarantee, fnancial leasing ...;
- · Payment and treasury services.

ORGANIZATIONAL STRUCTURE

CORPORATE GOVERNANCE STRUCTURE (At as 31/12/2021)



Note: Assistant Team for Head of Inspection - Internal Audit not in the organizational structure of the Internal Audit - Inspection.

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Promote cooperation with reputable partners, diversify distribution channels

\ 39

HIGHLIGHTS OF 2021

SI Despite the ongoing global pandemic of Covid-19's repercussions, severe and far-reaching, are being felt across the world, through determined efforts, Baoviet Holdings in 2021 susceeded to retain its leading position in both life and non-life insurance sectors thanks to sustainable development strategy as well as strong consensus and concerted efforts to adopt and implement 4.0 technology solutions to opitimize all resource and promote synergy of the whole Group.

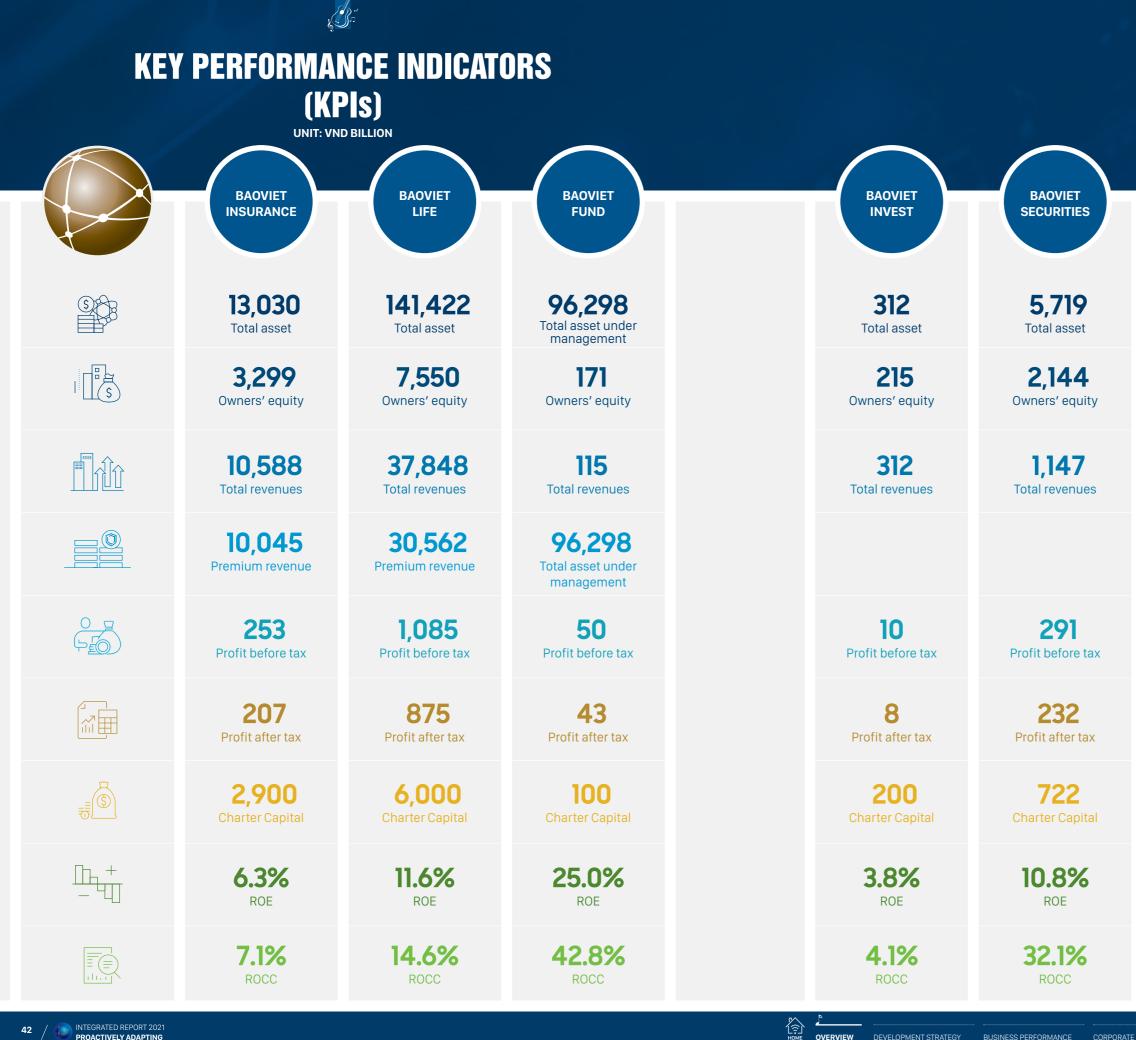








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OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE

BAOVIET HOLDINGS

18,908 Total asset

18,519 Owners' equity

1,490 **Total revenues** 169,504

CONSOLIDATED

Total asset





1.084 Profit before tax

1.031 Profit after tax

7,423

5.6% ROE

13.9% ROCC

2,376 Profit before tax

2.003 Profit after tax

7,423

9.1% ROE



DEVELOPMENT STRATEGY

1000

BUSINESS PERFORMANCE

A

DEVELOPMENT STRATEGY

HOME OVERVIEW

BAOVIET



BUSINESS ENVIRONMENT, OPPORTUNITIES AND CHALLENGES



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OPPORTUNITIES AND CHALLENGES -IN THE LONG-TERM (ONWARD TO 2025)

The global economic outlook is forecasted to remain challenging and entail unpredictable potential risks. In this context, Baoviet identifies opportunities and challenges for business operations of Baoviet to 2025 as follow:

INGES TOWARD	Main factors	Factors
of unpredictable volatile fluctuations in the global		Government promotes public investment but reduces investment in new projects
nancial markets, the business environment in Vietnam		Businesses recover after a difficult period
creasingly complicated with many potential risks,		Control inflation
actively identified the opportunities and challenges		Low interest rates
e short, medium and long term.	MACROECONOMIC CONTEXT	Increase savings and reduce spending
		Profiteering and premium debt
		Exchange rate fluctuations
		Credit and currency tightening
		Bad debt increased
MACROECONOMIC CONTEXT	FINANCIAL AND INSURANCE MARKET	Pressure to increase capital, stricter requirement in regulators' supervisory regulations Strengthening the market towards more
CONTEXT WITH THE REGION AND THE WORLD	RESTRUCTURING	transparency and professionalism Restructuring the financial industry
	DEEP INTEGRATION	Increasing competition with foreign enterpris
FINANCIAL AND	WITH THE REGION	Promote commercial activities
INSURANCE MARKET P	AND THE WORLD	Increasing foreign investment flows
		Low insurance penetration/GDP
SOCIAL DEMOGRAPHIC FACTORS	SOCIAL	Golden population structure, rapidly growing middle class
	DEMOGRAPHIC FACTORS	People's awareness and understanding of insurance is increasing
		Pressure to research the market carefully

	Insurance	Investment	Financial services
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BUSINESS ENVIRONMENT, OPPORTUNITIES AND CHALLENGES

MAJOR RISK



Notes:



INSURANCE RISK



Identification

- Insurance compensation costs have a strong fluctuation;
- The obligations to pay for insurance events are exceed the assumptions used in designing product.
- Extended coverage related to the Covid-19 epidemic.

Monitoring and management of risk

- Assessing risks in designing new insurance products, underwitting, inspecting and payment/ compensating insurance; assess accumulated risks according to each profession, product group, locality ...
- Regularly review important assumptions (death rate table, technical interest rates; loss parameters), review the risks of insurance coverage and insured subjects; risk transfer through reinsurance operations.

CREDIT RISK 2.

Identification

- · Risk of arising bad debts or overdue bond investment
- · Risks from insurance business, margin trading.

Monitoring and management of risk

- · Supervisor, monitor the compliance with investmen
- · Managed by internal credit rating model, which have
- Periodically evaluate the collateral assets of corpor

MARKET RISK

3.

Identification

- Fluctuations in deposit interest rates, government b
- · Volatility of stock prices and/ or prices of other com

Monitoring and management of risk

- Managed, measured in terms of Value at risk, interest
- · Monitored by using monthly risk reports, and quarter

4. LIQUIDITY RISK

Identification

 The risks cause of term imbalance of cash flow to fu status of the whole Group.

Monitoring and management of risk

- · Monitor asset and liability cash flow projection for a asset and liability for each period, the liquidation rat
- Managed by using limit, liquidity Gap, and scenario

OPERATIONAL RISK

Identification

- The risk of IT systems affecting the continuity of busi
- Risks from compliance with legal regulations; loss an dispute.

Monitoring and management of risk

- · Evaluation in terms of the impacts to continuity of b
- Monitored by using KPIs, monthly and quarterly rep • Managed by Operational Risk Management Framew

procedures and internal control system.

Level, trend
nts, overdue deposits occurred.
at limits and risk limits. e been approved by RMC. ate bonds .
Level, trend
oonds, interest rates imodities.
st rate sensitivity assessment - PV01 erly risk reports.
Level, trend
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6.

BUSINESS ENVIRONMENT, OPPORTUNITIES AND CHALLENGES

REPUTATION RISK

Identification

- Risks arise when the mass media publish adverse information or products and services that do not meet the expectations of customers and investors.
- · Business activities, behaviors, attitudes of employees or third parties negatively affect the image of the business.

Monitoring and management of risk

- Monitored, tracked by articles by press agencies, indicators from customer service center.
- Managed by the processes, procedures, manuals, regulations handling crisis communication
- Training and communication for employees and leaders of the Group on Communication Crisis Management and topical risk management training courses.

STRATEGIC RISK

Identification

- The annual business plan may not yet align with the strategic objectives plan.
- · Not predicting all subjective, objective or changes in business environment.
- The impact of information technology in the period of industrial revolution 4.0

Monitoring and management of risk

- Monitored by monthly and quarterly analysis of macroeconomic factors, business results, results of strategic plan.
- · Managed by analysing scenarios of volatility of macroeconomic factors, internal factors, to consider the feasibility of the annual strategy.
- · Investment infrastructure and information technology applications according to international standards, ensuring synchronization, modernity, safety and efficiency.

SUSTAINABILITY RISK

Identification

- Risks affected to sustainable development in the Baoviet system;
- Social and environmental risks affected to Baoviet;
- The risks from Baoviet's business activities affected to environment and society.

Monitoring and management of risk

- · Periodicly monitor the financial and non-financial indicators.
- Managed by procedures and regulations, auditing sustainable reports by internal and external audit.



AND KEY GROWTH DRIVERS

BUSINESS MODEL

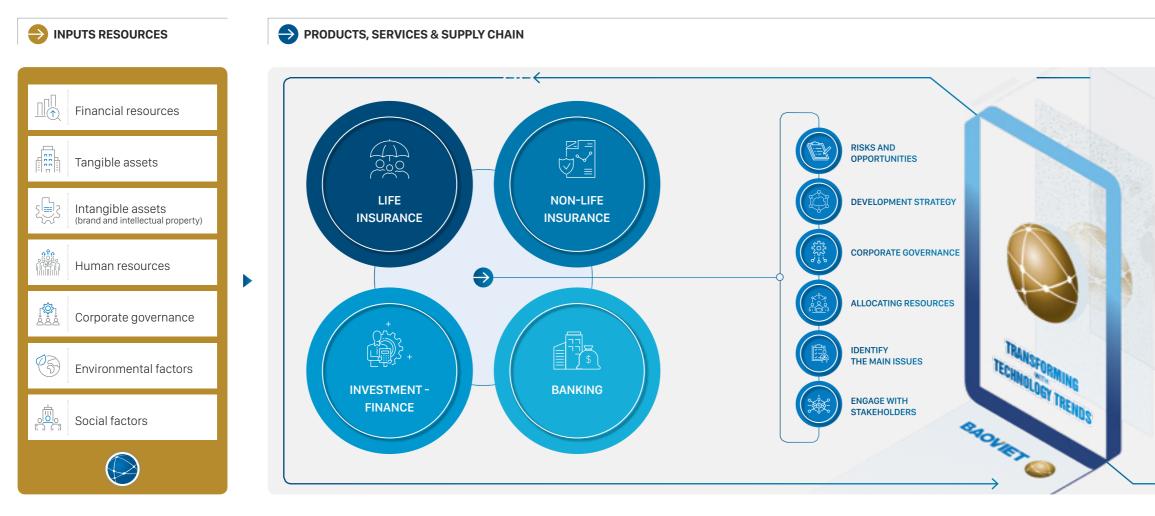
61 an enterprise providing products and services to millions of Vietnamese people, Baoviet determines that a business can only implement a sustainable development strategy when combining growth goals, economic profits with social development and environmental protection. For Baoviet, we identify the factors affecting business operations including internal factors (human resources, capital, intellectual property, brand reputation...) Baoviet built and strengthened over the past half century, along with grasping and utilizing external factors such as sustainable development trends, demographics, and social responsibility which will drive strong growth and sustainability of Baoviet in the future. These contents are generalized according to the following model:



BUSINESS MODEL



BUSINESS MODEL

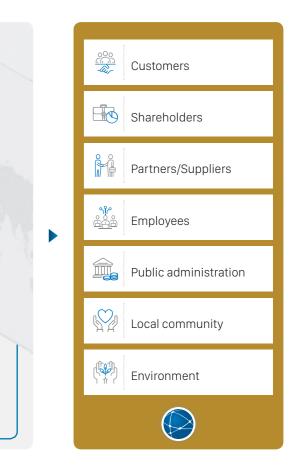


KEY GROWTH DRIVERS

• Internal forces • External forces



> VALUES FOR STAKEHOLDERS





OPTIMIZING FACTORS THAT DRIVE GROWTH OF BAOVIET

he identification of key drivers for growth play an important role in enabling the enterprise to deliver suitable decisions in allocating the resources or concentrating resources on certain factors with a view to accelerate the growth rate of an enterprise.

During the course of business operations, the effective use of inputs is a decisive factor for creating value and these values including:





Economic value (solid growth in revenue and profits, dividends to shareholders)



Value added for customers (superior products and services)



Physical and spiritual value to Employees (welfare, working environment, income)

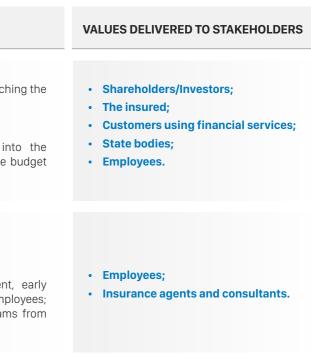


Benefits for other stakeholders (society, environment...)



UTILIZE INPUTS TO CREATE VALUES	OUTPUTS (products, services, business results)
 Efficiency in using financial resources through investment in lowrisk assets (government bonds and deposits represent over 90% of total investment portfolio). Seeking new investment channels, improve returns of investments. 	 Achieving stable and solid growth in revenue and profit, reaching the revenue milestone of over 2 billion USD in 2021; Paying dividends at the rate of 8.985%/par value of shares; Strong financial capacity, increased investment back into the economy; Contributing over VND 25,000 billion to the state budge since equitization.
 Investment in training (in accordance with learning map), human resource development; Improvement of competences of insurance agents; Recruitment and attraction of skilled employees; Fosering talents and strengthening bond between employees; Attractive welfare scheme and opportunities of promotion. 	 Building a cohesive environment - strong culture; Create employee cohesion in business activities; Adding many new welfare programs (K-care, Retirement, early vaccination for employees) to bring higher benefits to employees insurance, savings, accumulation and value-added programs from financial investment.
	 Efficiency in using financial resources through investment in lowrisk assets (government bonds and deposits represent over 90% of total investment portfolio). Seeking new investment channels, improve returns of investments. Investment in training (in accordance with learning map), human resource development; Improvement of competences of insurance agents; Recruitment and attraction of skilled employees; Fosering talents and strengthening bond between employees;

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BUSINESS MODEL AND KEY GROWTH DRIVERS

OPTIMIZING FACTORS THAT DRIVE GROWTH OF BAOVIET

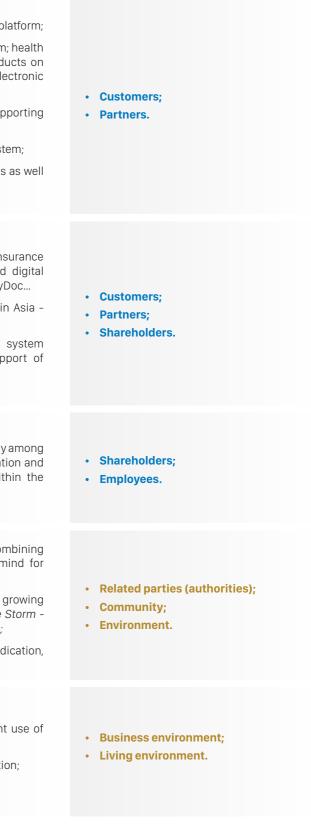
	INPUTS	UTILIZE INPUTS TO CREATE VALUES	OUTPUTS (products, services, business results)
	PRODUCTION RESOURCES AND TANGIBLE ASSETS Modern IT platform; Large scale of outbound logistics; 24/7 call-center; The largest direct billing network in Vietnam.	 Investment in IT infrastructure development in accordance with international standards (LIPA), switch to cloud technology solutions integration; Diversified distribution system: online, bancassurance, digital; Stable 24/7 call-center system operation; Efficient operation of direct billing network, insurance fraud controlling. 	 Improved corporate core competencies based on modern IT plate Customer approach through multichannel distribution system check via Telehealth; Promote the deployment of new product the e-commerce platform such as Life Care, Flight Delay, Ele equipment insurance, Motorcycle and car insurance Superior customer service quality through call center sup responds to customers' demand promptly and accurately; Enhanced risk management, and insurance claim control system as friendly professionalism corporate image.
	INTANGIBLE ASSETS AND INTELLECTUAL PROPERTY Market leader in product development competency; Brand value; Technical support and capacity transfer from foreign strategic shareholder.	 Investment in diversified product development, meeting demands of different customer segments; Launching new insurance products and many integrated financial products launched; Enhancement of brand value through prestigious awards; Exploitation of strength of strategic shareholder to create synergy in management, governance and core businesses. 	 Providing a wide range of products with 80 non-life insproducts and 50 life insurance products, apply integrated Insurance solution - Baoviet Direct; My BVLife application; MyE Bao Viet brand is in the top of the best insurance brands in Pacific region Risk management system, internal control, compliance implementation, improved competencies through the support strategic shareholder, Sumitomo Life.
ALL A	CORPORATE GOVERNANCE Corporate Governance in accordance with international customs; Standardized risk management system, and internal control	 Improved corporate governance competencies in accordance with international customs (ASEAN governance scorecard, governance principles by OECD); Strengthening the role of Internal Control, Compliance Risk Management, promoting synergy and improving the efficiency of governance and administration. 	• Enhanced role of the Parent company in strengthening synergy subsidiaries. The Parent company plays the role of coordinati being responsible for direct management of activities with whole Group, thus improve business performance.
	SOCIAL FACTORS Social relationships; Demographic factors; Sustainable development trend; Social responsibilities.	 Demographic factors (golden population structure, rapid pace of population aging) open up opportunities for new product development; Seizing opportunities from sustainable development trend: responsible investment, green financial product research and development; Corporate social responsibility (CSR): Investments in education and young generation, local community development; war martyrs appreciation, hunger eradication and poverty reduction. 	 Providing voluntary retirement and cancer products combenefits of protection, accumulation, ensuring peace of mworkers when they retired; Developing medical and health care products to serve the geneeds of society: <i>K-Care, a cancer specialty insurance, One Stropical storm insurance, personal and household insurance;</i> Invest in construction of health clinics, schools, hunger erad poverty reduction, sustainable community development.
	ENVIRONMENTAL FACTORS Climate change; Waste and greenhouse effect reduction.	 Reduce greenhouse gas emissions through greenery programme such as tree-planting projects; Reducing greenhouse gas emissions from office buildings, air conditioners and refrigerators; Minimize office waste, implement 5S workplace methodology practices (Screening - Sort - Clean - Take care - Ready). 	 Making quarterly observation at workplace; "Go green" for business operation: economical and efficient resources, reducing plastic waste in the office; "Go green" for lifestyle and promoting sustainable consumption Reduce waste water and save energy.

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OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

HOME

VALUES DELIVERED TO STAKEHOLDERS



ENGAGEMENT WITH STAKEHOLDERS

takeholders are our significant partners whose feedbacks are valuable source of information for us to develop and reinforce our operation. For each target group, Baovet uses different approaches to information. Feedback from the parties is carefully reviewed, researched and endeavored to include these feedbacks into our Company's policies and practices.

BAOVIET'S KEY STAKEHOLDERS

We identify stakeholders based on the possible effects of Baoviet's activities on them or those who are interested in influencing Baoviet's current operations. We build and develop relationships based on meeting long-term interests between parties; this relationship is based on trust, transparency, and respect for the corporate ethical standards.

The 7 key stakeholders for Baoviet include:



THE BASIC PRINCIPLE IN ENGAGING STAKEHOLDERS

We reach out to relevant stakeholders through a variety of channels of information in a way that is conducive to listening to each other's ideas and interests in relation to Baoviet's operations, especially governance issues. company, human resource development, economic growth, contribution to society and environment. The process of exchanging with the stakeholders also helps Baoviet to proactively identify current trends and issues as well as helping Baoviet to better understood

their interest and expectation, objectively view policies, reports and disclosure of information to stakeholders.

Baoviet identified the stakeholders based on the role and level of influence of the parties involved in

BAOVIET'S ENGAGEMENT WITH STAKEHOLDERS

In 2021, Baoviet continued to engage stakeholders via multidimensional channels, in which our sustainable development strategy is profoundly mentioned to understand opinions of our stakeholders towards Baoviet's activities relating to Economic -Social - Environmental initiatives.

We also took a survey on social network and website to get feedback about our sustainable development activities in 2021. The survey was made available under the Sustainable development/ Survey of stakeholders website section.

Throughout discussions and meetings with parties we figured out concerns of stakeholders and their major impacts on Baoviet's activities. This is the foundation for 2021 Sustainability Report.

By assessing the importance of investments. issues we make allocate resources that best meet stakeholders' expectations and ensure corporate sustainable development.



Customers

Meeting with investors/Annual General Meeting, Investor Relation (IR) newsletters, Baoviet Website Exchange and cooperation programs, Investors tour and roadshow.

Government

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Local community expectations.

Partners/Supplier Direct meeting: to complete tender policies and cooperation agreement with suppliers.



Annual labour conference/ Internal publications: Intranet, Monthly Bulletin, Baoviet's research magazine; Training courses.

Organize online and offline meeting with the media to exchange information, interview leaders and experts; Programs of exchange, press cooperation, press release about Enterprise activities.

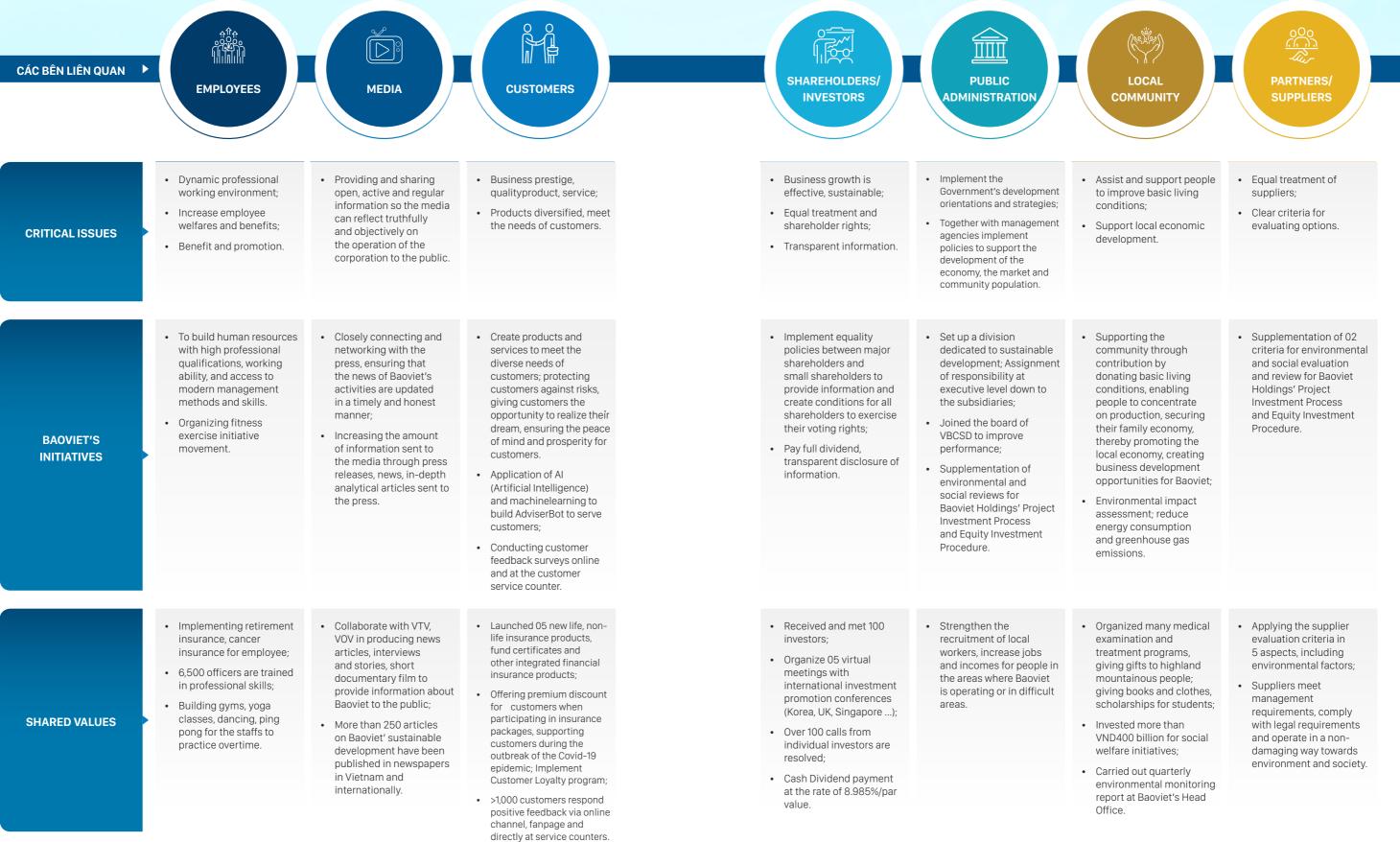
Agents meeting with customers; Call center and 24/7 hotline; Customer response management channel integrated on website.

Shareholders/Investors

Participate in the conferences and workshops organized by the Government and Ministries; Become a member of organizations and associations including the Association of Vietnamese Insurers, Vietnam Business Council for Sustainable Development, World Economic Forum...

Work with local authorities to approach residents and survey their





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OVERVIEW

DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS



ased on the evaluation of the importance of issues considered in the correlation between the level of interest of the parties and the level of influence In terms of business activities. Baoviet has developed a "Core Matrix" in order to determine priorities and allocate resources to best meet the expectations of stakeholders.



PROCESS OF DETERMINING KEY ISSUES

The assessment of a key area is a principle that requires reporting but at the same time is the process of determining the focus of content in line with the developed Sustainable Development Strategy. The process of conducting material assessment at Baoviet was conducted in accordance with the steps of the process and methodology for evaluating material areas according to GRI Standards.

On the basis of analyzing the impact on the economic, social and environmental aspects of Baoviet Holdings' activities, we identify areas of significance in reference to GRI Standards. We aggregate the level of interest according to the identified areas for each stakeholder primarily based on the results of stakeholder consultation. We then summarize the assessment of the material key area of the matrix based on the results of the assessment of importance to stakeholders and businesses.

IDENTIFY KEY ISSUES

Baoviet conducts consultations with experts in the field of sustainable development for areas deemed critical that Baoviet needs to consider at the present time. At the same time, we also consider employees' opinions through a review of proposals and comments made through internal interactive channels.

The assessment of key areas of business is based on the analysis of the business strategy of the enterprise, the analysis of press information and the business environment of the industry. From there we select the key areas and issues that are of interest to the parties. The importance and scope of the issues continues to be screened, analyzed and clarified during discussion meetings with the relevant Departments / Committees and submitted to the senior leaders to identify prioritized issues for implementation in 2021.

In 2021, the Internal Audit Division of Baoviet Holdings conducted an audit to assess Baoviet's key management process for sustainable development according to the assessment method based on the capacity-maturity model with 04 maturity levels in line with international practices. Since then, the Internal Audit Division has proposed solutions to the Board of Directors of Baoviet Holdings to improve the process of managing key issues according to international standards.



- · Research and review informations from the market and industry:
- Analysis media and press information;
- · Review and survey from customers, information from Industry Associations;
- Internal discussions with workers; Meeting
 - Assessing important aspects that need to be prioritized;
 - Reviewing prioritized aspects by top managers;
 - Selecting prioritized aspects of



GRI

Building the Set

of Sustainable

Development Issues (Reference to GRI

Standards)



- · Identifying weighted ratio of stakeholders;
- · Assessing impacts of aspects on stakeholders;
- Calculating weighted GPA and impact on stakeholders.

Analysis of the effects on Baoviet's operation

• Assessing and grading the impact on sales, costs, regulations and

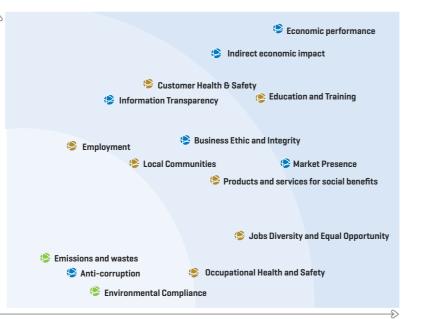
Economic performance Indirect economic impact	
 Customer Health & Safety Information Transparency Education and Training 	al review
 Employment Business Ethic and Integrity Local Communities Market Presence Products and services for social benefits 	evaluation and internal review
 Dobs Diversity and Equal Opportunity Emissions and wastes Anti-corruption Occupational Health and Safety 	Evaluation
😤 Environmental Compliance	
Priorities of Baoviet	>





By assessing the importance of the fields considered in the correlation between the level of stakeholders' interestand the level of affect onbusiness operations. Baoviet develops a "Materiality Matrix of key issues" to determine the priority and appropriate allocation of resources to best meet the expectations of stakeholders as well as to ensure the sustainable development ofenterprise.

After the process of understanding and assessing the level of stakeholders' interestwith key issues, combined with the information recommended by internal audit after the assurance process with some indicators, during the year 2021, Baoviet has reviewed, analyzed and compared in accordance with the GRI Standards criteria.



Priorities of Baoviet

In addition to consulting with stakeholders, there are a number of issues that gained increase interest of stakeholders, Baoviet has focused on these as the main analysis framework in the 2021 report as follows:

With regard to economic issues 1.

After the consultation, we noticed that stakeholders have increased interest in the business performance and position of Baoviet in the market. Stakeholders expressed interest in Baoviet's need to accelerate its operational efficiency and market dominance after focusing on innovating its business model.

2. With regard to governance, information transparency issues

As a listed company with large market capitalization, Baoviet attracts the attention of many stakeholders including domestic and foreign investors, media agencies, management agencies ... Therefore, the transparent disclosure of information and diversification of information channels to the public are subjects of interest to stakeholders. In 2021, Baoviet focused on improving the transparency and reliability of information disclosure (expanding the scope of auditing non-financial indicators, continuing to review guarterly financial reports) (according to regulation, the revision of the financial statements only required for interim reports). Increased attendance and information sharing at international forums (Singapore, Korea, Japan), proactive response to information needs of stakeholders.



The health and safety of customers

As an enterprise operating in the field of insurance and financial services, the safety and health issues of customers are integrated right from the product research and design process to provide customers with comprehensive protection solutions.

In the context of the Covid-19 epidemic Baoviet have developed integrated and specialized products, and maintaining micro insurance products for low-income

ASSESSING THE APPROPRIATENESS OF MANAGEMENT APPROACH FOR MATERIALITY



RATED REPORT 202 PROACTIVELY ADAPTING

OVERVIEW

workers, Baoviet can realize its commitment to provide comprehensive financial and protection solutions for customers and community. The continuous introduction of voluntary pension products, specialized insurance products, micro insurance products including low-cost products for a large number of people is a way for Baoviet to support and improve the lives of the poor and near impoverish households in rural and urban areas.

The key issues have been identified and assessed in the direction of integrating the stakeholders' interests and Baoviet's concerns specifically into 5 areas: Economic, Social, Environment, Governance, Customers'Health and Safety, from which Baoviet can allocate resources appropriately, best meet the expectations of stakeholders as well as ensure the sustainable development of the business. The issues mentioned above are presented in the following sections of this report.

Content related to key issues is also analyzed and presented in detail in Baoviet Holdings 2021 Sustainability Report prepared according to GRI Standards.

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WORLD TRENDS AFFECTING BAOVIET'S STRATEGY





In recent years, the global insurance industry is under a dramatic transformation within the development of Industry 4.0. Accordingly, Insurance Business will trend to apply 4.0 technology to the process of analyzing customer data to improve customer experience, develop new products and services, increase the flexibility and mobility of staff, consultants, improve processes, improve service quality and reduce business operating costs.

IMPACTS OF TECHNOLOGY TRENDS ON THE INSURANCE BUSINESS

OPPORTUNITIES, CHALLENGES AND RISKS BY TECHNOLOGY TRENDS TO INSURANCE **BUSINESS IN GENERALLY AND BAOVIET IN** PARTICULARLY

OPPORTUNITIES

The strong development of technology brings new opportunities to Insurance Business in generally and Bao Viet in particularly, which are increasing opportunities of Customer Approach, Customer Interactions, enhancing Distribution Model, diversifying Sale Channels, as well as completely changing Customer Journey in Finance and Insurance Business.

CHALLENGES

The break-through technological advances, for example: AI, Big Data, Cloud, IoT, Block-Chain, Robotic, Chatbox,.. are forecasted to force Insurance Business to adapt to new changes or to be surpassed by alternative business models. These factors change Insurance Business as well as cause fierce competition between traditional competitors and new-born ones and become the biggest factor of growth and transformation.

BAOVIET HAS TAKEN ACTIONS TO CAPTURE THE TREND IN 2021



Following those technology trends, BaoViet has focused on building a Digital Ecosystem, bringing added value to customers by optimizing data and workflow from parts, tools, internal systems, as well as working process with customers, suppliers and external partners. With specific actions, BaoViet is developing and completing its own Digital Ecosystem by taking advantage of technology solutions and digital resources to integrate similar products and services into the same platform. Thereby it helps enterprises to expand their business scale and competitive advantage.

Based on 03 pillars of Strategy, Culture and Technology, BaoViet continues to perfect and upgrade the core software system and satellite software to implement Digital Transformation in 06 key areas: Life Insurance, Non-Life Insurance, Fund Management, Securities, Internal Management and Customer Service.

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OVERVIEW

BANK

ECOSYSTEM

Diversifying customer interaction channels as well as enhancing customer experience with the best facilities on digital platforms. BaoViet also experimented with Big Data and AI combined to build predictive models of health and other utilities for customers. Improving customer experience is determined by BaoViet to bring a complete and continuous customer experience journey from the time customer is interested



in the product until the time of purchase, payment of fees, and After-sales care services such as Compensation, change of contract conditions and loyalty programs of BaoViet: Via website, Chat bot, Call Center, SMS and especially recently BaoViet pays great attention to upgrade two important applications for customers, namely MyBVLife and BaoViet Direct.







GARAGES

WORLD TRENDS **AFFECTING BAOVIET'S STRATEGY**

Focusing on completing and implementing synchronous solutions to maximize sales support and effective distribution channel management. Consultants are provided with the best tools and working conditions in studying, preparing for exams to becoming a consultant, as well as applications that support sales, customer management, claim submission, look up the Consultant's policy, remuneration and income.



Focusing on connecting systems to complete BaoViet's digital ecosystem.

Implementing digital transformation strategy through digitizing BaoViet's processes such as compensation process, report management process, official dispatch... towards a BaoViet "Paperless".



Promoting the deployment of new products on e-commerce platform such as Life Care, Flight Delay, Electronic equipment insurance, Motorcycle and car insurance...; as well as promote cooperation with financial technology companies and payment intermediaries in building an insurance financial services ecosystem.



Completing the application of big data analysis platform (Big data) to build the motor vehicle pricing tool "Pricing Engine".



Upgrading the modern, centralized financial and accounting system to improve governance efficiency in the Group.

ATED REPORT 202 PROACTIVELY ADAPTING

In addition to new technology trends, the year 2021 also marks the heavy impact of Covid-19 on all aspects of people's lives as well as economic and social instability. In order to ensure the stable operation of Corporations during the quarantine period, BaoViet has accelerated the progress to deploy the paperless electronic office application BaoViet Office to create a one-stop approval platform with internal administrative work. In addition, BaoViet Group continues to complete e-signature contracts and apply them to all insurance products. BaoViet has optimized the insurance buying and claim payment process on a digital platform to bring customers more and more convenient experiences with a closed journey on mobile devices.



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AND ORIENTATION TO 2025 PLAN

FOR BAOVIET ITC'S ACTIVITIES

BaoViet ITC's orientation to 2025 is to instantly deploy advanced and modern IT systems to comprehensively promote digital transformation in all activities of BaoViet Holdings.

applications will be annlied widely

InsurTech

business operations and deliver products to onal system

Enhance professional efficiency to support

Digital ecosystem with the participation of BaoViet will be expanded with most

BaoViet will continue to strongly invest to fulfill the IT system, capture and punctually apply new technology trends which are prevalent in the world, so that the holdings can create a foundation for connectivity, integration and sharing information. Hence, Information Technologies will become one strength of BaoViet, creating a competitive advantage in the new era of the industrial revolution 4.0.

participating customers

- · Continue to improve and upgrade system software.
- Improve and develop BaoViet's comprehensive digital ecosystem
- Focus on perfecting systems to improve customer experience such as BaoViet Direct, MyBvlife, Online insurance, E-commerce, eClaim, Hospital's fee guarantee system, BaoViet Pay.
- Promote the application of advanced technology platforms and architectures following the world trend for BaoViet's software systems to enhance application performance, rapid development and ensure safety and security.
- Promote the application of new technologies such as: Artificial intelligence, machine learning, deep learning and big data processing into business activities of BaoViet and Business units, automating processes risk assessment, monitoring, compensation to improve labor productivity.

INFRASTRUCTURE

SECURITY

conditioning, electricity, fire protection...)

 Continue to strengthen and reinforce the information technology system according to international standards and practices: ISO 27001, OWASP, SANS, NIST, CIS... protecting IT systems at system level and multi-layered defense.

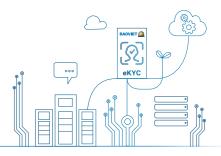
- high-tech security crimes.

DEPLOY SECURITY SOLUTIONS INFORMATION SAFETY

In order to implement the above strategic orientations, BaoViet Holdings will focus on building a high-quality, proactive and creative team to dominate technology in a flat world, affirming its leading position: a world-class Vietnamese brand.

ROACTIVELY ADAPTING

SOFTWARE



 Continue to transform infrastructure to a cloud computing technology platform that combines Private Cloud with Public Cloud/ Native Cloud and Hybrid cloud to match business needs and optimize costs.

• Promote the application of advanced technology platforms in the operation of BaoViet's IT applications, thereby improving labor productivity, shortening the time to put software applications to support business activities.

· Improve investment efficiency by converting investment costs into infrastructure of Data Center and Disaster Prevention Center by renting infrastructure services of the providers in accordance with demand. (Infrastructure includes equipment, air

• Actively monitor risks, collect warnings and analyze security holes to promptly react and respond to information security incidents in the increasingly complex situation of

 Review, update and improve the system of documents, policies, regulations and procedures to comply with standards and technical regulations on ensuring network information security and protecting personal information BaoViet's customers and partners.





WORLD TRENDS **AFFECTING BAOVIET'S STRATEGY**

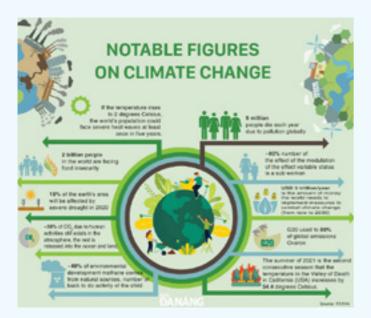
IMPACT OF SUSTAINABLE DEVELOPMENT **TRENDS ON BAOVIET**

he world is entering a new growth cycle, global movement poses many challenges due to global economic recovery is not sustainable while unpredictable risks remain; the rise of global trade war, public debt; Governance at the global and national level is slow to adapt to rapid changes in economics and science as well as technology; Environmental pollution, climate change, gap between rich and poor,... are increasingly serious. With such sustainability trend, Baoviet recognizes a number of risks and challenges that may affect the operation of Baoviet. These challenges and risks are assessed according to the extent of impact on Baoviet's business and the interests of its stakeholders.



CHALLENGES FROM CLIMATE CHANGE – EPIDEMIC INCREASE AND PROACTIVE ADAPTATION

CHALLENGES FROM CLIMATE CHANGE - VIETNAM SUFFERS MANY IMPACTS FROM CLIMATE CHANGE



In 2021, more than 400 weather stations around the world recorded 30-year recordbreaking temperatures. Climate change is accelerating faster than ever. A series of droughts, forest fires and water shortages, Heat in the Pacific Northwest, Tornadoes in the US, Super Typhoon Ida (USA), Major floods in Western Europe, Henan Province (China) and Tennessee state (USA) are considered outstanding phenomena of climate change in 2021.

Climate change is a big challenge, with strong impacts on production, life and the environment. Rising temperature, sea level rise causes flooding, salinization of water sources, affecting agricultural production, industry and socio-economic activities.

It is clear that human activities have had a broader impact on the whole planet, degrading natural ecosystems, depleting natural resources, biodiversity, causing air pollution, water, soil, etc., and especially have made the global climate change. Unusual storms, floods and droughts are gradually increasing, both in frequency and intensity, causing damage in many aspects in all regions of the world, including Vietnam.

Vietnam is considered as one of the countries that will be heavily affected by climate change, in which natural disasters, tube floods, flash floods and landslides cause the greatest and increasingly serious damage, especially are in the northern mountainous regions. The report said that in recent years, natural disasters have tended to increase in number, frequency, unpredictable development and destruction, and are also becoming more and more severe due to climate change.

EPIDEMIC INCREASES, AFFECTING GLOBAL GROWTH AND VIETNAM

Over the past year, the Covid-19 epidemic appeared and developed in a complicated manner, seriously affecting all countries in the world. Vietnam's economy has a large openness, and international integration is deepening, so it has suffered many negative impacts of the epidemic in the socio-economic fields. Production, supply and trade, aviation, tourism, labor and employment activities have been delayed or disrupted due to the impact of the epidemic. Enterprises are severely affected, many businesses have to suspend operations or go bankrupt, dissolve or reduce the scale of production and business.

The disruption of many economic activities based on traditional foundations forces Vietnamese agencies and businesses to be bolder in researching and applying digital platforms in management, production and business activities, business.

The world is witnessing the rapid changes of the Industrial Revolution 4.0. Industry 4.0 comes from breakthroughs in many fields, including the digital wave of the manufacturing sector. Recognizing that importance, many countries have paid attention to and concretized priorities for digital economy development. In particular, the context of the COVID-19 pandemic has made the Vietnamese Government and business community more interested in the digital economy.

Despite being hit seriously by the pandemic, Vietnamese businesses can still see opportunities to grow and improve their capabilities. The elimination of the epidemic helps our country become a reliable address for foreign investors, a potential and safe destination for



According to the summary of the National Steering Committee for Natural Disaster Prevention and Control, since the beginning of 2021. Vietnam has had 8 storms. 3 tropical depressions in the East Sea, 109 light earthquakes, and 316 rains. rock, tornado, lightning; 140 heavy rains, local floods, of which 9 floods, flash floods, 157 riverbank landslides, 7 heat waves and 6 cold air waves, northeast monsoon. Estimated value of damage is about 1,428 billion VND.

If in a century, the sea temperature in Vietnam will increase by 3 degrees Celsius. The sea level in the Mekong Delta will increase from 55 to 75 cm, which will make 40% of the total area of the Mekong Delta flooded. The sea level rise and saline intrusion will make 45% of the Mekong Delta area saline by 2030.



the reallocation of investment capital flows in the world, especially the trend of shifting manufactory out of China of corporations in the world. With a large workforce and cheap labor costs, good infrastructure, and a geographical location near China, Vietnam will attract more and more attention from corporations wishing to move. The affected period of the Covid-19 epidemic is also an opportunity for businesses to test their endurance and ability to adapt to new situations; self-evaluate the current production and business situation, strengths, weaknesses and competitive advantages, on that basis, improve the production and business model towards efficiency and sustainability.

In the state of "the new normal", Baoviet has prepared for itself a proactive and flexible attitude, constantly learning, applying, creating, innovating the way of governance, enhancing digital transformation. Instead of being confined to traditional paths, Baoviet has embraced and mastered technology, joining the flat world to adapt to changes in the new state for constant growth and sustainable development.

BAOVIET JOIN HANDS TO CONTRIBUTE TO SOLVING GLOBAL CHALLENGES

FOR CHALLENGES FROM CLIMATE CHANGE

Q1 Climate change has an indirect impact on human health through the source of disease, increasing the likelihood of outbreak and spread of diseases, causing risks from Bao's health insurance and health insurance packages. Vietnamese. Risks to people and property also affect Baoviet with increased compensation costs.



PROACTIVELY ADAPTING

The damage of climate change to the country's economy poses a risk to Baoviet's business in terms of reduced people's incomes and possible shifting insurance priorities. substitute for other, more urgent risks of the client to serve short-term doals.

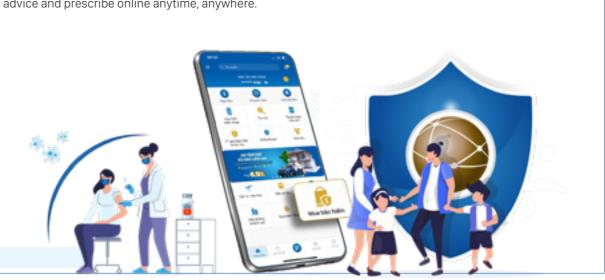
Adapting and responding to climate change is a global issue, but this can also be an opportunity if you know how to exploit and take advantage of it. Baoviet recognizes its responsibility in joining hands to solve challenges through the development of specialized products such as One-storm - tropical storm insurance, agricultural insurance, rice crop insurance... mitigate the damage and consequences of climate change.





In the face of the complicated and unpredictable situation of Covid-19, Baoviet has special policies for customers participating in insurance products such as: Payment of medical expenses for customers participating in insurance. If health is infected with Covid-19, insurance premium will be reduced by 15% for Bao Viet An Gia and Bao Viet Intercare products. Covered benefits include testing costs, treatment costs, inpatient hospitalization allowances, settlement of insurance benefits in case the Insured Person dies due to Covid-19.

In order to support customers with health check-ups, Baoviet Insurance has promoted cooperation with large companies in prestigious digital insurance technology, including Hitachi Group deploying the "Health is Gold" feature on the Internet. Baoviet Direct - application of artificial intelligence (AI) technology platform - analyzes indicators, living habits, test indicators, existing medical history to make an assessment of health risks potential... At the same time, deploying an online health consultation service using BaoViet Mydoctor application integrated on the website https://baovietonline.com.vn/; Customers will be connected to the system of leading general doctors and specialists in Vietnam through live video call, easily receive advice and prescribe online anytime, anywhere.



OVERVIEW

FACING WITH THE CHALLENGES FROM THE GROWING EPIDEMIC

In addition, in order to meet the increasing demand for medical protection and care, especially in the context of increasing risks like today, Baoviet Life has implemented a new financial solution "An Khang Hanh Phuc", providing lifelong and comprehensive protection against life's risks, especially in the early stages of cancer, stroke, heart attack, and superior medical care benefits.

In the state of "the new normal", Baoviet strengthens its digital transformation through the digitization of Baoviet's processes such as the compensation process, the process of managing reports and official documents, etc., towards a Baoviet" Paperless". At the same time, Baoviet focuses on improving the customer and agent experience by implementing loyalty programs (Loyalty), providing more sales tools for agents, increasing interactivity on websites. new platforms (MyAP, BaoViet Digital Platform); Promote the deployment of new products on e-commerce platform such as Life Care, Flight Delay, Electronic equipment insurance, Motorcycle and car insurance... as well as promote cooperation with financial technology companies (fintech) and payment intermediaries in building an insurance financial services ecosystem.

CIRCULAR ECONOMY - A GREAT OPPORTUNITY FOR SUSTAINABLE DEVELOPMENT

As one of the leading Financial-Insurance Groups in Vietnam, Baoviet is well aware of its role not only as an economic leader but also as a pioneer in announcing and realizing Sustainable **Development Strategy by taking specific** concrete actions in business decisions making, ensuring efficient economic growth, protecting the environment, and contributing to ensuring the peace and prosperity of the community on the basis of grasping international sustainable development trend and anticipating market opportunities.

Circular economy, simply understood, is turning the waste output of one industry into an input resource of another industry or circulating within an enterprise itself. The circular economy partly contributes to adding value to businesses, reducing resource exploitation, reducing waste treatment costs, and minimizing environmental pollution.

Achieving the Global Goals opens up a market opportunity worth at least \$12 trillion as surveyed by the Business and Sustainability Commission, which accounts for about 60% of the value of the real economy and plays a vital role in the economy. important in achieving the Global Goals. To seize all opportunities, businesses need to pursue social and environmental sustainability as vigorously and clearly as they pursue market share and shareholder value. The more businesses participate in this process now, the more together we will become a powerful force and soon achieve the sustainable development goals Baoviet sees the process of building the economy this week. It requires technology and innovation ability to effectively reuse resources, which is not only good for the environment but also improves the competitiveness of enterprises. Therefore, businesses play an important role in joining hands with the Government and relevant agencies to raise public awareness for rational exploitation and reuse of natural resources.



In the current context, the transition from a straight to a circular economy is essential for all countries in the world, notwithstanding Vietnam The four main reasons that this transition is required include:

The increase in demand for raw materials, while this resource is in- $\langle \! \! \! \! \! \rangle$ creasingly depleted, especially for mineral resources, non-renewable resources

Dependence on other countries, especially countries dependent on other countries for raw materials. This dependence leads to global political tension.

Impacts on climate change (emissions of greenhouse gases, espe-()cially CO₂) increase the process of extreme climate change, causing extremely serious consequences.

The transition to a circular economy with the goal of sustainable energy use will reduce the process of climate change;

Create economic opportunities, especially for business and science in the areas of innovation, design, recycling and creativity.

The circular economy is also increasingly interested by businesses. Cities developing in a smarter direction, reducing environmental pollution, saving electricity and water will stimulate a wave of investment in many new technologies such as proptech (real estate technology), fintech (financial technology). main), energy, smart mobility or many other services.

Baoviet understands that to build a good future requires the efforts of all of us from today, in which the business plays an active role in realizing this future. And to do that, we also need to build a specific roadmap to make up for the shortfalls in natural resources that humans have over-exploited in the past and in the present.



Baoviet always engages economic growth with environmental protection and social responsibility - three pillars on which a long-term success of Baoviet is built.

Among them, economic growth is the most important target since achievement of this goal is critical to fulfill social and environmental objectives.

DEVELOPMENT STRATEGY BUSINESS PERFORMANCE

WORLD TRENDS AFFECTING BAOVIET'S STRATEGY



BAOVIET ACCOMPANIES VIETNAM IN PERFORMING THE GOALS OF COP26

Baoviet has always engaged Economic Growth with Environmental Protection and Social Responsibility three factors that play a fundamental role in Baoviet's long-term success. Baoviet understands that in order to build a good future, it takes the efforts of all of us from today, in which the business plays an active role in realizing this future.



Source: Bigworldissues.com

At the United Nations Conference on Climate Change (COP) is an annual conference organized within the framework of the United Nations Framework Convention on Climate Change (UNFCCC) to assess the process of coping with climate change. Vietnam has made strong commitments with nearly 150 countries to bring net emissions to "zero" by 2050. The implementation of commitments at COP26, especially the commitment to bring net emissions to zero by 2050. "O" in the middle of the century is an inevitable and irreversible trend; the timely implementation of these commitments will bring great and long-term benefits to the country.

Baoviet understands that the business community can play a decisive role in driving climate action, both by reducing emissions in its own operations and by developing and applying new technologies that can can help reduce or prevent emissions. In 2021, in order to proactively adapt and realize its commitment to action in the application of technology to reduce emissions in business activities, Baoviet has focused on building a Digital Ecosystem, bringing value to customers. Add value to customers by optimizing data and workflows from internal departments, tools, and systems, as well as with customers, suppliers, and external partners. With specific actions, Baoviet is developing and perfecting its own Digital Ecosystem by taking advantage of technology solutions and digital resources to integrate products and services into the same platform. That helps Baoviet expand its business scale, increase its competitive advantage, and ensure its environmental impact is minimized.

Baoviet has implemented a series of synchronous solutions to improve the experience of customers, agents and consultants on the basis of perfecting the upgrade of the core system, interconnection between internal and external systems. strengthen cooperation with technology partners, payment partners and other ecosystems to form a complete digital ecosystem for Baoviet Holdings.

ENGAGING GLOBAL SUSTAINABLE DEVELOPMENT GOALS (SDGS) IN BUSINESS ACTIVITIES



United Nations Sustainable **Development Goals** to 2030, including:

169 Goals **Specific targets**

Responding to the call at the United Nations Summit on Sustainable Development to adopt the 2030 Agenda with a focus on the Sustainable Development Goals for the period 2015 - 2030, whereby businesses worldwide The world is called upon to assess its impact, set ambitious goals with strong determination, and publish results transparently.

OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

Based on the specific content of the 17 sustainable development goals of the United Nations, Baoviet analyzed, selected and integrated the sustainable development goals in the strategic direction of sustainable development to 2025. To align business activities with the Global Sustainable Development Goals, Baoviet not only integrates the objectives into strategic planning and business development, but also into every aspect of our operations. Adopting this fully integrated approach expands the strategic vision of the business, driving its decisions and activities with the expectation of long-term benefits for stakeholders.

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SUSTAINABLE DEVELOPMENT STRATEGY OF BAOVIET

STRATEGIC ORIENTATION ON THE SUSTAINABLE DEVELOPMENT OF BAOVIET IN THE MEDIUM AND LONG TERM

Recognizing the influences and opportunities from sustainable development trends in the medium and long term, Baoviet has linked the global goals on sustainable development of the United Nations in the process of formulating a development strategy to the future. 2020 and a vision to 2025 on the basis of the assessment of implemented activities and analysis of impacts on Baoviet.



ORIENTATION

The realization of economic goals is combined with the implementation of other social and environmental goals to ensure a balance between the interests of the stakeholders involved in the present and future activities to ensure implement Baoviet's long-term and sustainable development strategy.

Baoviet has always associated economic arowth with environmental protection and social responsibility - three factors that play a fundamental role in Baoviet's long-term success. In particular, the economic goal is the most important goal of Baoviet because the implementation of this goal is a necessary condition for the realization of social and environmental goals.

COMMITMENTS FROM BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

Business development strategy goes with commitment and decision of business leaders. At Baoviet, directives and commitments of achievement of sustainable development as well as engagement of sustainable development objectives with business activities receive strong consensus from Boad of directors. Board of management, middle level managers to employees.



REALIZE THE STRATEGY THROUGH EFFICIENCY ASSESSMENT CRITERIA

Baoviet announced the sustainable development orientation in Baoviet's development strategy with the commitment of senior leaders to ensure the implementation of 3 socio-economic and environmental goals. This strategic orientation is realized through the development of specific goals for each Center/Functional Division, Department and member subsidiaries. These objectives are quantified according to performance indicators (KPIs), which include financial (economic) and non-financial (environmental and social) indicators. At each subsidiary, the strategic orientation, action plan, and development goals of the subsidiary are disseminated and agreed upon to all employees through meetings to implement business tasks, employee conferences. activities, training courses, and disseminated to all staff.

MONITORING AND DIRECTING ISSUES RELATED TO SUSTAINABLE DEVELOPMENT

The Board of Directors of Baoviet Holdings maintains a quarterly meeting to discuss, exchange, unify and promptly give directions in operating the Group's business activities. At these meetings, the CEO, the Committees under the Board of Directors and managers report on key issues related to the economic - social environmental affecting the operation of the enterprise. The Board of Directors will review and make assessments and orientations

for production and business activities, including: assessing the socio-economic situation in order to make reasonable changes in business strategies, to closely direct the implementation of business plan and implement of the Annual General Meeting of Shareholders' resolutions; implementation of social security programs. The CEO implemented according to the Resolution of the Board of Directors issued after the meetings.

The Board of Directors oversees the implementation of Baoviet's strategy, which includes the sustainable development strategy. The Board of Directors is responsible for approving the implementation policy and approving the audited financial statements while sending them to the Supervisory Board for appraisal before submitting to the Annual General Meeting of Shareholders for final consideration and approval. The Board of Directors assigns the Management Board and the Division responsible for sustainable development to prepare and develop content in accordance with international standards on sustainability as well as suitability in accordance with laws, practices and conditions of Vietnam.

Baoviet also appoints a representative to join the Executive Board of the Vietnam Business Council for Sustainable Development (VBCSD) for the 2020-2022 term, through which Baoviet has the opportunity to update new trends in sustainable development. to engage in strategy and business activities more effectively, and at the same time commit to join hands with VBCSD's Board of Management in annual sustainable development activities to promote business towards sustainable development; Promote the replication and application of sustainability index in the Vietnamese business community.

In addition, Baoviet also established a 45-members Permanent Team on Sustainable Development, in which the Steering Committee includes the Chairman of the Board of Directors. the CEO and the Leaders of the Functional/ Inspection Committees - Internal audit, including clear decentralization for members for each target group based on the 17 sustainable development goals of the United Nations and the areas where Baoviet can have the greatest impact in implementing those goals.

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SUSTAINABLE DEVELOPMENT SHORT- MEDIUM AND LONG TERM

In shaping market opportunities brought about by the Global Goals for Sustainability on the basis of:



Baoviet understands that successful implementation of the Global Goals is the key to opening the door to long-term business development.

In order to adjust business activities in line with the global Sustainable Development Goals, Baoviet not only integrates these goals into the process of strategic planning, business development innovation but also in every aspect of business activities, from investment, operations to marketing, brand communication, management and human resource development... The application of this comprehensive integrated approach will broaden the strategic vision of enterprises, promoting decisions and investment activities with the expectation of bringing benefits in the long term when the trend of sustainable development becomes the inevitable trend and entering the acceleration cycle.

Based on the specific content of the 17 sustainable development goals of the United Nations, Baoviet analyzed, selected and incorporated these objectives in directives on sustainable development strategy by 2025 including:

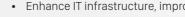




MID AND LONG-TERM (2022-2025)

INITIATIVES

- customers and society.
- interests.
- implementation of the Government's social goals.



- Promote sales to maintain revenue growth.

- promote micro insurance for low-income people.

OVERVIEW

DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

GRI Standard GRI 202 GRI 203 GRI 204

Maintain a leading company in insurance industry with total revenues over US\$2 billion.

· Adopt prudent investment strategy to ensure asset safety based on an effective distribution of

· Adopt responsible investment principles, continue to grow business, contribute to local

· Promote integrated financial - insurance product mix model, promote responsible

Develop new financial service - insurance product package to maintain interests of investors,

• Maintain revenue and profit growth, return on chartered capital at over 8% and shareholders'

• Effectively control risk and cost to improve business efficiency gains.

• Contribute to State budget through paying taxes and dividends, indirectly contribute to the

• Maintain a leading position in reinvesting back into the economy from premium sources.

Enhance IT infrastructure, improve customer service to gain business efficiency.

Diversify financial services and products to meet customers' needs.

Focus on core businesses: insurance - investment - finance - banking.

Promote synergy among subsidiaries, cross-sale, and improve competitive capability.

• Develop voluntary pension product, customized insurance package for critical illness, and



SUSTAINABLE DEVELOPMENT **STRATEGY OF BAOVIET**



SUSTAINABLE COMMUNITY CONTRIBUTION

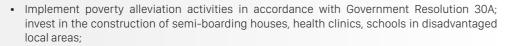




- · Support basic living conditions for people in disadvantaged areas to help them focus on their production to better feed themselves and their family.
- Invest in launching insurance packages which meets diversified needs of customers.
- · Develop highly professional human resources having capability to access to modern and advanced management skills.
- Invest in education and young generation for a bright future of the country.

• Narrow the income gap between urban and rural areas.

- · Invest in poor alleviation activities to improve living conditions for people in disadvantaged areas.
- · Ensure benefits and proper working environment for employees; improve income and living conditions for long-term commitment agents.
- Invest in improving the quality of education, develop the young generation and provide financial support for poor students.



- · Organize programs that carry the message "He for She" Men for Women at work to raise awareness about gender equality and women's rights
- Invest 1% of profit after tax for community activities such as support after natural disaster and war martyrs tribute;
- Invest in human resources training;
- · Perfecting the mechanism of evaluation and payment of wages according to productivity efficiency;
- · Engage employees with community activities such as fundraising through walking events, giving winter jackets to poor children...





- natural resources.
- customers, partners and all employees.
- commitment.
- of Baoviet's sustainable value chain.
- the environment and human health.

MID AND LONG-TERM (2022-2025)

INITIATIVES

SHORT-TERM

(2021 - 2022)

- Reduce by 10% consumption of petrol and electricity;
- energy and water consumed in the whole Group;
- Save paper, stationery and reduce waste in offices.
- Minimize the amount of plastic waste in office activities.



- Turn off air-conditioner system after 18h30;
- Review petrol and electricity consumption monthly;
- Replace electric water heater with D.O Oil Central Heating;
- plans.

INITIATIVES

SHORT-TERM

(2021 - 2022)

MID AND

LONG-TERM

(2022-2025)

· Use energy efficiently in office buildings through rational and conscious use of energy and

 Increase the use of recycled products and use of devices labeled as "green". Make a shift from environmental protection awareness to accompany Baoviet in environmental activities for

· Conduct supplier assessments and selection based on their social and environmental

Apply responsible investment principles in investment projects to ensure the implementation

Minimize activities that generate waste and pollute the environment, contributing to improving

Reduce usage of energy and natural resources thereby reduce greenhouse effect;

'Go green' lifestyle and promote sustainable consumption; apply 100% indicators measuring

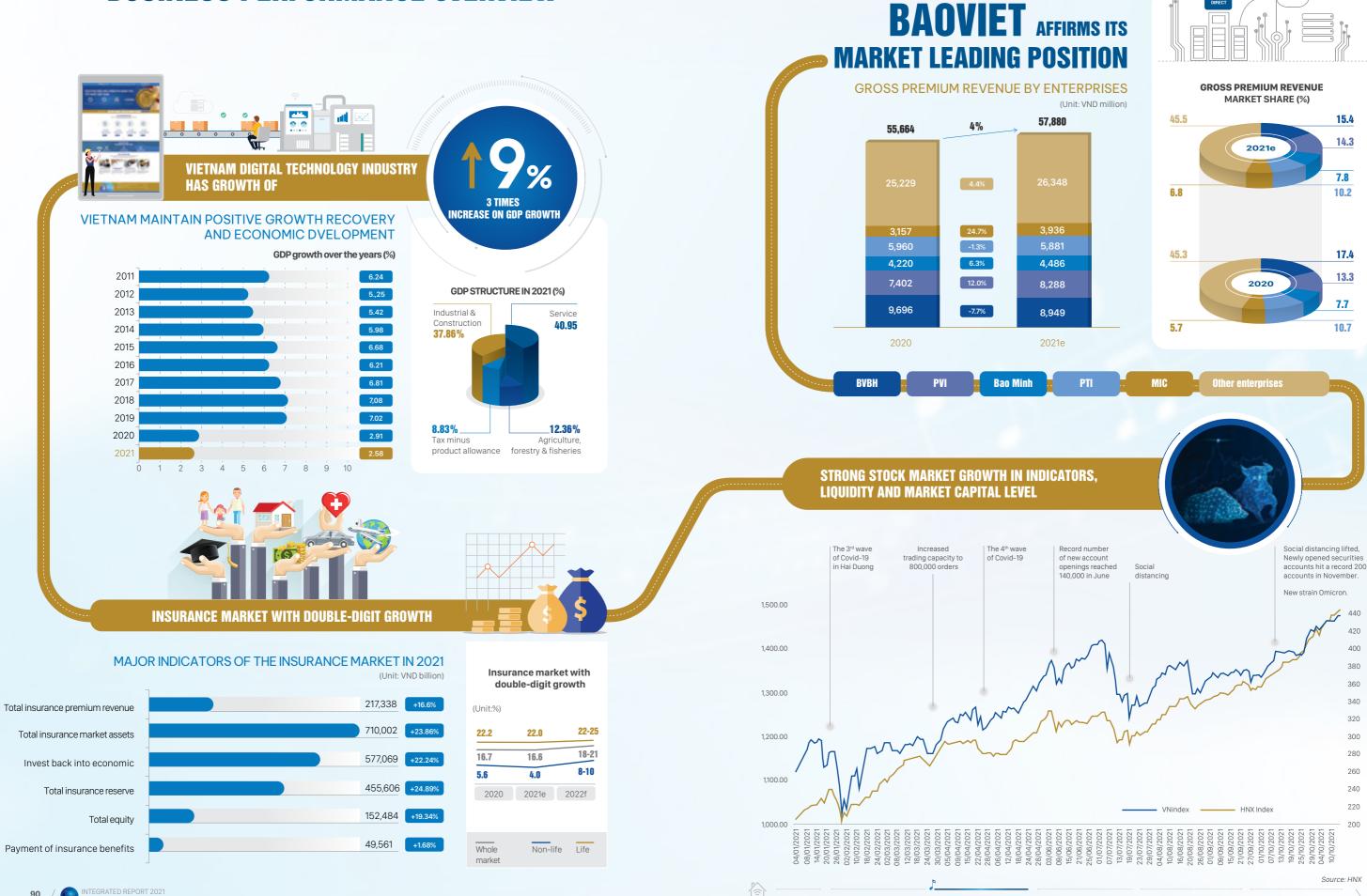
· Reduce greenhouse effect by reducing energy usage in buildings of Baoviet;

Control waste processing system in buildings of Baoviet to ensure environmental standards;

Increase review of agreements on environment and society with suppliers and investment



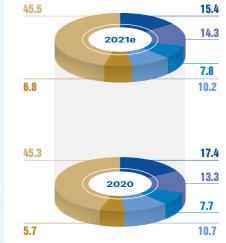
BUSINESS PERFORMANCE OVERVIEW



OVERVIEW



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accounts hit a record 200.000



MACROECONOMICS, VIETNAM INSURANCE FINANCIAL MARKET 2021



he fourth wave of COVID-19 has severely impacted Vietnam's economic growth, especially in Q3/2021. In 2021, Vietnam's GDP grew by 2.51% - lower than 2.9% in 2020. However, Viet Nam has made significant gains in its immunization programme. The combination of accelerating vaccination progress, a rebound in the manufacturing sector, rising consumer spending, and continued State support can help the overall picture of 2022 to be stronger economic growth. The stimulus package will have significant expenditures to serve the health sector.



SUCCESSFULLY ORGANIZE THE LEADERSHIP OF THE PARTY **CONGRESS, THE NATIONAL** ASSEMBLY ELECTIONS COMMITTEE, THE PEOPLE'S COUNCIL, AND ALL LEADERSHIP PERSONNEL AT ALL LEVELS

To strengthen the leadership at all levels, which is expected in all areas of innovation, policy; application of science and technology; innovation, creativity and use of talents in the new development stage of the country.

The Congress defined the country's development goals for the next five, 10 years and made Vietnam a developed, high-income, socialist-oriented country by 2045.





Sustaining positive growth, economic recovery and development





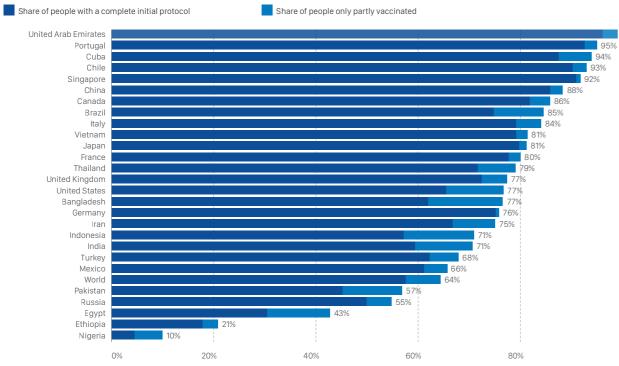
In 2021, our country experienced two protracted outbreaks of COVID-19 with the Delta strain spreading much faster than the old strain and being extremely dangerous and difficult to control.

With the accelerated vaccination campaign, from a very low vaccination site, Vietnam has surpassed itself as one of the countries with the highest vaccine coverage in the world.

Share of people vaccinated against COVID-19, Mar 28, 2022



CC BY



Source: Official data collated by Our World in Data Note: Alternative definitions of a full vaccination, e.g. having been infected with SARS-CoV-2 and having 1 dose of a 2-dose protocol, are

ignored to maximize comparability between countries



In 2021, many social protection policies to support workers and employers, people living with covid-19...were implemented by the Government, ministries, departments and localities such as Decree No. 52/2021/ND-CP on tax expansion and land rent; Resolution 68/NQ-CP on social security; Resolution 116/NQ-CP on supporting workers; Resolution 83/NQ-CP on reducing electricity prices; Circular 03-NHNN, then amended by Circular 14-NHNN on debt restructuring and reducing interest and fees...

5 social protection packages have been implemented: VND 26,000 billion support package from the budget; VND 38,000 billion support package from the unemployment insurance fund. Ho Chi Minh City spent more than VND 9,800 billion to support in 3 phases.

SUSTAINING POSITIVE GROWTH, ECONOMIC RECOVERY AND DEVELOPMENT

Since mid-October 2021, the Government has issued Resolution 128/NQ-CP to move to a state of safe, flexible and effective adaptation to control COVID-19.

increase.

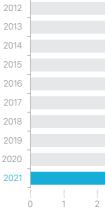
GDP GROWTH (%)

2011



Domestic product in 2021 to an estimated increase





ACCELERATED VIETNAM

DIGITAL TRANSFORMATION

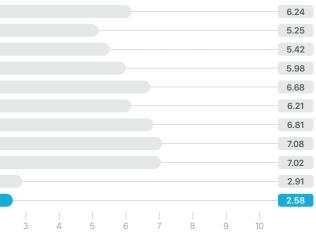
Vietnam's digital technology industry has a growth rate



The Covid-19 pandemic, in addition to the negative impact, also created a "shock" to promote the strong development of Vietnam's digital economy. One of the highlights in 2021 is that Vietnam has built a population database. This is an important database for developing e-government, digital economy and digital society.

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Economic growth in the last 3 months of the year was up, GDP in the fourth guarter was estimated at 5.22% year-on-year, higher than the 4.61% growth rate of 2020. This is an impressive reversal compared to the previous quarter's decline, bringing gross domestic product in 2021 to an estimated 2.58%





2021 is a year of strong digital transformation with highlights such as e-commerce, public services and digital services...





RUN FLEXIBLE MONETARY POLICY, ACTIVELY ADAPT TO COVID-19

The exchange rate is stable, interest rates are reduced and maintained at low levels, contributing to supporting businesses. In 2021, in the context of the outbreak of disease, rising commodity prices and world inflation, the State Bank has implemented a proactive and flexible monetary policy, following market developments to enhance macro-stability and support businesses. On the other hand, the interest rate in 2021 continues todecrease by 0.81%/year; in which, the average short-term loan interest rate in VND for some industries and sectors is 4.3%/year, lower than the maximum short-term loan interest rate as prescribed by the State Bank (4.5%/year).



Implementing e-invoicing - a major step forward in digital transformation and tax modernization



E-payment boom and official adoption of eKyc, Mobile

16 banks jointly reduce interest rates to support businesses and people affected by the covid-19 pandemic



US insists Vietnam does not manipulate currency

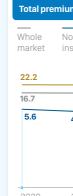


money in 2021

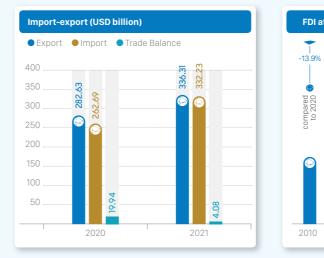
Vietnam's stock market recorded an explosive 2021 growth in all aspects, from indices to liquidity, the number of participants. The 1,500-point thresholds were conquered and brought confidence to many people despite the negative mentality in the face of information about the complex Covid-19 pandemic, including the new dangerous strain Omicron spread in many countries.

MAYOR INSURES: OVERCOMING COVID-19 CHALLENGE, SUSTAINING DOUBLE-DIGIT GROWTH .

2021, despite the complex COVID-19 epidemic affecting all aspects of socio-economic life, the insurance market in 2021 maintained a good growth rate. According to Vietnam Insurance Association estimates, the total premium revenue in the whole market in 2021 grew 16.6% compared to 2020, of which the original premium revenue in the non-life insurance market increased 4%; the total premium revenue in the life insurance market increased 22%.

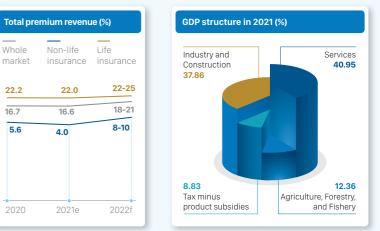


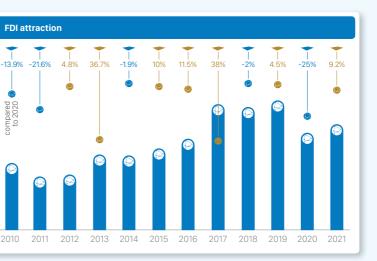
Indicators of the economy:















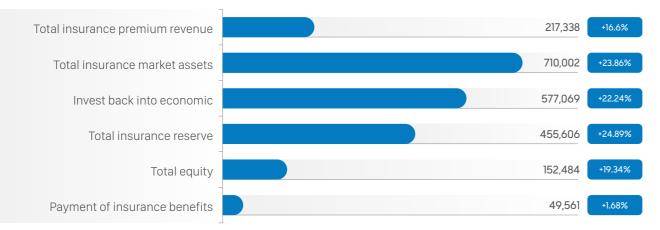
epidemic affecting all aspects of socioeconomic life, the insurance market in 2021



INSURANCE MARKET

According to the estimates of the Vietnam Insurance Association in 2021, total insurance premium in the market is estimated at VND 217,338 billion, up 16.6% compared to 2020, of which non-life direct insurance premium is estimated at VND 57,880 billion, up 4% compared to 2020; total life insurance premium is estimated at VND 159,458 billion, up 22% compared to 2020.

Key indicators of the insurance market in 2021 (billion VND)



Source: Vietnam Insurance Association, Insurance Administration and Supervision Department

The Ministry of Finance has implemented solutions to support the insurance market in the past time such as: Simplifying the compulsory insurance claim file of the owner of agricultural insurance, online insurance applications with legal value; Extending the policy of agricultural insurance support until the end of 2021; Reducing the deduction level for insurance protection fund in 2021 from 0.15% to 0.05%; Allowing the organization

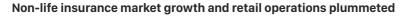
The non-life insurance market in 2021 has slowed, reaching only 4% compared to 2020, which is the lowest growth rate in many years. Bao Viet Insurance (BVGI) continues to rank #1 in the market for direct insurance premium revenue.

of online agent certificates; Regular and timely information to insurers on the orientation of research and development of the amended Law on Insurance Business...

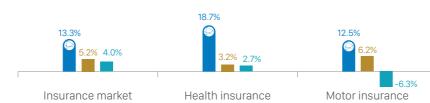
In 2021, insurers proactively cut costs, supplement charter capital to strengthen their financial capacity, invest in IT and digital transformation, expand distribution channels, especially bancassurance channels and online channels, diversify online toll collection channels, extend the time to pay insurance premiums to customers, build digital ecosystems, apply IT in coaching and training agents...

People's awareness of the importance of insurance has been significantly increased during the COVID-19 epidemic. People have therefore been more proactive in accessing and participating in insurance.

In 2021, the Covid-19 pandemic is more complicated than 2020 and has a negative impact on the insurance market, especially non-life insurance. Many non-life insurance operations are directly and visibly affected by Covid-19 such as motor insurance, health, tourism, credit, etc. leading to strong growth in the whole non-life insurance market in 2021, the lowest in many years.



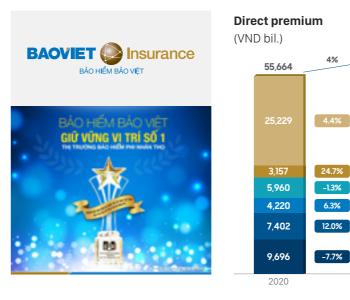




Source Vietnam Insurance Association



Despite negative growth (-7.7%), BVGI still holds the crown in terms of market share of direct premium revenue (reaching 15.4% market share). Meanwhile, PVI grew 12%, closing the market share gap with BVGI. The Top 5 saw the strong growth of mic, which in 2021 grew to 24.7%, surpassing the position of PJICO to enter the Top 5.



The bright point of the non-life insurance market in 2021 is that the compensation rate of the whole market is significantly reduced compared to 2020, from 36.9% to

33.4%

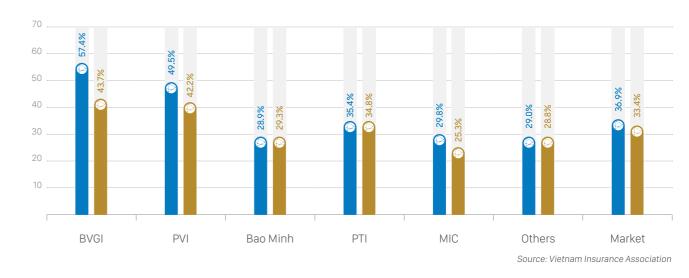
OVERVIEW

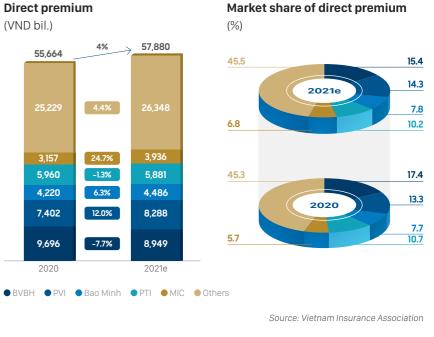
DEVELOPMENT STRATEGY

The compensation rate of BVGI has the strongest decrease in the Top 5, from 54.7% to 43.7%. Followed by PVI and MIC with reductions of 49.5% to 42.2% and 29.8% to 25.3%, respectively. Meanwhile, Bao Minh's rate increased. PTI and the average of remaining enterprises have a slightly reduced compensation rate compared to 2020.

Principal compensation ratio (%)

● 2020 ● 2021e







INSURANCE MARKET



Non-life insurance enterprises continue to apply technology to increase utility for customers, improve customer experience, promote forms of online insurance distribution, including cooperation with partners.





In 2021, BVGI received the award "Insurance Initiative No. of the Year". BVGI implemented BaoViet Mydoctor application - online health consultation integrated on the website baovietonline.com.vn. Implementing the "Health is Gold" feature on Baoviet Direct (using AI technology to analyze indicators, living habits, test indicators already available to assess potential health risks). Upgrade the quality of customer service with the E-Claim digital compensation assessment app. Deploy CI37 products, Institute Fee Security products on BVCare and with banks.

PTI applies OCR technology to online application issuance activities through the sales app - PTI Seller; distributing motor vehicle products on the online platform Break Field VN; deploying Insurtech rain insurance products in cooperation with NTUC Income (Singapore).

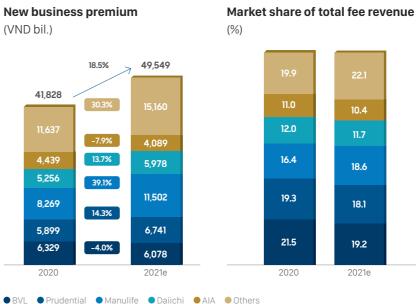
PVI implements compulsory car insurance of digital holders on the Tiki e-commerce platform. Besides, we also cooperate with Fclass booking app, Got It eGift platform...

MIC implements Online warp compensation technology via app (Al and OCR technology application).

The life insurance market maintained high growth momentum in the wake of the Covid-19 pandemic. Bao Viet Life Insurance (BVL) continues to be the leader in terms of total fee revenue.

According to Vietnam Insurance Association estimates, the total revenue of life insurance in 2021 reached 159,458 billion VND, a growth of 22% compared to 2020.

BVL continues to hold the number 1 position in terms of market share of total fee revenue, reaching VND 30,544 billion, accounting for over 19.2%, followed by Manulife (18.6%). With a high growth rate, Manulife maintained the number 1 position in terms of market share of new business premium in 2021 (23.2%). Prudential ranked 2nd with 13.6% market share, BVL ranked 3rd with 12.3% market share.



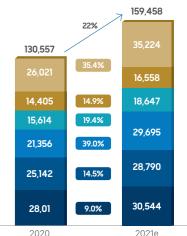
The dealer channel slowed down while the bancassurance channel boomed

Social distancing policies in many provinces in 2021 make it difficult for life insurance agents to reach customers. The dealer channel continued to slow down (9T).2021, an increase of only 9.6%, down from the 2020 increase of 19.5%.

Meanwhile, bancassurance channel boomed with a growth rate of nearly 64% (new business premium) in September 2021, nearly 3 times the 2020 increase (27.3%). Manulife, Prudential, Dai-i-chi are insurers that exploit the bancassurance channel strongly. In 2021, Sun Life Vietnam signed a 15-year cooperation agreement with ACB; BVNT signed a comprehensive cooperation with PG Bank.

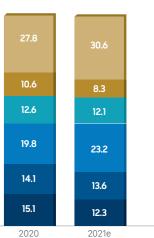
Total fee revenue

(VND bil.)

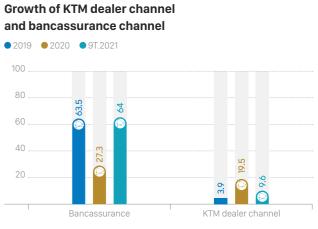


2020





Source: Vietnam Insurance Association



Source: Vietnam Insurance Association



INSURANCE MARKET

The trend of low interest rates continued in 2021 affecting the investment efficiency of life insurance enterprises. life insurance enterprises shifted the product structure to product lines with less sensitivity to interest rate fluctuations.

In 2021, the government bond winning interest rate has continuously decreased and is at the lowest level for the past 10 years. The 12-month interest rate continues to fall to the lowest level in history, an average of 1 percentage point lower in 2021 than the average in 2020. The low interest rate environment in 2021 continues to put pressure on the investment efficiency of insurance enterprises, increasing the provisioning of life insurance enterprises.

As of September 2021, there are 33 new products launched, focusing mainly on health/death products and investment links. In particular, Unit linked products include 05 new products of AIA (current product refresh), FWD, Generali, Manulife and MB Ageas. Manulife implemented the main health insurance product paid at actual cost. Chubb and Hanwha launched a new health supplement called health insurance to pay for the actual hospital fees and the global health insurance.



Life insurance enterprises promote digitization from the process of selling products (consulting, appraisal...) to receiving dossiers, paying fees, online insurance benefit settlement process... Some enterprises implement online health assessment services...

In 2021, BVL received the award of Vietnam's best life insurance business digital transformation application (Global Banking & Finance Review). BVL implements Life Care online on MyTNMT app. Implement Lifebot 24/7 - virtual customer service specialist on fanpage and website; online processes (online request paper and E-sign...).

Prudential launches eDoctor online appraisal health checkup, launches Pulse by Prudential (developed on Al platform) health care app.

Manulife Launches MaxX D App - Digital Solutions Acting as Virtual Assistant for Agents, integrating Manulife's network of digital solutions including ePOS, eClaims and ManulifeMOVE.



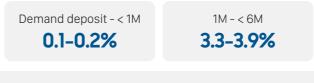
BANKING - FINANCE - CURRENCY MARKET

The State Bank operates flexible monetary policy, the interest rate for raising and lending at commercial banks is continuously adjusted down during the whole year 2021, maintaining the ground interest rate at the low level at the end of 2021.

At the end of December 2021 according to the State Bank, the interest rate of 6-month term mobilization decreased by about 30-50 basis points compared to the average in 2020. The 12-month interest rate continues to fall to the lowest level in history, an average of 1 percentage point lower in 2021 than the average in 2020.



VND interest rate (12/2021)



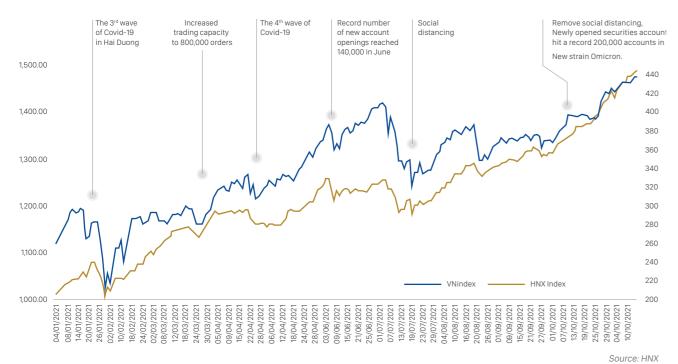
OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS



STOCK MARKET

2021 was a stock market boom with strong growth in indices, liquidity, and market capitalization.

Developments in VN-Index and HNX index in 2021



VN-Index STRONGEST **GROWTH MARKETS** IN THE WORLD

Overall, by 2021, VN-Index has increased by nearly 36% compared to the end of 2020 and reached the top 10 strongest growth markets in the world. Specifically, VN-Index increased 12.31 points (0.83%) to 1,498.28 points, HNX-Index increased 12.34 points (2.67%) to 473.99 points, UPCoM-Index increased 1.07 points (0.96%) to 112.63 points.

to be the market with the second strongest increase in the world.As of June 30, 2021, the VN-Index reached 1408.55 points, an increase of 27.6% compared to the end of 2020.Along with the strong growth of the index, the stock market capitalization also increased strongly. As of December 28, the market capitalization reached VND 7,729 trillion, up 46% compared to the end of 2020, or 122.8% of GDP. VN Index maintained positive momentum in 2021 and officially surpassed the 1.500 point mark on November 25, 2021, despite experiencing two severe Covid19 waves at the end of January 2021 and May 2021.

Vietnam's stock market is considered

In 2021, the average value and volume of transactions reached over VND 21,593 billion and 737.29 million shares, respectively, up 247.27% in value and 120.43% in average volume compared to 2020. The total value and volume of share transactions reached about 5.39 million and 184.32 billion shares, up 244.51% in value and 118.68% in volume, respectively, compared to 2020.

2021 also saw a sharp increase in the number of investors participating in the stock market. The total number of securities accounts amounted to 4.08 million accounts, an increase of more than 47% compared to the end of 2020.

Bank stocks led the market in 1H 2021 while real estate stocks rocked the index in the last three months of 2021.



1.500 POINTS

1,500.81 points (25-11).



Since the beginning of the year, the average transaction value has reached more than VND26,560 billion/session, up 258% over the previous year. The 19-11 session alone recorded a record of more than VND56,100 billion.



of GDP in 2020.



4,000,000 ACCOUNTS

In the past 11 months alone (latest data), there have been more than 1.3 million new accounts opened by domestic investors, bringing the total number of securities accounts in Vietnam to 4 million, approximately 4% of the population, an increase of more than 47% compared to the end of last year.



Despite experiencing many fluctuations due to the pandemic, the VN-Index still closed 2021 with 1,498.28 points, up 36% within a year, close to the historic peak of

VND56,100 BILLION/SESSION

The stock market capitalization increased sharply, reaching more than VND 7.7 million billion as of December 28, up 46% within a year, approximately 123%

VND 444,940 BILLION DEVELOPMENT CAPITAL

Total capital mobilization on the stock market in the first 11 months of the year reached more than VND 444,940 billion, up 23% over the same period last year.

Source: SSC



BOND MARKET

The bond market in 2021 continues to receive great support from monetary policy when the SBV injects a significant amount of dong into the system.



For the government bond market, in 2021, the Ministry of Finance continued to comply with Resolution No. 128/2020/QH14 of the National Assembly on the 2021 state budget estimates to mobilize capital for the State budget. Accordingly, the volume of TPCP mobilization in the market in 2021 is 318,213 billion VND. The average issuance term is 13.92 years (a decrease of 0.02 years compared to the end of 2020), the average issuance interest rate is 2.30% (a decrease of 0.56% compared to the end of 2020).

The downward trend in yields continues to prevail. Market liquidity decreased slightly compared to 2020.

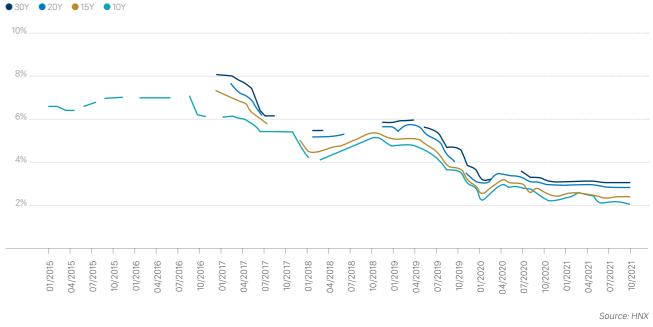
- Short-term bond yields rose slightly, due to the fact that the average interbank interest rate this year was higher than that of the same period last year.
- · Despite the lack of liquidity, the decline in long-term bond yields was modest especially in Q3.

The reason is, interest rates have fallen guite sharply over a long period of time, so the investor mentality is quite sensitive to the underlying factors that can change macro stability.

• The reasons for the decline in bond yields: (1) Banks still show a move to relax monetary policy to help the economy recover from the pandemic. (2) The government has always shown an effort to control the disease. (3) Government bonds remain the top choice for liquid, fixed-vield assets.

Billion VND	2020 Release Plan	Quantity Released	Finished plan
5 Years	35,000	20,768	59.34%
7 years	10,000	5,481	54.81%
10 year	145,000	133,906	92.35%
15 years	125,000	103,704	82.96%
20 years	23,000	23,885	103.85%
30 years	35,000	30,469	87.05%
total	373,000	318,213	98.21%

Evolution of average bid winning interest rates 2015-2021



CORPORATE BOND IN VIETNAM

In 2021, 594,5

(+35.83% YOY) BILLION VND

of corporate bonds were issued domestically. Besides, there are 6 international bond issues with a total value of

(The total value of the issue is estimated at ~ 644,000 billion VND).

Corporate Bond market has quickly adapted to the new regulatory framework: since May the volume of issuance has increased again. The main form of issuance is individual issuance (98.5%).

Banking and Real Estate (accounting for 37% and 36% respectively) continue to be the main issuance sectors. Issuing interest rates tend to decrease slightly along with the downward trend in lending rates.

Real estate bonds: issued reached VND 210,950 billion (+61% yoy). It can be seen that the development of real estate bonds originates from both the supply and demand sides when investors are real estate enterprises that need to raise capital to implement the project. Meanwhile, investors, especially individual investors, also look for products with better profitability than savings interest rates.



ROACTIVELY ADAPTING





REAL ESTATE MARKET



In 2021, the series of difficulties for the real estate sector (real estate), the market continues to be unbalanced in supply and demand, "Earth fever" occurs after each Covid-19 pandemic.

In the first months of 2021, especially in the first quarter, the situation of "land fever" occurred from the North to the South, in all regions of the country, the average increase was 30 - 100%, due to three main reasons: Planning information, infrastructure development led many investors to expect such as planning along the Red River, some districts in Hanoi to the district, planning Da Nang, planning Thu Duc (Ho Chi Minh City) to the city...; The strong inflow of foreign investment into industrial development followed the increase in infrastructure demand, causing the price of land in many low-lying areas in many localities to skyrocket; In addition, the fever was also caused by the price of land inflated.

2021 is the first year of mass implementation of new laws and codes related to the real estate market, such as the Law on Investment, the Law on Real Estate Business, the Law on Housing, the Law on Environmental Protection, the Law on Enterprise Income Tax... in conjunction with the Law on Construction (amendment) to ensure the synchronization of the legal system related to the approval of investment policies, investor approval, recognition of investors of housing projects, real estate).

By 2022, the economy is forecasting a rapid recovery, when the economic recovery program is well implemented, including the proposed social housing credit package of VND 65,000 billion; The housing development strategy of the Ministry of Construction is urgently completed and submitted to the Government for approval; Public investment, especially legal issues are strongly resolved in the past and will soon amend the Land Law. The Government is also amending the Decree on housing for industrial park workers... which will have a positive impact on the real estate market.

MARKET OUTLOOK FOR 2022



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The narrowing of the easing monetary policy packages is the trend in 2022. In terms of policy adjustment speed, there will be divergence when the Fed is likely to be the leading bank.

The IMF lowered its global growth forecast for 2022 to 4.4%, 0.5% lower than the forecast published last October. According to the IMF, the factor leading to this decline is due to the recent outbreak of the Omicron variant, although experts forecast that the number of new cases due to this variant may decrease gradually starting from the second quarter of 2022. In addition, the geopolitical tensions, especially the Russian-Ukrainian tensions that took place in early 2022, have not been calculated by the organizations and will continue to be updated in the latest forecasts.

business as follows:





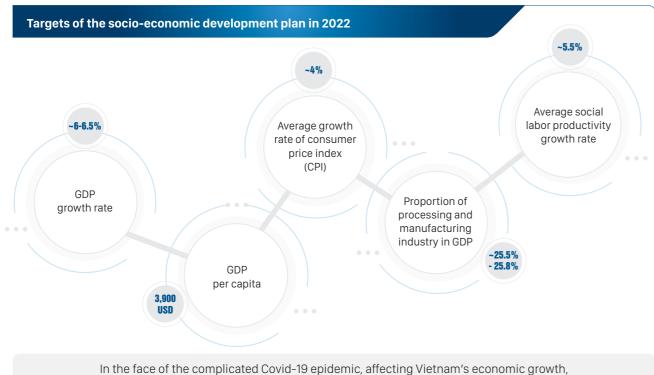
In 2022, with the prospect of vaccines and Covid-19 control, the world economy is projected to continue to record growth. Rated consumer demand will maintain momentum as economies open up more strongly, and investment may decline as some governments' fiscal balances shrink with the pandemic's prolongation.

In that context, Bao Viet Group recognizes the macroeconomic and market impact on Bao Viet's





According to Resolution 01/NQ-CP of the Government on the main tasks and solutions for the implementation of the socioeconomic development plan and the state budget estimates in 2022.



as well as geopolitical tensions in Ukraine, energy prices have risen.

It is forecasted that inflation may rise higher than the average in previous years, but remains under control thanks to:



(2)

The Government continues to backtrack on the base salary increase, instead of the planned increase in July 2022;

Food and consumer goods group, which should be monitored for the risk of short supply due to interruption of production after the transaction;

Flexible operating monetary policy,

Prices of public goods and services, electricity, water, health in the Government's management and control capacity.

However, it is necessary to monitor the factors that put pressure on inflation:



Domestic consumer demand recorded а significant improvement in non-essential consumer groups (entertainment, clothing...).



(3)

The price of raw materials and inputs is high and can maintain this ground until the first half of 2022.

The medical team may also record increased pressure, in the service of treatment and prophylaxis needs.



It is forecasted that by 2022, GDP growth will reach 6.5%-6.8%. Consumer demand gradually recovered. The economic stimulus package on a reasonable scale will help Vietnam to keep pace with the pace of the world's recovery.

GDP growth 6.5–6.8%	Inflation ≈ 4%

FACTORS AFFECTING ECONOMIC GROWTH







13-15%

Covid will become a treatable disease in 2022, but the probability of infection for vaccine-resistant strains will

The economic stimulus package, as well as the monetary policy of the State Bank continue to relax, will create

Public investment will be a key enabler of economic recovery. The public spending package will focus on key

China's economy is slowing down and the "Zero Covid" policy is likely to add more risk to Vietnam's growth

Russian-Ukrainian geopolitical tensions have caused high energy prices to rise, affecting the supply chain as



2. INSURANCE MARKET



According to Swiss Re, Vietnam's insurance penetration rate is still low (in 2021 it was 2.3% of GDP. of which 1.6% of the domestic insurance market and 0.7% of the domestic insurance market). In addition, by 2025, Vietnam will reach the target of 15% of the population participating in life insurance (11% by 2020).



For non-life insurance



It is forecasted that the non-life insurance market will recover and grow in 2022, reaching





The life insurance market is forecast to maintain positive growth in 2022, reaching



Health insurance and personal accidents are projected to be the main growth drivers due to the public awareness raising pandemic of health and death concerns. However, this may be hampered by continued slowdown in group health insurance (Fitch Solutions - Q1.2022). Motor insurance is expected to recover thanks to the policy of reducing registration fees by 50% to help the consumption of automobiles grow strongly again in 2022.

According to AM Best, the general trend is for insurers to develop simple, innovative and customer-oriented digital products. The insurers continue to develop relationships with financial institutions (bancassurance channel), strengthen cross-selling activities and exploit exclusive distribution rights, invest in the development of online distribution channels.

The insurers promote digital transformation and digital processes in both sales and operations, optimize the process of serving customers from information processing, product sales, compensation payment; continue to aim to build a closed, safe and secure digital ecosystem, bringing convenience to customers. Insurance enterprises continuously improve the way of purchasing and paying flexible fees, exploit mobile money services to provide microinsurance.

For the life insurance sector

The bancassurance channel continues to be a key growth driver. In 2022, a number of major bancassurance deals such as Tech and VPBank continued to renegotiate contracts with Manulife and AIA. HDBank and LienVietPostBank can sign a new exclusive banca contract (according to SSI). Parallel to the individual agent channel, insurance enterprises expand the exploitation of organizational agent channels (financial services companies, e-commerce floors, e-wallets...).

According to Fitch Solutions' Q1.2022 Report, life insurance businesses will offer a variety of savings and protection products targeted at the emerging middle classes. At the same time, the insurers will continue to develop diversified health insurance and health care products to attract customers.

Besides the prospective factors, the insurance market in 2022 will face a number of challenges

• Covid-19	Risks of new strains challen continuing to impact the ins
• Inflation	The potential increase in ir in insurance industry through
Interest rate	The interest rate in 2022 is f the low ground as in the firs The low interest rate env investment efficiency of ins
Indemnification	The loss rate in 2022 is fore 2021, especially motor insur
• Risk	Cyber security risks, increas
Potential competitors	Competitors from outside retailers, health companie proprietary digital platform,
• Legal	Amendments to the Law of 2023, on new regulations models; promoting coopera transparency, consumer p solvency and capital adequa requirements and risk mana
٩	

In addition, people are increasingly knowledgeable about technology, promoting the development of Insurtech insurance technology, following the trend of insurers competing for service and product quality, increasing the utility for customer service experiences. The insurers promote digital transformation, sales automation according to the trend of using AI in accessing customer data.

- nging the economic recovery process, surance market, especially non-life insurance;
- inflation in 2022 affects the profitability of the n increased costs and compensation;
- forecasted to increase slightly but still remain at st period of 2021.
- vironment continues to put pressure on the surance enterprises (AM Best).
- ecasted to increase higher than the low level of rance operations, BHSK...
- ising disaster risks...
- the industry such as technology enterprises, es. 2021 marks Vietnam's first life insurance , Tiki, in partnership with AIA.
- on Insurance Business, effective from July 1, on risk-based management and supervision ation, M&A, technology application, information protection... In particular, the regulation of lacy ratio will have a strong impact on the capital agement of insurance enterprises.



3. MONEY MARKET

With the flexible operating policy of the State Bank, the money market is forecast to continue to stabilize in 2022.

SBV maintains consistent policy orientation in 2022, focus on controlling bad debt in the banking system: require commercial banks to continue to accompany and support capital sources for businesses recovering from the pandemic. Therefore, credit growth may be higher than 2021, reaching 13% - 15%.

The foreign exchange market and exchange rates are stable. The SBV has a flexible and consistent policy to control inflation and macroeconomic stability in general and the exchange rate in particular. However, if the FED loosens its currency earlier than expected, the USD rises more than other foreign currencies; thereby putting pressure on VND. VND is forecasted to fall by no more than 2% compared to USD.

It is forecasted that the level of interest rate mobilized in 2022 will go sideways or increase slightly by 25-50 basis points and maintain a stable state in accordance with the world market trend thanks to: (i) the average CPI for the whole year 2022 increases compared to 2021, but remains within the control: (ii) The process of relaxation of the major banks in the world will take place at a slow pace, the time when the Fed starts to raise interest rates may appear at the end of 2022; (iii) The orientation throughout the SBV is to ensure systemic liquidity, keep the capital at a low level, and devote resources to handling bad debt.

Loan interest rates can be further reduced to support businesses recovering from the pandemic thanks to: The State Bank actively regulates the supply of money and liquidity when necessary. LS mobilized steadily at low ground long enough to be a prelude to the downward trend of LS lending.

4. STOCK MARKET



regained The Vietnamese economy economic growth momentum, inflation was high but under control. The economic stimulus package was adopted, reducing taxes. Banks in major countries started withdrawing money and raising interest rates. Interest rates in Vietnam may rise slightly but remain low. The stock market will generally remain an attractive investment channel - especially for individual investors

The new information technology system of the Department of HOSE, to be able to bring other products in the market such as T-0, or meet the conditions for the Vietnamese market to upgrade to emerging markets soon.

VnIndex tends to gain points in 2022. In the first half of 2022, when many new policies are activated, there will be high expectations for investors. However, the stock price balance at the current stage has generally been pushed up to a level that is quite much higher than at the beginning of 2021. It is forecasted that VN Index level in 2022 will increase by about 10-15% compared to the average level in 2021.

Vietnam's stock market will face high levels of volatility in 2022 with many short up - waves alternated by bearish shocks, but the general trend is still upward.

Forecast in 2022, VN Index aims to peak at 1650-1700 points, with 2022 P/E equivalent to 16.x times. VN Index averages between 1400-1500 points.



5. MARKET VALUE OF BONDS

Overseas companies:

The demand for TPCP issuance may increase in 2022, the volume of issuance is about 400 trillion VND.

The volume of TPCP maturing in 2022 decreased sharply compared to 2021, reducing the pressure to issue debt restructuring.

Banks in major countries began to loosen their currencies and raise interest rates. Interest rates in Vietnam may rise slightly in the second half of the year but remain low.

The SBV's policy is to keep the market interest rate 1 at a reasonable low level, with abundant forecast system availability, in the conditions of excess supply and demand, TPCP interest rate will basically maintain the low ground as it is, with a small adjustment margin (20-50bsp). Intertwined in the declining rhythms are the rhythms that increase with the fluctuations in the world market.

10-year TPCP yield around 2-2.5%/year.

10-15Y long maturities continue to be preferred due to better yields compared to capital expenditures.





If the Covid-19 pandemic is well controlled, 2022 will be a vibrant year of the real estate market. The most important drivers are the Government's efforts to accelerate the disbursement of public investment capital for key infrastructure projects and to remove legal bottlenecks, the high rate of vaccine

ROACTIVELY ADAPTING

Corporate bond market:

Corporate bond market in 2022 is forecast to continue to grow with the expansion of both scale and product diversity.

Transparency of market information will continue to be improved now accompanied by compliance with the legal corridor aimed at ensuring sustainable development. The potential for growth in the long term in consideration of the growth of the economy is accompanied by the need to expand the business of enterprises, followed by the need to use capital. The favorable factor for the corporate bond market in 2022 is the ground for low maintenance interest rates. However, challenges and opportunities also go hand in hand when increased competition comes from the bank credit channel; the legal framework continues to be perfected and requires highly adapted members.

Yields of corporate bonds are likely to decrease with the trend of low lending rates and increased liquidity of bonds with the expectation of concentrated secondary corporate bond exchanges.

coverage and the reopening of international airways. In the long term, the rapid rise of the middle class along with the rapid pace of urbanization and some objective favorable conditions in terms of geographical location or young population will help many segments of real estate have significant demand, which is a condition for the BDS market to continue to be dynamic and develop.

Considering the most optimistic scenario is that economic activities are fully restored, the segments will also recover at an unequalled rate. Industrial, residential and office properties will have many advantages and continue to have strong growth momentum even in 2022. Resort properties need more time because of the close relationship with the recovery momentum of the tourism industry, sometimes it takes 2 or 3 years to reach the growth rate as in the previous period.



Despite the ongoing global pandemic of Covid-19's repercussions, severe and far-reaching, are being felt across the world, through determined efforts, Baoviet Holdings in 2021 susceeded to retain its leading position in both life and non-life insurance sectors thanks to sustainable development strategy as well as strong consensus and concerted efforts to adopt and implement 4.0 technology solutions to opitimize all resource and promote synergy of the whole Group.

BUSINESS PERFORMANCE



50,380 Total consolidated revenues

outperformed the plan by 3% higher than 2020

2,376 **Consolidated profit after tax** increased by 43% outperformed the target

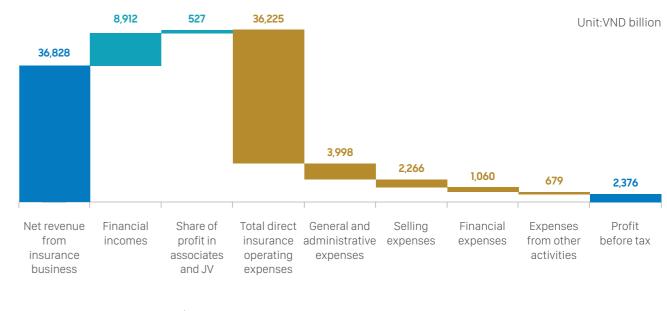
169,504

BUSINESS PERFORMANCE HIGHLIGHTS OF BAOVIET HOLDINGS IN 2021



In 2021, regardless of the pandemic's damaaina consequences. economic downturn and stiff competition among insurers, especially in life insurance while the sector witnessed a decrease in growth, Baoviet Holdings' 2021 total revenues and profit far outperformed the plan when Total revenues reached over VND50.380 billion and Profit before tax was VND2,376 billion, correspondent with the excessive proportion over annual plan 3% and 43% respectively.

Additionally, financial activities is also a bright spot of the year with the revenue of VND8,912 billion, profit of VND7,852 billion. This result is remarkable despite the pandemic crisis, and significantly contributed into impressive business performance of Baoviet Holdings.



Tỷ ĐỔNG

DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

OVERVIEW

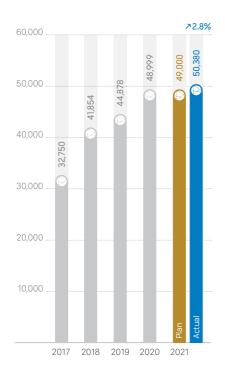
As a leading Finance - Insurance Group, 2020 positive business performance is driven by buyoant insurance activity when net revenue from insurance activity reach VND36,828 billion, 7% higher than 2020. This embraced BaoViet Group to reinforce its leading position in both non-life insurance and life insurance markets as a result.

CONSOLIDATED **BUSINESS PERFORMANCE**

TOTAL REVENUES ____



Consolidated Revenues 2017-2021 Unit:VND billion

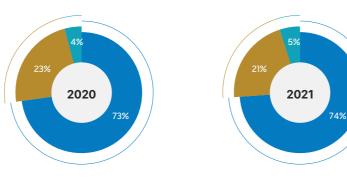


DELIVER POSITIVE GROWTH IN ALL BUSINESSES

Despite witnessing harsh Covid lockdowns in 2021, Baoviet yet posted a year of strong growth in all businesses, which was driven by technology development strategy developed years ago, delivering a compete digital ecosystem as a result of taking advantage of information solutions and digital resources; as well as internal resources improvement with timely policy responses, R&D strategy improvement to create breakthroughs in products, distribution channels and customer services. Total consolidated revenues hit a record high of VND50,380 billion, outperformed the plan by 2.8% and 2.8% higher than 2020.

Revenues by core businesses 2020-2021

• Life insurance • Non-life insurance • Financial services and others



Baoviet thus achieved a strong performance in all core businesses, specically:



Total revenues of Life insurance business (VND billion)



NON-LIFE INSURANCE BUSINESS

Total revenues of Non-life insurance business (VND billion)

10,588

FINANCIAL SERVICES AND OTHERS

>2,500

Revenues from office rental,

management businesses

construction and real estate

Total revenues of **Financial services and others** (VND billion)

(VND billion)

Life insurance business retained its market leader with a total revenue of VND37,848 billion, up 4.6% than the previous year. Premiums achieved VND30,562 billion, 9.0% higher than 2020. Premiums from existing policies maintained its growth momentum with 12.7% higher than the previous year, resulting from great efforts into R&D to meet customers' demands. The contribution of life insurance's revenues remained the largest share of total Group's revenues (74%).

Non-life insurance business maintained its market leading position for years. Total revenues reached VND10.588 billion, accounting for 21% of total Group's revenues; of which gross written premium touched VND8,949 billion. Claim ratio was 43.7%, considerably decreased compared to 2020 (54.7%), aiming at business efficiency improvement in non-life insurance sector.

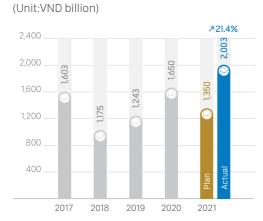
Financial services and others contributed total revenues of VND2,500 billion and delivered phenomenal growth of 34.1% compared to the previous year, which accounted for 5% of the total Group's revenues. During 2021, investment activities were adversely impacted by remaining low bond and deposit's interest rates. Have been being leader in securities and fund management bussinesses for years, Baoviet proactively and promptly indentified and seized investment opportunities, hence, investment activities delivered robust growth. Total revenues from securities recorded a spectacular growth of 130.3% compared to the previous year, reaching VND1,147 billion. Fund management business witnessed a steady growth with total revenues of VND115 billion. Total asset under management of Baoviet Fund in 2021 reached VND96,298 billion, grew by 22.6%.

Revenues from office rental, construction and real estate management businesses maintained stable in despite of the Covid 19 pandemic and harsh lockdowns and achieved VND312 billion, attributing to the Group's remarkable performance of the whole Group.

OPTIMIZE OPPORTUNITIES, CONSOLIDATED PROFIT AFTER TAX DELIVERED STRONG GROWTH

From the beginning of 2021, despite much of difficulties and challenges of the economy, with concerted efforts, Baoviet promoted synergy of the whole Group with advanced technology platform and a complete ecosystem to sustain growth momentum. Baoviet thereby posted a successful year in 2021 when Consolidated Profit after tax recorded at VND2,003 billion, increased by 21.4% compared to 2020 and 48.4% outperformed the target.

In the context of less favourable business environment along with challenges in technology application (lower profit of investment activities as a result of remaining low interest rate while insurance business requires high investment proportion of bonds and deposits; high network maintenance and expansion costs, huge investment costs in technology system,...), Baoviet yet indentified early and attemped to adopt comprehensive business solutions, as a result, Baoviet recorded significant profits in all businesses.



Consolidated profits 2017-2021

Structure of Profit After Tax 2020 - 2021

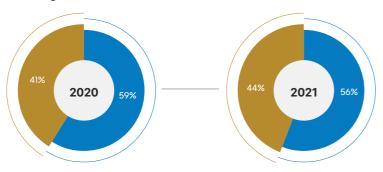
• Insurance • Financial services and others



specifically:

- Following the successes of the restructing, as well as adapting to digital business environment, Profit After tax from Non-life insurance business delivered an impressive growth of 192.6% compared to 2020 and achieved VND207 billion. Profit After tax of life insurance business reached VND875 billion, equivalent to the previous year.
- Financial services and others contributed Profit of VND830 billion and delivered significant growth of 27.5% compared to the previous year, resulting from impressive performance in securities business and high investment returns at the Parent company and BVIF managed by Baoviet Fund Company (BVF).

Insurance businesses still remained the largest contributor into the Group's profit (56%), financial services and other businesses accounted for 44%. Profits from financial services and others highly increased compared to previous year thanks to buoyant stock market and high effectiveness of investment activities. The proportion of financial services and other businesses in the Group's profit thus was much higher.



TOTAL CONSOLIDATED ASSETS

(Qu Total consolidated assets of Baoviet Holdings by the end of 2021 reached VND169,504 billion. Deposits and bonds remained the main investment channel, in order to best utilize market's opportunities as well as to assure longterm insurance liabilities.

 Long-term investments 	 Other assets
 Fixed assets, investment pr 	operties, CIP
 Reinsurance assets 	 Account receivables
 Short-term investments 	 Cash and cash equivalent

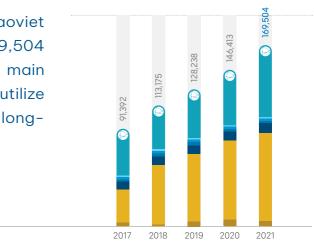
Total consolidated assets

Robust growth in Total Consolidated Assets (more than VND23,000 billion, equivalent to 15.8%) were mainly driven by funds from insurance business. This growth mainly lay in long-term and short-term financial investments (VND82,007 and VND67,383 billion respectively and up 11.2% and 29.9% respectively compared to 2020).

Regarding long-term financial investments, to ensure the balance between responsibilities of insurers and rights of insured (to facilitate asset-liability management for life insurance), long-term bonds maintained to be the largest proportion - recorded at VND50,903 billion, rose by VND16,950 billion compared to 2020.

2021 total consolidated assets by core items Unit:VND billion • 2020 • 2021





2017-2021 total consolidated assets Unit-VND billion

Regarding short-term financial investments, short-term deposits witness an increase of nearly VND7,000 billion compared to 2020, contributing into a higher investment portfolio and higher total assets. Taking advantages of favourable short term deposit interest rates in the context of market turbulence, new funds from insurance activities were partly distributed for short-term deposits, which facilitated to optimize investment returns as well as to be flexible with long term opportunites when arise.



Total consolidated assets' structure

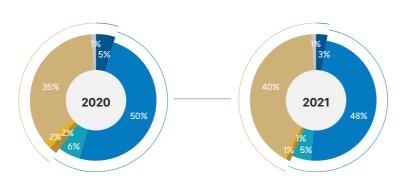
Total consolidated assets' structure by the end of 2021 remained stable with the largest contribution from financial investments, yet there was a slight shift from short-term to long-term financial investment. Short term investments' proportion slightly dropped yet still remained the main channel (48%). Percentage of long term financial investments increased from 35% to 40% by the end of 2021 since long-term bond investment rose by nearly VND17,000 billion compared to 2020.

Maintaining high proportion of short-term financial investments in recent years is to take full advantages of favourable movements of short term deposit interest rates while long term bonds' rates kept such low, attractive long term investments were limited.

2020-2021 total consolidated assets' structure

- Cash and cash equivalent
- Account receivables
- Fixed assets, investment properties, CIP Long-term investments
- Other assets







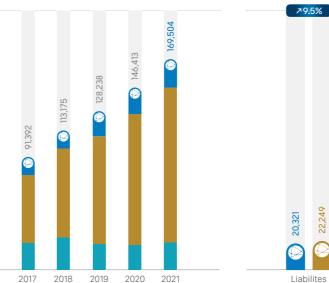
TOTAL CONSOLIDATED LIABILITIES AND OWNERS' EQUITY

Total liabilites and owners' equity

Following a similar upward trend in total assets, total liabilities and owners' equity by the end of 2021 peaked at VND169,504 billion, 15.8% higher than 2020, in which statutory insurance reserves increased by VND19,958 billion (19.0%), mainly from the increasing reserves at Baoviet Life. This increase was a result of strong growth in revenues from insurance businesses, coming along with

2017-2021 total consolidated liabilities and owners' equity (Unit: VND billion)

• Equity • Technical reserves • Liabilites



Other items presented in liabilities and owners' equity remained unchanged compared to 2020. Owner's equity increased by 5.8% mainly thanks to additional retained earnings and funds.

Liabilities and Owners' equity's structure

In comparison to 2020, the structure of liabilities and owners' equity remained relatively stable. The biggest proportion of equity's structure - statutory insurance reserves - slightly rose compared to 2020 and accounted for 74%. The increase of statutory insurance reserves in terms of both value and percentage indicated Baoviet Holdings' strong financial capacity as well as ensuring long term and stable policy holders' rights and benefits.



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low Government bond rates. High statutory insurance reserves shows Baoviet's commitments to insurance obligations as well as supported Baoviet to minimize possible effects from financial losses that might incur in the future.

Payables by the end of 2021 slightly rose by over VND1,000 billion, mainly were short-term since subsidiaries took advantage of financial leverage to optimize investment opportunities to improve performance.

22,24 \bigcirc Technical reserves Equity

Total liabilities and owners' equity by main classes (Unit: VND billion)

● 2020 ● 2021





Solvency ratios were maintained at higher than regulated

Solvency ratios of subsidiaries were sustained at good and ensured the solvency for short-term liabilities. To improve the financial capacity and its role in the market, BVSC in 2021 has increased its leverage, aiming at performing more activities regarding securities, which in turn drove an increase in short-term debts. This made its solvency ratio slightly drop compared to 2020, but yet still high.

Capital Adequacy Ratios ("CARs")/Solvency margin of all subsidiaries are sustained at high level and complied with legislation, especially BVSC and BVF while their CARs as at 31/12/2021 were 489% and 530% respectively, significantly exceeded the regulatory requirements (180%).

As at 31/12/2020, the solvency margin of BVGI and BVL were 201% and 111% respectively, which remained higher than MOF's benchmark.

(*): In case of BVGI and BVL, for liquidity calculations, technical reserves were excluded from current liabilities.

Optimizing all corporate resources, attempting to overcome difficulties. Baoviet aimed to improve its efficiency and profitability

During 2021, the global as well as Vietnamese economic's significant damages caused by the fourth wave of Covid 19 are substantial. In that context, Baoviet attempted to exploit the synergy among the Group on the advanced technology platform and adopt new applications in order to overcome difficulties and satisfy new demands in the New normal. Additionally, Baoviet made great efforts to enhance customer services' quality, to improve operation efficiency, which supported it to proactively overcome the pandemic.

BVNT (*) BHBV (*) BVF

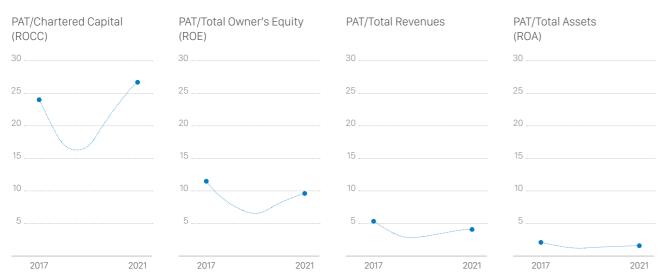
BVSC

BVI

Liquidity ratios (Unit: Times)

Robust growth in business performance and Profit After tax in 2021 was the main driver for a significant increase in profitability ratios compared to 2020 and the period from 2017 to 2021.

Profit ratios 2017-2021



Although in 2021, the pandemic still was tumultuous, causing economic and financial damages, the Parent Company still noticed a positive business result when profits outperformed the target and were higher than 2020.

BUSINESS PERFORMANCE **OF THE PARENT COMPANY**











18,90 2021 total assets

of the Parent Company





Financial activities of the Parent Company

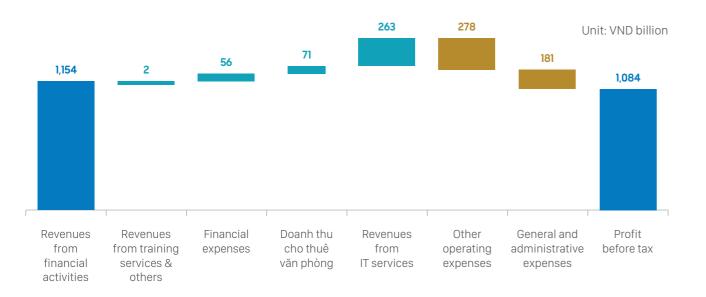


2021 proft before tax of the Parent Company





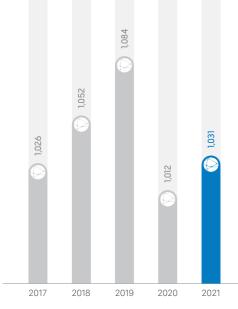
2021 BUSINESS PERFORMANCE HIGHLIGHTS



Although in 2021, the pandemic still was tumultuous, causing economic and financial damages, the Parent Company still noticed a positive business result when profits outperformed the target and were higher than 2020. Revenues from financial activities contributed the largest percentage (78%) in total revenues with VND1,154 billion, 8% higher than 2020. Reverse from provision attributed VND55 billion into profit of the Parent Company.

Along with efforts to stick to the revenue plan in the context of the widespread pandemic, Baoviet has constantly developed and applied technology into business activitives, improved operational efficiency, maximized all resources to minimize expenses. These have driven the Parent Company to successfully accomplish the business target with Profit Before Tax of VND 1,084 billion and Profit After Tax of VND 1,031 billion.

2021 PROFT AFTER TAX OUTPERFORMED THE TARGET AND POSTED A SIGNIFICANT GROWTH DESPITE THE PROLONGED **COVID-19 PANDEMIC**



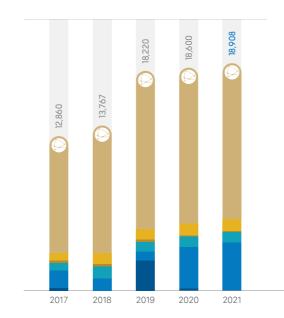
In 2021, the economy in general and Baoviet specifically has faced many substantial damages caused by harash lockdowns. Additionally, unfavourable movements of financial market with low interest rate also negatively impacted revenues. Baoviet yet strived to enhance technology adoption, in order to support core businesses, at the same time proactively seize investment opportunities, especially in the stock market instead of fixed income investments to accomplish the plan. As the result, Profit Before Tax and Profit After Tax noticed a positve growth compared to the previous year and achieved VND1,089 billion and VND1,031 billion respectively which all beated the target.

In 2021, Return on chartered capital maintained at high level (13.9%), ensuring the dividend payout ratio committed with shareholders.

TOTAL ASSETS

Total assets - The parent company

• Cash and cash equivalent Inventories & other assets • Short-term financial investments • Short-term receivables • Fixed assets and investment properties • Long-term financial investments

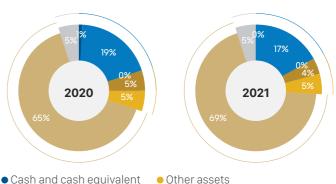


ASSETS' STRUCTURE OF THE PARENT COMPANY

Regarding terms, non-current assets remained the largest contribution in total assets' structure with 74%, in which invesments in subsidiaries and associates & joint ventures took major proportion.

In terms of investment lines, investments in subsidiaries and associates & joint ventures noticed a strong growth in both values and their contribution into assets' structure. remaining the highest portion with 69% in 2021 (65% in 2020). Additionally, the assets' structure witnessed a shift from deposits and bonds to investments in subsidiaries and associates & joint ventures, therefore deposits' portion dropped from 19% in 2020 to 17% in 2021. This movement mainly aimed at optimizing resources at the Parent Company.

Compared to 2020, other items remain unchanged regarding their proportion.



• Term deposits Equities Bonds



The Parent Company's total assets as at 31/12/2021 climbed to VND18,908 billion, up 1.7% with main contributor from investments in subsidiaries. Aiming at reinforcing core subsidiaries' financial strengths, in 2021, the Parent Company already injected the total of VND1,000 billion of capital to Baoviet Life Insurance which supported Baoviet Life Insurance to foster its financial strength and its competitiveness. Additionally, with strategy-oriented IT projects, which supported Baoviet to adopt advanced IT applications into its businesses, Baoviet kept investing in IT projects, improving investment value.

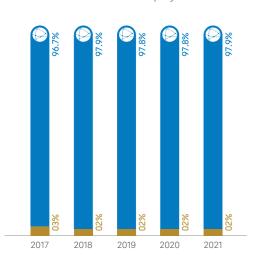
In the current context of economy with many turbulences and fierce competition in insurance market, capital investments into core businesses of the Group were critical to the reinforcement and foster of subsidiaries' financial strength, aiming to assit them to move towards strategic goals in the next period.

Investment in Subsidiaries, Associates & JV • Fixed assets & CIP



Total Liabilities and Owners' equity (Unit: VND billion) **08** 18,9

2017-2021 Liabilities and Owners' Equity structure (Unit: %) • Owners' equity • Liabilities



Liquidity ratios were at high level

The current liabilities of the Parent Company remained negligible while current assets have noticed a strong growth in recent years, hence, its liquidity ratios were thus sustained at the high level at all times, indicating strong solvency of the Company.

Profitability ratios were remained positive

Profitability indicators of the Parent company remain high over the years. During 2021, despite many turbulences, the ratio of Profit After tax/Charter capital (ROCC) and Profit After tax/Equity (ROE) reached 13.9% and 5.6% respectively which were considerably positive. The rates of ROCC and ROE are maintained stable through years, showing efficiency as well as long - term stability in the operation of the Parent Company.

During 2021, Covid-19 pandemic's repercussions are more severe and far-reaching across the world. For Baoviet, with determined efforts of the whole Group, this year yet has just ended with many remarkable achievements: continue to maintain its leading role in the Vietnamese Finance - Insurance market, leading the markets in both life and nonlife insurance sectors; along with other achievements in invesments and securities sectors thanks to bouyant stock market. In the context of global turmoil, corporates have to respond to tough challenges from the Fourth Industrial Revolution and Covid 19 pandemic's disturbance, with the spirit of "Proactive Adaptation" in 2022, those achievements is expected to provide a concrete foundation for sustainable growth of Baoviet Holdings in the future.

LIABILITIES AND OWNERS' EQUITY

With stable business performance, Baoviet's fianancial capacity was continuously enhanced, its equity proportion in the liabilities and owners' equity structure was remained at high level.

As at 31/12/2021, Total Liabilities and Owners' equity were recorded at VND18,908 billion, 1.7% higher than previous year, in which Owners' Equity/Total Liabilities and Owners' equity ratio by the end of 2021 hit a record high of 97.9% - one of the highest level within the past 5 years. Regardless of repercussions caused by the pandemic to the economy and the finance-insurance market, the Parent Company still attempted to strengthen its financial capability and successfully maintained its high proportion of owners' equity.

Adopting the strategy of improving IT application into business activities, in 2021, the Parent Company continued to utilize financial leverage to fund for large and core IT projects. The long-term debt/ equity and long-term debt/chartered capital ratios were curbed at very low level (0.9% and 2.2% respectively), slightly decreased compared to 2020. Additionally, total debt (including short-term and long-term debt) over total liabilities and owners' equity has been usually around 2.1% since 2018, indicating a strong note in financial strength of the Parent Company.

Impacts of exchange rate fluctuations on business performance

Fluctuations in exchange rates between VND and other currencies in which the Group conducts business may affect its financial condition and business performance of Baoviet and its subsidiaries. Subsidiary which is affected by foreign currency risk is Bao Viet General Insurance (BVGI); however, the total exposure is insignificant.

Reports on changes in shareholder's equity:

No.	Date	Items	Shareholders	Number of shares	% Ownership
			Ministry of Finance	444,300,000	77.54%
			HSBC Insurance (Asia Pacific) Holdings Limited	57,302,661	10.00%
1	15/10/2007	After equitization	Vinashin Group	20,400,000	3.56%
			Others	51,023,944	8.90%
				573,026,605	100%
			Ministry of Finance	444,300,000	70.89%
		Private	HSBC Insurance (Asia Pacific) Holdings Limited	112,807,635	18.00%
2	19/01/2010	Placement for	State Capital Investment Corporation (SCIC) (1)	20,400,000	3.26%
		HSBC	Others	49,201,444	7.85%
				626,709,079	100%
			Ministry of Finance	482,509,800	70.91%
		Shara issuance	HSBC Insurance (Asia Pacific) Holdings Limited	122,509,091	18.00%
3	14/01/2011	Share issuance to existing shareholders	State Capital Investment Corporation (SCIC)	22,154,400	3.26%
			Others	53,298,143	7.83%
				680,471,434	100%
			Ministry of Finance	482,509,800	68.84%
		Employee stock	Sumitomo Life (2)	122,509,091	17.48%
4	26/06/2018	ownership	State Capital Investment Corporation (SCIC)	22,154,400	3.16%
		(ESOP)	Others	73,713,143	10.52%
				700,886,434	100%
			Ministry of Finance	482,509,800	65.00%
			Sumitomo Life	163,945,421	22.09%
5	18/12/2019	Private Placement	State Capital Investment Corporation (SCIC)	22,154,400	2.98%
		, acomont	Others	73,713,143	9.93%
				742,322,764	100%

(1): Since 23 September 2009, all the Bao Viet Holdings shares held by Vinashin Group were transferred to the State Capital Investment Corporation ("SCIC") under the approval of Shareholder's General Meeting.

(2): Since 26 March 2013, Sumitomo Life became the strategic partner of Bao Viet Holdings with 18% of total share after the completion of shares transfer from HSBC.

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For 2021, with all other variables held constantly, (+/-) 10% movements of the USD rate against the VND might cause the effect of around (+/-) VND20.5 billion on the consoliadated income statement.



In 2021 the management role of BVH was expressed through the implementation of risk management policies, building and deploying the model evaluation and classification of the credit institution to determine the investment limits in financial institutions, continue improving the processes and regulations related to investment activities. BVH also set up the investment monitoring measures to ensure timely action when the counterparts appear to experience credit quality deterioration. As a result, the Group's investment activities ensure safety, contributing significantly to the overall business result of the Group and each subsidiaries.

INVESTMENT SITUATION/HIGHLIGHT & IMPLEMENTATION OF **BIG PROJECTS**



<u>¥ 154,630</u> (Billion VND)

Total investment capital of the Group ↗ 16.8% compared to last year's figure

146,031 ~ %

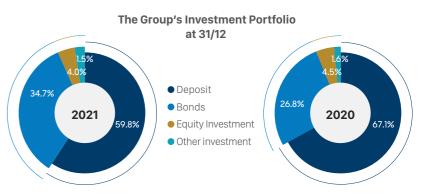
Fixed income investments (deposits and bonds) ↗ 17.5% compared to last year's figure



Equity investments ↗ 4,8% compared to last year's figure

INVESTMENT PERFORMANCE OF THE GROUP IN 2021

At 31/12/2021, the total investment capital of the Group was 154,630 billion, increasing 16.8% compared to last year's figure. In particular, fixed income investments (deposits and bonds) reached 146,031 billion, or 17.5% higher than 2019's figure, accounting for 93.9% of the total capital investment. Equity investments reached 6,261 billion, or 4.8% smaller than 2020's figure, accounting for 4.0% of the total capital investment.



The Group's Investment Portfolio at 31/12/2021 (Unit: Billion VND)

Na	ltown	At 31/12	At 31/12/2021		At 31/12/202		
No,	Items	Amount	Proportion	Amount	Proportion	2021/ 2020	
I,	Fixed Income Investment	146,031	94.5%	124,281	93.9%	17.5%	
1,	Deposits	92,453	59.8%	88,804	67.1%	4.1%	
2,	Bonds	53,578	34.7%	35,477	26.8%	51.0%	
II,	Equity Investment	6,261	4.0%	5,972	4.5%	4.8%	
III,	Other Investment	2,338	1.5%	2,167	1.6%	7.9%	
	Total	154,630	100%	132,420	100%	16.8%	

INVESTMENT PERFORMANCE OF BVH IN 2021

At 31/12/2021, the total investment capital of BVH was 17,025 billion, or 1.5% higher than the figure at 31/12/2020. Approximately 90% of the equity investment portfolio focused on insurance and financial services - the core businesses of BVH. Total investment revenue in 2021 reached VND 1.154 billion.



BVH's Investment Portfolio (Unit: Billion VND)

Na		At 31/12/2021		At 31/1	0001/0000		
No.	Items	Amount	Proportion	Amount	Proportion	2021/2020	
I.	Amount Proportion Amount Proportion	3.934	23%	4.604	27%	-14.5%	
1.	Deposits	3.124	18.3%	3.744	22.3%	-16.6%	
2.	Bonds	810	4.8%	860	5.1%	-5.8%	
II.	Equity Investment	13.091	76.9%	12.163	72.5%	7.6%	
	Total	17.025	100%	16.766	100%	1.5%	

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Source: Consolidated Financial Statements 2021



Source: Financial Statements BVH only Audited 2021

INVESTMENTS IN 100% SUBSIDIARIES: Strengthens the financial capacity of Subsidiaries



The Group continues to prioritize

focusing on core businesses,

strengthening the financial capacity

of subsidiaries by increasing

chartered capital to ensure solvency

margin, meet business needs and

sustainable development of the

subsidiaries





In 2021, Forbes Vietnam magazine announced the list of 25 leading financial brands, in which, Bao Viet was honored to be the leader in the insurance industry. Being on the Forbes list for 6 consecutive years has affirmed the value of Bao Viet a sustainable brand.



In 2021, in the context of difficulties caused by the COVID-19 epidemic, BVH's investment activities have achieved positive results, with remarkable increase in revenue compared to 2020, making an important contribution to the achievement of the strategic objectives of the period 2021 - 2025.

INVESTMENTS AT BVH: Exceeding the plan

FIXED INCOME INVESTMENT

BVH re-invested available fund with suitable terms in line with interest rate movements and cash flow plan; increased investments in corporate bonds to improve investment efficiency.

Fixed income investment revenue in 2021 reached VND 234.8 billion.

EQUITY INVESTMENT

Revenues from equity investment reached VND 182.5 billion, exceeding 313% of the plan, mainly coming from divestment profits and dividends.

BVH's Equity Investment Portfolio at 31/12/2021 (Unit: Billion VND)

Ν.	R	Amo	unt	Proportion		
No.	Item	31/12/2021	31/12/2020	31/12/2021	31/12/2020	
1	Insurance	9,117	8,117	69.6%	66.7%	
2	Bank	1,570	1,599	12.0%	13.1%	
3	Securities, Fund	1,260	1,260	9.6%	10.4%	
4	Real Estate	462	462	3.5%	3.8%	
5	Others	682	724	5.2%	6.0%	
6	Total	13,091	12,163	100%	100%	

Among big projects that Bao Viet has invested in, there's no project that failed to reach the announced or committed schedule. In 2021, to enhance the financial capacity of core subsidiaries, BVH has increased BVL's chartered capital from 5,000 billion to 6.000 billion which was also the biggest investments of BVH over the year.



THE GROUP PROMOTES ITS ROLE IN MANAGING AND COORDINATING INVESTMENT ACTIVITIES

Baoviet Holdings' investment activities comply with the principles of safety and efficiency to increase the benefit of shareholders, customers and ensuring jobs, living standards for employees. On the basis of the strategic orientation for the period 2021 - 2025, in 2021 the management role of BVH was expressed through the implementation of risk management policies, building and deploying the model evaluation and classification of the credit institution to determine the investment limits in financial institutions, continue improving the processes and regulations related to investment activities. BVH also set up the investment monitoring measures to ensure timely action when the counterparts appear to experience credit quality deterioration. As

each subsidiary.



a result, the Group's investment activities ensure safety, contributing significantly to the overall business result of the Group and



EMBED ESGS IN INVESTMENT PROJECTS



We believe that corporate governance, social and mechanism environmental are important factors when assessing the effectiveness of middle and longterm investment. Therefore, besides return indicators, Baoviet also embed the Environmental, Social and Governance (EGS) indicators in our investment selection, review and continued to implement Principles for Responsible Investment when reviewing major investment projects.

As a listed company with capital contributions from many investors. we understand that sustainable development is a competitive advantage in attracting capital. Therefore, Bao Viet - as an investor, strives to engage sustainable factors into assessing potential projects.

61 With the leading scale of total assets in the insurance market. Bao Viet has increased its investment back into the economy with investment orientation based on safety and efficiency principles, ensuring the Group's sustainable development, thereby ensuring the benefit of shareholders, customers and employees.

Bao Viet focuses on the core business with 90% of our equity investment portfolio focusing on insurance, investment and financial services which are also environmentally friendly industries. In 2021, we have always complied with criteria related to governance - social - environmental issues in the management of investment projects and equity investments.

At the ceremony to announce the Ranking of 100 Sustainable Enterprises in Vietnam 2021 by the Vietnam Business Council for Sustainable Development (VBCSD), the Vietnam Chamber of Commerce

and Industry (VCCI) in collaboration with relevant ministries and agencies, surpassing hundreds of candidates who are businesses that have made positive contributions to sustainable development activities in 2021. Baoviet continues to be honored in the Top 10 "Vietnamese Sustainable Enterprises".

In the past, governance criterion was considered the most important part when evaluating an investment project. But now, according to the newly promulgated procedures of Bao Viet, labour usage, community contribution and environmental awareness also become important criteria for evaluating and adding points to the project. In the near future, we will continue to prioritize the development of our core business - to ensure the sustainable development of Bao Viet, and to contribute to the reduction of harmful effects on the environment.

The linkage of sustainability factors for suppliers as well as investment projects helps Bao Viet approach closely to the goal of building a sustainable value chain, which benefits Bao Viet and its counterparts as well

GREEN CAPITAL MARKET

Identify green capital market

Green growth is defined as an important highlight in the development policy of many countries in the world towards sustainable development. Vietnam's financial market is making efforts to research policies, seeking feasible solutions to promote the development of green capital markets. The shift from traditional capital market to green capital market has been regarded as an important step in creating a strong financial channel for restructuring Vietnam economy, thus moving towards sustainable development in the long term.

Bao Viet is one of the big enterprises pioneering in researching and seeking financial support towards green growth through the reduction of greenhouse gas emissions, environmental pollution and the green production.

Baoviet & Green capital market

Baoviet hopes to join the Securities and Exchange Commission and other related parties to develop and implement a framework for green finance and green financial products, thus maintaining the business effectively while ensuring environmental and social benefits; which, in turn, helps maintain the sustainable development of green capital market.

ORIENTATION 2022



On the basis of the strategic orientation approved by the Board of Directors, along with financial and monetary market forecasts, in 2021 The Group follows and expands its investment orientation on the basis of compliance with the principle of safety and efficiency, thus increasing the benefit of shareholders, customers and ensuring jobs, living standards for employees.



Baoviet's investment activities comply with the principles of the United Nations' responsible investment (including not to invest in projects negatively affecting the environment or employing child labor ...), invest in insurance, investment and financial services environmentally friendly industries. In addition, Baoviet also holds many other VNSI stocks such as MBB, BID, VNM, FPT...., to name just a few.

In 2022, Bao Viet aims to actively participate in the green capital market by considering investment in green financial products of great significance such as: List of green projects built by the State Bank, or local governments' green bonds, investment projects in the fields of wind power, solar power, or construction of green buildings, etc ... Although Vietnamese bond market has changed remarkably over the past few years, green bond market is still small and has a long way to go. As a member of Vietnam Bond Market Association (VBMA), Bao Viet commits to full participation in training courses and seminars related to the green bond market and wishes to collaborate with other parties to revise related policies. It is strongly believed that together we can help promote the green bond market development.











TOP 50 **Most Attractive Employer Brands** in Vietnam

HUMAN RESOURCES MANAGEMENT **POLICIES OF BAOVIET**

Baoviet always respects and aware that the values created by each member contribute to the success of the company regardless of position, age, gender, qualifications, social status, personality, life style, thinking process, work experience, ethnic origin...of employees. That philosophy and orientation in governance are the foundation for Baoviet to build a dynamic, transparent and fair working environment. Each individual has the opportunity to work, dedicate, study, train to succeed and develop career at



HUMAN RESOURCES MANAGEMENT POLICIES OF BAOVIET



Since the establishment until now, through many stages of development with many changes in the legal and business environment, Baoviet always respects and aware that the values created by each member contribute to the success of the company regardless of position, age, gender, qualifications, social status, personality, life style, thinking process, work experience, ethnic origin...of employees. That philosophy and orientation in governance are the foundation for Baoviet to build a dynamic, transparent and fair working environment. Each individual has the opportunity to work, dedicate, study, train to succeed and develop career at Baoviet.

LABOR FORCE



6,530 The number of employees of **Baoviet in 2021** (People)

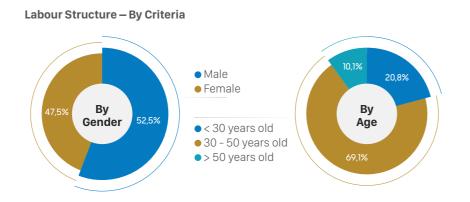


The number of managers of

Baoviet in 2021 (People)

In 2021, despite facing many difficulties and challenges from the Covid-19 epidemic, Baoviet still maintains a stable number of employees at 6,530 people (slight increase of 0.2% compared to 2020), meeting business requirements of Baoviet. The labor structure is balanced and reasonable in terms of gender and age; continue to maintain a contingent of staff with high professional gualifications, reasonable in structure, of which: university and post-graduate degrees' account for 90.7%, the rest are college and intermediate level 9.3%.

The structure of managers in total employees of Baoviet remains at a reasonable level, in line with business requirements and advanced corporate governance practices. The number of managers of Baoviet is 594 people, accounting for 9.2% (up 0.3% compared to 2020), in which: senior managers are 44 people (rate 0.67 %), middle management staff is 550 people (8.4%).



BEST PLACES TO WORK IN VIETNAM

LABOR ATTRACTION

In 2021, Baoviet is the only Finance - Insurance Group be honored in the Top 100 Best Places to Work and Top 50 Most Attractive Employer Brands in Vietnam by Anphabe Career Community network with the cooperation of Sponsored by the Vietnam Chamber of Commerce and Industry (VCCI). This result, as it has been in the past years, comes from the policy of focusing on in-depth investment in many areas of human resource management, in which recruitment and benefits engage employees to attract the workforce. Young, highly qualified, tech-savvy, dynamic, creative, enthusiastic, meeting business requirements in the 4.0 technology era and increasingly fierce competition.

LABOR STRUCTURE STATUS BY CRITERIA

	Criteria	Number of employees	Proport total nu
Dy Elthoia	Kinh	6,408	
By Elthnic	Ethnic minority	122	
Dunationality	Vietnamese	6,529	
By nationality	Foreigners	1	
	Master degree or Higher education	561	
By education level	Bachelor degree	5,361	
level	College graduate	230	
	Others	378	
Dugondor	Male	3,428	
By gender	Female	3,102	-
	Under 30 years old	1,359	
By age	From 30 to 50 years old	4,511	
	Over 50 years old	660	-
	North	3,351	
By region	Central	1,078	
	South	2101	
	High-level managers	44	
By seniority	Middle-level managers	550	
	Staff	5,936	



on out of Baoviet's nber of employees				
	98.1%			
	1.9%			
	99.98%			
	0.02%			
	8.6%			
	82.1%			
	3.5%			
	5.8%			
	52.5%			
	47.5%			
	20.8%			
	69.1%			
	10.1%			
	51.3%			
	16.5%			
	32.2%			
	0.67%			
	8.4%			
	90.9%			



In 2021, Baoviet recruited 351 people (a decrease of 162 people compared to 2020), equal to 5.4% of the total number of employees, of which, Baoviet Insurance and Baoviet Life recruited the majority, with 275 people, equal to 78% of Baoviet's total number of employees in the year.

Of the total number of recruited candidates, male candidates accounted for 64%, female candidates accounted for 36%; Young candidates under the age of 30 are recruited by Baoviet with the highest proportion of 66%, followed by candidates between the ages of 30 and 50, accounting for 34%, there is no candidate over 50 years old. By region, the units in the North employ the most, accounting for 56%, followed by the South with 29% and the Central with 15%.





TURNOVER RATE

In 2021, the Covid-19 epidemic broke out across the country, along with the fluctuations of the business market, which significantly affected the retention of personnel. Employees actively seek and choose jobs that are more suitable for career orientation and changes in the environment. However, with attractive human resource policies, the severance rate at Baoviet recorded a low level, a sharp decrease compared to 2020, specifically: the total number of employees leaving Baoviet in 2021 is 328 people (down 309 people compared to 2020), the severance rate in 2021 is 5% (decreased by nearly 40% compared to 2020 at 8.2%).

In terms of structure, the severance rate of male workers is still higher than that of female employees (3.1% compared with 1.9%), the severance rate of workers under 30 years of age has decreased sharply compared to 2020 (1.8% in 2021 versus 4.6% in 2020) and lower than the turnover rate of workers from 30 to 50 years old (1.8% versus 3.7%). By geographical area, the severance rate of workers in the South has decreased sharply compared to 2020 (1.7% in 2021 compared to 3% in 2020).

TURNOVER RATE	Age		Gender		Region			Tatal	
	<30	30-50	>50	Male	Female	North	Central	South	Total
2021									
Quantity (person)	116	155	17	180	108	152	38	98	288
Ratio (%)	1.8%	2.4%	0.3%	2.8%	1.7%	2.3%	0.6%	1.5%	4.4%
2020									_
Quantity (person)	295	235	21	316	237	295	84	174	533
Ratio (%)	19.2%	5.4%	3.5%	9.2%	7.6%	8.8%	4.6%	12.8%	8.2%

POLICY SYSTEM OF BAO VIET

Bao Viet always strives to improve the system of welfare policies, providing an equal, friendly and professional working environment, and to ensure health, occupational safety and financial safety for our staffs, specifically:



insurance (K-Care).

LIFE INSURANCE Life insurance types had been implemented including: Successful Insurance, Life Insurance and Sustainable Retirement Insurance at Baoviet and our units to attract, maintain and develop a team of highly gualified personnel, ensure our human resources for sustainable development, long-term commitment, peace of mind for career development at Baoviet, and help the insured to improve improve living standards, have a stable additional income in addition to pensions, ensure a relaxing life, be financially independent, have the ability to continue to support relatives after retirement and protect against risks in life and in the course of work.

In 2021, Baoviet continued to show an interest in the health of our employees through conducting periodic health examinations for employees at reputable medical facilities and high-service quality.

With the strength of products to protect customers against health risks, Baoviet regularly organizes consultancy programs with the participation of experts and doctors for internal customers and staffs. Members are expected to increase their knowledge on health protection and care, especially for female workers.

Besides, the physical training and sports movements of our staffs were encouraged through the organization of classes and clubs such as Yoga classes, Yumba, table tennis clubs, dance classes, tennis tournaments, table tennis, soccer friendlies. At some units of Baoviet, a gym has been built to create conditions for employees to practice outside working hours.

For retired officials, in addition to organizing visits, giving gifts on the occasion of International Elderly People, Lunar New Year, Baoviet maintained annual combined human insurance with a liability of VND 20,000,000 / person.



Non-life insurances to protect health and financial safety against health risks for employees and their relatives, including: Health insurance and human combine insurance (Healthcare), Health insurance for family, Combined life insurance and Cancer





WORK PERFORMANCE MANAGEMENT

Policy on performance management

Baoviet's performance management policy is one of the important operational policies in Human resource management activities at Baoviet has been maintained since 2009 to establish, control and evaluate the achievement of goals, classify the performance of each individual, as a basis for viewing and considering to adjust the annual salary and rewarding working efficiency for individual employees based on achievements and level of contribution to the organization's success; contributing to creating a fair and competitive income mechanism in the salary policy of Baoviet.





Female employees are rated (People)

1,914 Male employees are rated (People)



In 2021, the total number of employees that are periodically evaluated for the management staff according to Bao Viet's regulations is 3,621 people, equivalent to 96% of the total number of employees who are subject to evaluation; Of which, Female employees are rated as 1,707 people, accounting for 47% of the total number of qualified employees, Male employees are rated as 1,914 people, accounting for 53% of the total number of qualified employees. According to the age group, employees under 30 years old are rated is 984 people, accounting for 27%, workers from 30 to 50 years old are evaluated is 2,137 people, accounting for 59%, workers over 50 years old are assessed the staff members with 500 people, accounting for 14%.

The remaining of the total number of employees as of December 31, 2021 of Baoviet were assessed and recorded their achievements in 2021 according to the specific policies of each subsidiary of Baoviet, accordingly with each position and specific job; and be awarded for the specific achievement

In order to continuously improve the performance management policy, in line with the human resource management strategy in the new period, job requirements and actual situation and conditions at Baoviet, from the end of 2021, Baoviet has implemented the development of regulations on management of work performance. It is expected to add a number of new points such as: (i) The rating of task completion (class 3) is classified into 3+, 3 and 3 - to more closely assess the individual's level of goal achievement; (ii) Evaluation of individual's skills/behavior at work in addition to the criteria for completing job goals. It is expected that the new Regulation will be approved by Baoviet's CEO and applied at Baoviet Holdings from 2022.

Deploying and building new HR management software



In order to successfully implement the Baoviet's strategies, goals and plans for the period of 2021 - 2025, in addition to solutions for business, investment, finance, and information technology, Baoviet focuses on investing in IT solutions to serve human resource management in the industrial age 4.0. One of them is deploying Human Resource Management software of Tinh Van Consulting (called "Histaff"), replacing the current HR management software.

HiStaff is a professional solution to serve the overall management of human resources at Baoviet, supporting Baoviet to improve human resource efficiency by accumulating and sharing the most advanced human resource management methods: organizational structure management, work performance management, job description, talent management, career path management, flexible salary, bonus, and welfare management, allowing users to change jobs themselves salary calculation method without the intervention of Tinh Van Consulting. It also is able to apply many salary policies suitable to Baoviet's needs such as: Sales salary, KPI salary, Product salary, Time salary and Flexible handling with backdate decisions affecting insurance benefits.

In particular, the new software has the function to support Party organization and management of Party members at



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HỆ THỐNG QUÂN TRỊ NHÂN SỰ	
admin	
Đảng nhập	
Tring Will 🛩 🛛 Chi như tài kholn 🗳	

- the Party Committee of Baoviet, in line with the functions and tasks of the Human Resources Department after the merger according to Regulation No. 69. - Decision/ TW of the Secretariat. In addition, the dynamic reporting system allows users to manually set up report templates, dynamically query information, use operators, and combine multiple search fields, application on Mobile platform, supporting many utilities: Online Approval, Online Recruitment, Online Time Attendance and has the ability to comprehensively integrate with other business management systems, especially with ERP systems, Corebanking of Baoviet and its member units.
- The new HR software is expected be officially applied by Golive at Baoviet Holdings and Baoviet Life Corporation from June 2022.



MATERNITY LEAVE POLICY FOR FEMALE EMPLOYEES AND MALE EMPLOYEES WITH SPOUSE TAKING MATERNITY LEAVE



Baoviet applied maternity leave policies for employees (both men and women) to comply with the labor law and to apply the policy of reward, welfare, health insurance and other types of insurance. At the same time, employees were still considered for annual emulation, consideration for periodic wage increases and performance evaluation as a basis for considering annual work performance rewards and related welfare regimes.

people (~ 100% compared to 2020). In which, male employees with wives giving birth are entitled to maternity leave of 33 people, female employees taking maternity leave is 203 people. By the end of December 2021, 220 employees returned to work after maternity leave, reaching 93%; in which, the rate of male employees returning to work is 100% and female employees are 92% (187 people). The remaining female employees will return to work in 2021 after the end of the maternity leave period. Baoviet commits and always ensures full employment for the number of employees on maternity leave who can return to work at the old position after the leave period is over.

In addition to ensuring that employees are assured of rest and recuperation after birth and to have the necessary health to continue working as required by the organization, after the end of maternity leave, the main Maternity leave policies also help employees feel secure financially and create the best conditions to support employees to care for children.

In addition, in order to create maximum conditions for employees to have time to take care of their children, after the end of maternity and commuting leave, female workers were provided with conditions to shorten working time for 1 hour / day compared to other workers until the child is full 12 months old. Female employees can register to work late or leave early compared to the standard working time prescribed by Baoviet and ensure that the total number of late hours and / or early dismissal does not exceed 1 hour in accordance with the regulations of internal rules and labor law.

IMPLEMENTATION OF OCCUPATIONAL SAFETY AND HYGIENE WORKS COLLECTLY WITH LEGAL PROVISIONS



Pursuant to Article 74, Law on Occupational Safety and Hygiene 2015, each functional department in Baoviet Holdings needs to have at least 01 staff member who is in charge of safety and hygiene. Work Safety and Hygiene Officer (WHSO) is the person in charge of occupational safety and hygiene, fire and explosion prevention in the functional department. Safety and hygiene staffs are direct workers, knowledgeable about occupational safety and hygiene techniques and expertise; voluntarily and exemplary in the observance of occupational

safety and hygiene regulations.

- health.

In 2021, Baoviet has implemented occupational safety and hygiene work to ensure compliance with the provisions of the law, ensure efficiency, and bring peace of mind and safety to employees. The works implemented during the year include:

• Develop a plan for occupational safety and hygiene for the year.

Appointment of people to do occupational safety.

• Establishing a safety and hygiene network for WHSO.

Sign a contract with a medical facility to take care of employees'

Organize training on occupational safety for users of labours, laborer.

Implement the annual reporting regime on occupational safety and hygiene, periodically report the accident situation in the first 6 months of the year and annually send it to the state management agency in charge of labor in accordance with regulations.

EVALUATION ON THE BOARD OF DIRECTORS



The year 2021 is the beginning of Baoviet Holdings' development strategy for the 2021-2025 period. Thanks to the directions, management of CEO, the efforts of Board of Management, Baoviet Holdings with the spirit of synergy and solidarity, together with the Subsidiaries, drastically deployed appropriate business solutions, increase the application of modern technology applications to achieve remarkable results in 2021. Baoviet continues to affirm the No. 1 Brand in Vietnam's finance and insurance market, and at the same time strictly adheres to the regulations in business operation according to the Charter, internal management regulations and current legal regulations.

EVALUATION OF THE MANAGEMENT OF THE BUSINESS ACTIVITIES AND THE IMPLEMENTATION OF KEY TASKS IN 2021



REGARDING THE CONSOLIDATED BUSINESS RESULTS



50,380 The consolidated total revenue of BVH (VND Billion)

> 1,490 Total revenue of BVH

(VND Billion)

13.9% ROCC

> 5.6% ROE

Consolidated Profit of BVH has successfully completed the assigned plan by taking advantage of opportunities of the stock market, especially for units operating in this field such as BVSC, BVIF fund.



VND 9.798 billion.

The consolidated total revenue of BVH reached 50,485 billion VND, increased by 3% compared to 2020, in which the total revenue in the insurance activities reached 37,848 billion VND, increased by 4.6% compared to 2020, increased by 4.2% of the 2021 plan, the total consolidated revenue in the financial service activities reached 10.670 billion VND. accounting for over 21% of total consolidated revenue; Financial services and other revenue reached

Consolidated pre-tax profit (PBT) reached VND 2,349 billion, completing 141.1% of the year plan, growing 20.3% over the same period; Consolidated profit after tax (NPAT) reached VND 1,974 billion, up 19.7% compared to 2020.

REGARDING THE BUSINESS PERFORMANCE OF BVH

Total revenue of BVH is 1,490 billion dong, completed 98.7% of the year plan, increased by 5.7% over the same period; Profit before tax (PBT) reached 1,084 billion VND, completed 101.1% of the 2021 plan; Profit after tax reached 1,030 billion VND, completed 101.5% of the 2021 plan; Profit after tax ratio/Charter capital 7.423 billion VND. ROCC is 13.9% and ROE is 5.6%:

BVH's business activities faced many difficulties because of the Covid-19 pandemic in 2021. However, due to timely implementation of appropriate business solutions and increased application of technology, Baoviet Holdings and its Subsidiaries have recorded the positive business results in 2021, basically completed the key tasks. Insurance business continued to maintain the No. 1 position in terms of market share of total premium revenue in both life and non-life sectors.



IMPLEMENTED RESULTS **OF KEY TASKS SET IN 2021**



ightarrow Aside from the results in the business objectives, in 2021, with the slogan "New Normal - New psychosphere", Baoviet Holdings has fiercely implemented the key taks in order to improve the effectiveness of the core businesses, strengthened the internal cooperation, improved the professionalism, as well as emphasizing the brand name and the lead service quality of Baoviet.

- Completed the tasks, business targets in 2021 toward sustainable and effective growth; Implemented developemnt strategy for the period of 2021-2030 of BVH and unit strategies; Improved the financial capability of BVH and its Subsidiaries.
- The results of the Synergy project acknowledged the successs of the crossselling projects, the projects on IT application, headquarters for share as well as the marketing of BVH.
- Upon the trend in the 4.0 Industrial revolution, Baoviet modernized the communication system with customers on the basis of digital and online technology in order to create the differences in services and products. Continued to develop software and information technology systems in management and administration.
- · The Marketing activities in branding have supported the sale activities effectively, managed the marketing crisis. Especially, BVH and its Subsidiaries have received various reputable awards domestically and internationally.
- The organizational structure has been streamlined towards efficiency, improving HR quality, implementing effectively tasks based on KPIs, drafting the policies on salary, bonuses based on fairness and efficiency.
- Diversified the products; promoted effectively the traditional distribution channels, improved the new distribution channels; online, e-commerce, telesales, cross-sale, etc.; Expanded networds, provided professional services, created differences.

ORIENTATIONS ON THE OPERATION OF THE BOD IN 2022

Baoviet confidently acts, constantly learns knowledge and experience, creatively applies new technologies to business activities,

CONTINUES TO MAINTAIN THE

BVH will continue to promote its business activities, overcome difficulties and challenges caused by natural disasters and the Covid 19 pandemic, towards effective and sustainable development, closely following the strategic orientation for the period of 2021 - 2030 with solutions the following key measures:

BVH and its Subsidiaries will complete the tasks and business targets in 2022 regarding the sustainable and safe direction; develop the Strategy for the period of 2021 - 2030 and submit it to the General Meeting of Shareholders.

Foster the implementation of the key information technology projects.

Continue to develop and implement Digital Transformation Project, incuding:

- IT Application in Admistration, Management, Operation;
- Develop software in sales and customer services.

Enhance the role of governance and management of the Board of Directors and the Board of Management; advisory role of Committees and Councils:

- · Complete the legal corridor: Charter, system of regulations, processes;
- Enhance the BVH's role for its Subsidiries to accomplish the common goals.

Cover the image of Baoviet nationwide; Foster Marketing and communication to support business activities; Continue to develop and increase Baoviet brand value.

Restructuring the organization effectively; research and apply digital transformation, increase increasing HR rotation; create the follow team; develop an appropriate salary and bonus mechanism; strengthen training to improve the quality of HR.

Develop new, diversified and superior products, expand network and distribution channels.

The achieved results of kevs tasks in 2021 are as follows:



Develop the modern corporate culture & environment, organize training courses & seminars on corporate governance;

REPORT ON ŝ THE SUBSIDIARIES' **BUSINESS PERFORMANCE**

BAOVIET 🥵 Life

BAOVIET LIFE CORPORATION







->

BAOVIET 🧐 Fund

BAOVIET FUND

BAOVIET



BAOVIET 🥯 Invest

BAOVIET INVESTMENT CO., LTD



OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

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REPORT ON THE SUBSIDIARIES' BUSINESS PERFORMANCE



- ⇒ Launched new product eKYC: open an online account based on eKYC facial recognition technology, done on BVSC mobile application.
- Developing new investment consulting products based on BVS Value technology application.
- Successfully implemented the Future Broker 2021 program a platform to build a new generation of employees.

08 Number of branches Number of

01

Revenue made:

<u>ل</u>

VND 1.052.83 billion

UNIT: VND BILLION







>11 million Number of customers/ customer turn

8.949 Gross written premium revenue

15.5% Market share



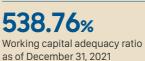


>6.6 million Number of customers/ customer turn

30.558 Gross written premium revenue

19,2% Market share

Total revenue (after applying the policy of reducing premium for customers), reached 101.8% of the plan



43.7% Profit after tax/charter capital ratio

Profit after tax, reaching 108% of the year plan

03 Revenue from real estate business

148 Trade service revenue

Profit after tax of which: Realized profit after tax: VND232.20 billion

transaction offices

722.34 Charter capital

75.482 Number of securities trading account

8.949 Gross written premium revenue



THE SUBSIDIARIES **REPORT ON BAOVIET INSURANCE CORPORATION'S BUSINESS PERFORMANCE**



ffirming the role of the oldest insurer and always leading the non-life insurance market, Baoviet Insurance always pioneers in building longterm, effective and trend-leading strategic business programs. Over the past years, Baoviet Insurance has promoted the application of the 4.0 technology revolution in business activities as well as governance in order to build a comprehensive digital ecosystem to bring more and more convenient utilities for customers and partners. For many consecutive years, Baoviet Insurance has been highly appreciated by prestigious domestic and foreign organizations as well as customers and partners for its prestige, growth rate, sustainability and market leadership.

Mr. NGUYEN XUAN VIET Chief Executive Officer

BAOVIET Insurance BAOVIET INSURANCE CORPORATION





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ROACTIVELY ADAPTING

COMPANY OVERVIEW

As the first non-life insurance enterprise in the Vietnamese market with more than fifty years of strong development, continuously standing in the top position in terms of revenue, market share and growth, Baoviet Insurance Corporation (BVGI) has always been a pioneer in the application of technology and successful solutions of 4.0 revolution technology not only in sales, operational management, claim management, customer data management, but also in customer interaction management in order to provide customers with the highest convenience. Processes and transactions with digital technology contributes to quick and effective search and access, customers' time saving, systematic management of data and information, increasing data security level and careful back-up. With a diverse sales and distribution network spreading in all provinces

MAINTAINS **POSITION IN NON-LIFE INSURANCE MARKET**

BAO VIET INSURANCE

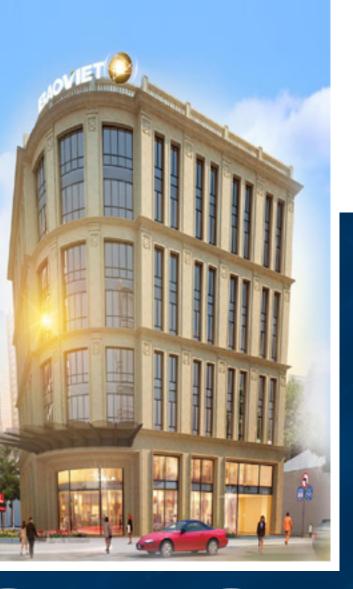
(*) According to the Insurance Association of Vietnam



Sáng kiến bảo hiếm số của năm Wét Nam e, C Awards 201

cities nationwide, BVGI and continues to expand its interactive channel through online sales website (baovietonline.com.vn) and other digital channels, banks... to provide customers and the market with several optimal choices. BVGI is currently an insurance enterprise having high charter capital, strong financial capacity, diversified products, outstanding service quality and highly qualified staff.

In 2021, BVGI received many prestigious awards, including: "Digital Insurance Initiative of the Year 2021 - Vietnam"; "Most Trusted General Insurance Brand, Asia 2021, Best Insurance Brand for Customer Service, Asia 2021 (Best Brand Magazine)"... The above and many other awards in Vietnam and the region that have been awarded to BVGI in many consecutive years are a clear proof. for BVGI's appropriate orientation where customers are considered as the center and lodestar for all activities. During the process of formation and development, BVGI has always affirmed its role as a market leading insurer, constructing Vietnam's non-life insurance market with strong resources and proper implementation of its commitments to customers, bringing the best benefits to customers and the community.





REPORT ON BAOVIET INSURANCE CORPORATION'S BUSINESS PERFORMANCE

BUSINESS HIGHLIGHTS IN 2021

In 2020, BVGI will continue to maintain its leading position in the market, ensure its business performance as well as be rated as the most sustainable and reputable enterprise in the industry. Specifically:



In the context of Covid-19 epidemic effects on the world and Vietnamese economy in general as well as the whole insurance industry in particular, BVGI still completed its business targets.

Direct insurance premium (VND billion)

8,949

Profit after tax (VND billion) 206% of the plan



BVGI's solvency margin reached. (VND billion)

MAINTAINED AND GROWN

THE FINANCIAL SAFETY INDICATORS ARE

2,420

191.6%

Return on equity was



The solvency margin rate reaches (In 2020 it was 143,5%)

In 2021, with the motto "Effective management - Pioneering technology", BVGI focused on risk control and service screening to ensure business efficiency. Actual results showed that the direct insurance claim ratio decreased by 11% as compared to the same period in 2020, in which the claim ratio of retailed products such as motor vehicle insurance, health insurance and personal insurance... also decreased. Besides, BVGI continued to maintain reinsurance policy to share risks, contributing to the sustainable growth of BVGI in particular and Baoviet Holdings in general.



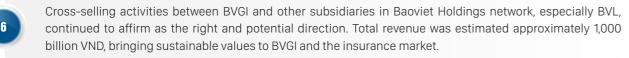
Researching and developing new insurance products that are flexible, benefit-diverse and can be online purchased at anytime, anywhere.



Promoting the deployment of diverse sales channels from direct channels to indirect ones so that customers can easily access, study, and actively choose suitable insurance packages.



Creating a complete insurance ecosystem with diverse programs for individuals (such as health insurance, travel insurance, motor vehicle insurance...), for enterprises (such as property insurance, house insurance, corporate insurance ...) to bring peace of mind to customers in all aspects.



Continuously expanding cooperation in terms of direct billing service with many partners in health care sector such as big hospitals (Viet Duc Hospital, 108 Military Hospital, Central Endocrine Hospital, Ho Chi Minh City Medicine and Pharmacy Hospital, Ho Chi Minh City Pediatric Hospital...), prestigious and modern medical examination and treatment facilities..., increasing the number of BVGI's direct billing facilities to nearly 200 facilities nationwide.



Promoting the development and expansion of new and potential distribution channels through the B2B2C model such as Bancassurance, online Insurance, cooperating with e-commerce partners...



Always ready to innovate and cooperate to completely satisfy customers as well as conquer the growing non-life insurance market every day, BVGI has been recognized by domestic and foreign organizations for many years as trusted insurance brand name and best service quality insurer in Asia...

Facing the general challenges of the world economy, the domestic market in general and the insurance industry in particular, BVGI has not only maintained the motto "Customer is the center" - the lodestar for all business activities, but also turn challenges into a resource and development opportunity to achieve well its targets, fulfill an insurer's mission of bringing peace of mind and sustainability to Vietnamese families as well as domestic and foreign enterprises.



MAINTAINING THE LEADING POSITION IN INSURANCE PREMIUM AND SUSTAINABLE DEVELOPMENT



By the end of 2021, BVGI's total premium reached (VND billion)

For many consecutive years, BVGI has affirmed its role as the number one insurer in the market with a steady growth of total revenue over several financial years. BVGI is also the leader in terms of market share - TOP 5 large enterprises with approximately 16% market share. All insurance lines have achieved a certain growth, among which health insurance is still one of BVGI's development foci in 2021.

By the end of 2021, BVGI's total premium reached more than 11 trillion VND, which is also the growth maintained in recent years. BVGI is currently recognized by reputable organizations as an insurance company with high charter capital, strong financial capacity, diverse products, outstanding service quality, and highly qualified employees.



AFFIRMING THE ADVANTAGE OF NETWORK SCALE BRINGING FRIENDLY SERVICES CLOSER TO CUSTOMERS



BVGI is not only the Number one insurance company for individual household customers, but also the leading insurer providing comprehensive insurance solutions, risk management programs, minimizing

damages to corporate customers. With significant changes towards a diverse, comprehensive, customer-friendly digital ecosystem, BVGI has been bringing customers a new and better experience

THE BEST WORKING ENVIRONMENT IN VIETNAM ENSURES DEVELOPMENT AND PROMOTION ROADMAP

Together with business promotion activities, BVGI is also the pioneer in creating a professional and friendly working environment, providing more than 3,000 employees with development and promotion opportunities and good remuneration packages. Always listening to understand employees' concerns. BVGI has built a new standard of ideal workplace, where all employees receive a commitment to comprehensive care and maximum growth in a personalized career path, worthy recognition of contributions through diverse experiences, work challenges, learning opportunities for personal improvement and development.



Employees

Agents

Regional insurance offices

>3,000 **≤80,000**

>700

In fact, BVGI is the largest-scale insurance company in the industry up to now.

journey with easier-to-understand insurance process which is warmly welcomed by all customers.

In 2021, BVGI has obtained remarkable achievements in business and management activities, thereby improving brand reputation, sustainability, and market leadership, ensuring business efficiency and profit contribution to the overall picture of Baoviet Holdings.

REPORT ON BAOVIET INSURANCE CORPORATION'S

BUSINESS PERFORMANCE

OBJECTIVES BUSINESS ORIENTATION IN 2022

In 2022, BVGI continues to set the target of leading the market with the message "Proactive - Creative - Adaptive", strongly committing to consolidate internal resources, effectively apply 4.0 technology. 4.0 in business and management activities as well as others relating to service quality, after-sale service to provide products and services meeting customer's needs the most in lines with "Customer is the center" orientation.

SOME SOLUTIONS WILL BE DEPLOYED TO COMPLETE THE BUSINESS PLAN IN 2021, AS FOLLOWS:



Centralized management

Continuing to improve centralized management model based on the application of information technology, specialization of insurance business activities including the management of insurance operations, claims, sales, and after sales services.

Business Development - Managing and improving insurance operation efficiency, promoting business performance across the whole system

Accelerating data analysis, exploiting the role of actuary in insurance operation management; continue to implement centralized management model in actuary, insurance underwriting, pricing, sales guidelines, decentralization; adjusting and building premium table in accordance with business goals; adjusting sales policies to ensure business target efficiency; performing monthly analysis and evaluation of business performance for timely adjustment of underwriting policy; reviewing, adjusting, and updating insurance operation guidelines; promoting the development of new products to serve the increasing demands of customers and ensure the diversity of products; promoting cross-selling activities with Baoviet Life.

Claims and Surveying - Effective management and revenue promotion

Continuing to deploy the centralized management model for surveying and claims with a practical roadmap. Implementing surveying solutions for all insurance lines: motor vehicle insurance, property and engineering insurance, marine insurance, health insurance, personal insurance... including: Adjusting and applying advanced operating model; strengthening the verification and surveying; approving repair price and claim settlement, evaluating and negotiating with suppliers (garages, hospitals...); training and applying KPI for surveyors; applying information technology.

Information technology - Promoting the deployment of new applications, ensuring standard & timely data

Ensuring the operation of InsureJ insurance core software (for motor vehicle insurance, marine insurance, property and engineering insurance) and BV Care (health insurance products); completing management reports; building centralized customer database to support sales, underwriting management, surveying and claim settlement, customer care; completing the connection between InsureJ and Sunaccount; continuing to improve, upgrade and deploy other software in BVGI's information technology ecosystem; accelerating digital transformation.

Distribution channel - Focusing on developing highly potential channels

Consolidating the professional non-life agency channel through training activities, award programs, software application in agent management. Timely warning and controlling agents' activities that do not comply with regulations; continuing to promote cross-selling channel, making adjustments to ensure the channel effectiveness (amending products, revising expenses); developing high potential channel such as Bancassurance; continuing to develop new distribution channels such as online channel, telesales channel, other partner channels .. in combination with information technology application.

Flexible financing mechanism - policy but still ensuring efficiency

Assigning and adjusting sales expenses according to respective insurance line efficiency; monitoring debt settlement; controlling non-claim settlement expense such as operating expenses, management expenses, sales.

Human resource development

Recruiting, exploiting and using human resources appropriately, ensuring labor quality, saving expenses; continuing to expand the implementation of KPI to improve employees' productivity; allocating wage and unit price in lines with the increase of insurance line efficiency.

Marketing & Communication

Focusing on sales promotion activities with targeted customers; building partnerships with digital partners to introduce and promote sales to individual customers on marketing channels; deploy marketing campaigns on BVGI's products and services to provide customers with diverse information and understanding.

THE SUBSIDIARIES **REPORT ON BAOVIET LIFE CORPORATION'S BUSINESS PERFORMANCE**

he year 2021 – The 25th milestone on a path filled with success and outstanding development strides ever since Baoviet Life brought the first life insurance policy to Vietnamese customer. On this challenging path, Baoviet Life has pioneered the development of Vietnamese life insurance market and accompany our customers in order to create and bring sustainable value, securing the wellness for millions of Vietnamese families. With a stable and solid financial position, the synergized strength of the entire Baoviet Holdings along with the application of 4.0 technology, BVL continue striving for effective and sustainable growth.

Mr. PHAM NGOC SON Chief Executive Officer



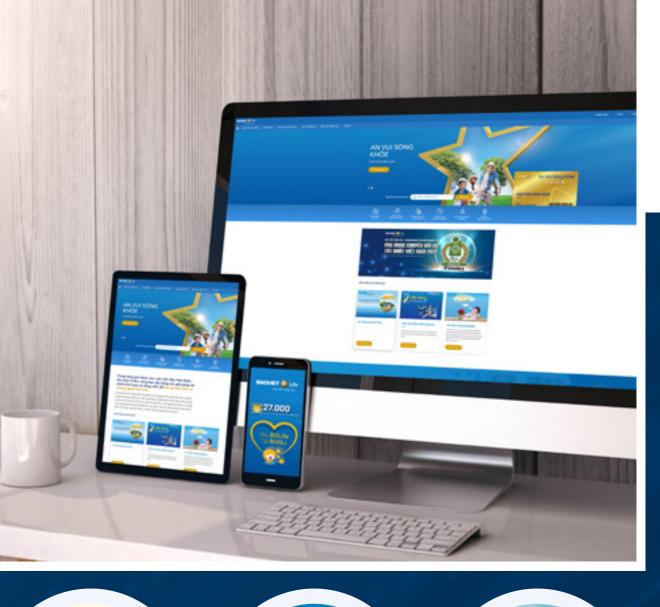
Business network (At 31/12/2021)

- Branch: 76
- Regional Office: 364
- Agents: over 187.000 Agents
- Customer count: 6.6 million

GENERAL OVERVIEW

BaoViet Life Corporation (BVL) is a subsidiary with 100% capital owned by BaoViet Holdings - the leading Finance & Insurance Holdings in Viet Nam. During our establishment and development, BVL has consistently affirmed our stable and strong financial position and is the only life insurer in the market with a network of branches and regional offices across the country, becoming a prestigious and trusted brand of Vietnamese people.

Maintaining a stable growth rate of premium revenue, BVL continues to uphold the 1st position in term of Premium revenue's market share for 5 years in a row (estimated data of the Insurance Association of Vietnam).





BVL persist with our mission to

"Protect Vietnamese families -

performing social responsibility,

contribute to building a healthy,

peaceful and prosperous community,

at the same time, BVL always strives

for self-improvement, viewing

customer as the center of our focus

to continue changing, bringing them

the best benefits and experience

benefits".

Protect Vietnamese

Our determination and relentless effort have brought BVL the honor of receiving various prestigious award both domestically and internationally:

- has firmly upheld this position.

possible.



• "Top 10 reputation Award 2021" for life insurers - an award elected by Vietnam Report Joint Stock Company. This is also the fifth time Bao Viet Life

"Best life insurance Company for Customer satisfaction & happiness Vietnam 2021" and "Best life insurance Company Digital Transformation Vietnam 2021" - elected by Global Banking and Finance review magazine.

2021 BUSINIESS RESULTS

2021 continues to be a very difficult and challenging year for BVL due to the impact of Covid-19 pandemic outbreak, however, thanks to the application of Industry 4.0 advanced technology in our business activities as oriented by BVL's leader, we have successfully complete 2021 business plan, maintaining stable growth compare to 2020.

Details results are as follows:





increased by 4,6% compare to 202

whereas:

Premium revenue (Billion VND)



30,558 Increased by 9,0% compare to 2020. With this result, BVL continued to maintain the 1st POSITION in Vietnam life insurance market in term of premium revenue market share.

Financial revenue (Billion VND)



7,252

Our consisted direction in investment activities is to ensure the safety and efficiency of our investment assets, prioritize risk control and liquidity management in order to guarantee policyholder's benefit.

Profit before tax (Billion VND)



Profit after tax

(Billion VND)

875



Chúc mừng **Bảo Việt Nhân thọ** Thương hiệu Bảo hiểm nhân thọ Số 1 Việt Nam As the only domestic life insurer on the market, BVL has consistently affirmed the leading position of a Vietnamese enterprise. Sound business performance reinforce the financial strength with the total assets of 140 billion VND, increased by 17,6% compared to 2020. In order to achieve the above results, BVL has taken a creative and proactive approach in implementing strong, decisive but also flexible business solution under challenging circumstances of the pandemic, continue to closely follow Baoviet Holdings business orientation,

focus on growth associated with

effective and sustainable development.

Distribution system development and business networks expansion

With the trust of our valued customer BVL continues to expand our business network. By the end of 31/12/2021, BVL has 76 branches and 364 regional offices all over 63 provinces of Vietnam with modernized facilities, helping BVL to reach our customer more easily and provide a diverse range of services nationwide.

With a 25 years long experience on the market, BVL's Agency force continues to develop, their business skills are improved on a daily basis, total number of BVL's Agents have reached 187.000 by the end of 2021.

In addition to the traditional agency channel, BVL also continued to develop alternative distribution channels, such as Bancassurance, Telesales, digital sales, online, e-commercial platforms, e-wallet ... in order to diversify our sales method as well as to improve life insurance advisor service to our customer.

BVL is currently in collaboration with 12 Banks and other Financial institutions, this is a promising opportunity for BVL to extend our reach and bring even more benefits to our customer.

Improved Customer services and utilities

With the motto "Pioneering technology – Sustainable Efficiency", BVL always concentrate on improving the quality of services, investment to apply of 4.0 technology in our business operation to bring customers true satisfaction while still guaranteeing compliance with regulations on pandemic prevention, protecting the health of our customers, our staff and Agents.





With the orientation of applying 4.0 technology in developing distribution channels, improving customer experience and satisfaction, BVL has focused on expanding and developing online distribution channel, deploying BVL's life insurance product for distribution on the digital platforms of our market leader distribution partners... This is a step forward which shows BVL's determination to promote digitalization, applying modern technology in business operation.

In 2021 in addition to perfecting and improving the utilities for customer using our current services, BVL continued to enhance our business protocols, develop and introduce new utilities, simplified procedures in order to better serve our customer such as:

- Deploying no-touch sales and premium collection: e-policy delivery, e-sign, online premium payment via smartphone applications, e-wallet... guaranteeing convenient and safe transaction, complying with pandemic prevention regulations.
- Implement customer notices through text messages and smartphone application
- Digitalized procedures, protocols from policy issuance, underwriting to claims management. Especially in 2021, BVL's claims policy has been promptly adjusted during the pandemic outbreak, this was shown by no waiting period policy, extended coverage for Covid-19, extended special hospitalization fee coverage. Customer premium debts were handled flexibly. encouraging customer to continue premium payment, reinstate insurance policy.

REPORT ON BAOVIET LIFE CORPORATION'S BUSINESS PERFORMANCE

Building a comprehensive protection system, increasing branding power

Striving toward a comprehensive protection for our customers' physical and mental health, BVL maintain and implemented various healthcare info center, connecting to prestigious Physician and Medical expert to provide healthcare advices, meeting the needs of our customers.

Healthcare Call Center - 18006966/line 2 continues to be implement, providing our customer and their families with healthcare advices from prestigious and experienced Physician along with unlimited duration calls as many time as required. This is an unique benefit only provided by BVL on Vietnamese market and only for BVL's customer.

In addition, BVL's website on Vietnamese Health Protection and Vietnamese Families Protection also provide useful knowledge to improve customer's quality of life, useful healthcare knowledge for customers.

In October 2021. BVL has organized a free YOGA instruction program named "Welcome wellness, Welcome Happiness"

Product development, meeting the diversified demands of the market

Product research, development and improvement are continuously carried out and promoted to introduce new innovative products to the market. To celebrate the 25th years of BVL's establishment, on 1/8/2021, BVL officially introduced our new life insurance product named "An Khang hanh Phuc", a whole life comprehensive protection solution before risks in life, especially first stage cancer, stroke, myocardial infarction, the product is accompanied



with the participation of experienced and skilled YOGA instructors from India. The program has attracted thousands of participants and helped improving physical and mental health of participants, accompanying Vietnamese families to overcome the pandemic.

by outstanding medical care benefits. "An Khang Hanh Phuc" brings innovative benefits, enabling effective accumulation for the future while guaranteeing financial resources to treat any incurable diseases or pay for medical expense, surgery in case unfortunate accident, illness occurs. It is also a product with efficient investment and accumulation benefits and is recommended as a key product of BVL.



Social and community activities

As a national brand, Baoviet Life has always endeavor to carry out our mission "Protect the Viet Family Protect the Viet Health" - Protect the Viet Future.

In 2021, BVL continues to sponsor scholarship and free bicycles for almost 1.700 poor students in over 28 provinces of Vietnam such as: Bac Lieu, Cao Bang, Ha Giang, Soc Trang, Tra Vinh, Vinh Long, Yen Bai,... This is an annual activities organized by BVL for many years, sponsored almost 28.000 scholarship in total for children with difficulties, encouraging them to continue on their education path, becoming good citizen, contribute to the prosperity of our nation. BVL understand the worries and desire of Vietnamese parents on the path to raise their children. In order to accompany parents while building a sustainable future for their children, BVL has organized a program named "Raising a child, easy or hard", the program was implemented on digital platform in November 2021 with various valuable and practical topics, helping parents to understand and have a method of their own to accompany, raise and develop with their children. Each episode attracted over 500 parents to participate. raising questions and discussion, creating a community of knowledgeable parents, determine to successfully raise their children.

Covid-19 pandemic persists, the life of Vietnamese people is severely affected. However, with the determination, joint effort of a nation to "Fight the pandemic as an enemy", on 5/6/2021, BVL has donated 30 billion VND to Vietnamese Covid-19 vaccine fund in order to meet the urgent needs to fight the pandemic, accelerating import progress of Covid-19 vaccine and implement mass vaccination for





Vietnamese people, lighten the burden on Vietnamese national treasury. This is BVL's effort to join hand and protect the health of our community, contributing to a peaceful, prosperous Vietnam. On this occasion each of BVL's staff member also donated at least 1 day worth of their salary to Vietnamese Covid-19 vaccine fund, showing the sharing is caring spirit, overcome this difficult time altogether with the whole nation.

Aiming for social and sustainable development target, BVL continue to organize social activities with Environment protection and Vietnamese health protection topics. Following the calling of Vietnamese Prime Minister "Planting 1 billion plants for Vietnam", on 7/01/2021, BVL has launch "A Green Vietnam Jouney" campaign in order to spread a green lifestyle, encouraging environment protection acts in our society. In Thua Thien hue, BVL shall plant trees over 5ha of land in Phong Dien natural reserve, at the same time, BVL also plant decorative golden oak in the town of Cua Lo, Nghe An province. This is a meaningful action to celebrate the 25th anniversary of BVL's pioneering journey on Vietnamese life insurance market, showing our commitment with the mission to "Protect Vietnamese future - Protect Vietnamese family".



REPORT ON BAOVIET LIFE CORPORATION'S BUSINESS PERFORMANCE



With a sustainable financial strength and the continuous high growth of business results over the years, Bao Viet Life continues aiming at high revenue growth, better customer service, ensuring the benefits for customers, maintaining the leading position in the market, specifically as follows:



In order to achieve the above targets, BVL shall perform the following comprehensive and consistent solutions based on its long tradition development as a pioneering Vietnamese enterprises in the life insurance market, utilizing the synergy strength of Baoviet Holdings.

Specifically as follows:

Network and branches expansion, multi-channel distribution system development

Continue to develop traditional Agency channel as the strategic and main distribution channel, focus all resources on professionalizing and rejuvenating Agency force; continue appropriate investment in Telesales, Bancassurance, corporate customer, online and digital sales channel.

Product development

BVL will continuously promote market researches and develop diversified product packages to meet the demand of the market and different customer segments with high competitiveness features, in accordance with the general strategic direction of the Vietnamese Government and Ministry of Finance in reforming the social security system. In 2022, BVL shall continue to expand the range of healthcare products, Universal life and Unit Linked products in order to provide a more diverse product basket for BVL's customer.

Efficient Investment strategy

Given that the market interest rate remains at a low level, BVL shall carry out a flexible investment strategy which could utilize investment opportunities of financial market to acquire maximized investment return as well as guaranteeing our commitments to policyholders. Simultaneously, BVL shall also contribute to the development of Vietnam financial market by re-investing into the economy and entering into government bonds market. In addition, BVL will focus on building and promoting research and development of investment products; establishing information network, systematic cooperation in order to promote the synergic strength within Bao Viet Holdings.

Improving customer services quality

Taking "Digitalization" as the main customer service orientation, increasing the solutions to best support business operations in Policy issuance, no-touch e-policy delivery, e-sign, automatic claims processing widen the range of digital services provided to customer, expand the network of Medical affiliates, implement centralized customer information management and improve customer management and services.

BVL shall continue to improve our customer care and services by diversifying services method, taking full advantages of modern technology in order to promptly meet the demands of our customer, taking customer satisfaction to a greater height.

Optimizing the application of advanced technology

In order to take advantage of the rapid development of 4.0 technology and ensuring that BVL always stand firm before unpredictable risks similar to Covid-19 outbreak, in 2022, BVL will continues to develop and upgrade our software infrastructure in order to support core business operation and continue the digitalization of BVL internal procedures, prioritizing customer services and information management.

Promoting the synergy within the Holding

Promoting the strength of Bao Viet Holding - The leading Financial and Insurance Holdings of Vietnam with a diverse fields of business: life insurance, health insurance, fund management, banking, securities... In 2022 BVL continues to utilize the synergic Bao Viet Holdings' strength, increase the cooperation and internal synergic activities, in order to provide integrated insurance - financial - banking solutions, maximizing the utility of the services provided to customers...

REPORT ON BAOVIET FUND MANAGEMENT COMPANY'S BUSINESS PERFORMANCE



021 is still a year full of challenges and difficulties due to the impact of the Covid-19 epidemic, however, Baoviet Fund Management Company (BVF) still strives to complete the business plan with positive results and the quality of investment activities is increasingly focused and improved. Along with this result, BVF has been and will continue to affirm its position in the Vietnamese financial market, and at the same time continue to perform well as one of the three main business pillars of Bao Viet Holding.

Mr. NGUYEN DINH AN Chief Executive Officer

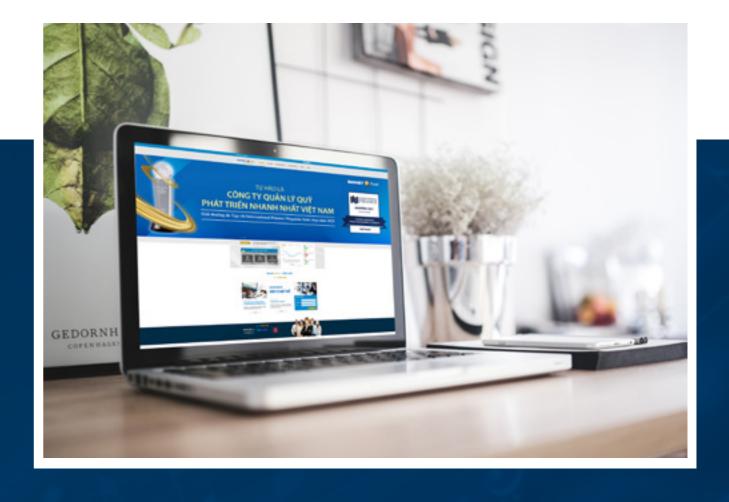




OVERVIEW

During 16 years of operation, BVF has marked each step of great development, affirming its position as the leading professional financial investor in the Vietnamese financial market with a total Assets under management increased by 23% compared to December 31, 2020, reaching USD 4 billion. With the experience in managing large and long-term capital resources, and the ability to provide diversified and full-service financial services according to international standards, including: portfolio management services, investment fund management services and securities investment consulting. BVF always strives and commits to bring the highest benefits to investors and customers.

As the core of investment activities of Baoviet, BVF is managing 5 portfolios, 3 open-ended funds and 1 member fund. Investment portfolios have achieved good results, meeting customers' expectations. In 2021, BVF is honored to receive several awards from International Magazines and Organizations, in specific: Fastest Growing Fund Management Company in Vietnam 2021 by International Finance Magazine, Best Asset Manager award in Fixed Income Funds and Equity Funds by Alpha Southeast Asia.



BUSINESS ACTIVITIES 2021

Facing challenges and difficulties due to the impact of the Covid-19 epidemic, in 2021, with solutions and efforts in each field of activity, towards the goal of standardization, taking customer requirements as the priority in order to operate the investment portfolios, BVF still achieved positive results, specifically:

Total assets under management (AUM) as of December 31, 2021, BVF's AUM reached (VND Billion)

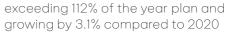
> 96,280 Increased 23% compared to 2021

> Total revenue reached (VND Billion)

reaching 101.8% of the plan

Profit after tax reached (VND Billion)





OTHER FINANCE INDICATORS

- Profit after tax/charter capital ratio reached 43.7%.
- Working capital adequacy ratio as of December 31st, 2021 reached 538.76%
- All investment portfolios for clients exceed expectations.

REPORT ON BAOVIET FUND MANAGEMENT COMPANY'S

BUSINESS PERFORMANCE



Investment activities were implemented effectively. with outstanding investment results, meeting customers' expectations

Actively open-ended funds trading and attracting more individual investors -**Open-ended fund gradually** affirming its position of a new-age investment channel

Step by step towards implementing digital transformation, improving professionalism in all areas of activity With the exciting movements of Vietnam stock market in 2021, all investment portfolios managed by BVF exceeded customers' expectations. This result is achieved through the implementation of investment activities based on the principle of ensuring compliance with customer requirements, and at the same time having flexibility in applying solutions. BVF constantly searched and actively implemented new investment opportunities, found right time in changing the structure of investment assets in order to bring the best investment efficiency to the portfolio.

2021 is considered to be an active trading year of the Open-ended fund market. Open-ended funds managed by BVF achieved good investment results, specifically: BVFED increased by 41.8%, BVPF increased by 30.6% and BVBF achieved a growth of 4.7%, compared to the end of 2020. In which, BVFED is in the top 10 of equity open-ended funds with the best growth in the market. Good investment performance is an important factor contributing to attracting investors' interest in open-ended funds. By the end of 2021, the total number of new individual investors opening accounts was 1,064, the total newly mobilized capital of BVF 03 open-ended funds (BVBF, BVFED and BVPF) reached more than 105 billion VND. This is a good sign that investors have paid more attention to the investment channel through funds and is a good opportunity for BVF to expand our product distribution network, additionally, continue to develop public fund products in near future.

With Baoviet Holding's orientation on digital transformation, with the motto "Mastering high technology - Differentiating efficiency", BVF has implemented software and Information Technology platform investment projects to improve operational efficiency and support investment activities such as: adjusting IMS software, developing and upgrading online fund unit trading page, accounting software; set up a number of tools and solutions to generate reports automatically, meeting management requirements of the Company and customers.



BUSINESS PLAN IN 2022

2022 is forecasted to open up many opportunities with new challenges. With the goal of sustainable growth, taking advantage of strengths and opportunities to create a breakthrough in the next period, BVF sets the business targets as follows:



GOALS AND KEY SOLUTIONS IN 2022

On the basis of business objectives, along with the assessment of the market and our strengths, BVF has set out the key tasks and solutions in 2022 as follows:

Focus on implementing solutions to improve investment efficiency

Outstanding investment efficiency and meeting customer expectations are always the goal of BVF. In 2022, with volatile market conditions, BVF will focus on closely following market developments, strengthen forecasts to offer appropriate investment solutions, promote creativity and be flexible with changes market change. At the same time, focus on implementing a number of solutions to improve investment efficiency, including: (1) restructuring the portfolio in the direction of shifting asset classes, ensuring compliance with market movements and customer requirements; (2) take advantage of market opportunities for increase portfolio efficiency activities such as buying and selling stocks, bonds, repo...

Implementing digital transformation, bringing Information Technology into all areas of operation to improve the efficiency of management and administration

By promoting investment in IT systems such as focusing on developing the Core system and online open-ended fund trading page, BVF aims to provide a full range of supporting tools for investment activities, sales and operations management. That is the foundation to help the company improve its competitiveness in the Technology era 4.0 and contribute to increasing efficiency in all areas of operation.

Launching new products, searching and developing new distribution channels

Following the set plan, in 2022 BVF is expected to launch new fund products that meeting the diverse investment needs of customers and partners. Along with that, the distribution channel system suitable for each specific product will continues to be developed by the Company.

REPORT ON BAOVIET INVESTMENT CO., LTD'S BUSINESS PERFORMANCE

fter over 10 years of operation, BVI has set up a system combining activities in 04 major fields:

Real estate investment;



Construction and project management;

Trading & services.

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Mr. NGUYEN MINH TUAN **Chief Executive Officer**

BUSINESS PERFORMANCE IN 2021

Baoviet Investment Co., Ltd ("BVI") has successfully completed the 2020 business plan 8.26 Profit after tax (VND billion)

accounted for 8% of the annual plan

Profit after taxes /Charter capital



Profit after taxes /owner's equity

3.5%

©∐ In 2021, the Company provides building management services up to 49 buildings across the country, increases 14 buildings compared to 2020.

BAOVIET 🕑 Invest BAOVIET INVESTMENT CO., LTD



Total revenue of BVI in 2021 (VND billion)

BVI INTRODUCTION

As a member of Baoviet Finance - Insurance Group, operating under Vietnamese Enterprise Law, Baoviet Investment Co., Ltd is established on the basis of consolidating financial and human resources, functions, tasks and great achievements in the field of investment and construction of Baoviet Holdings in order to specialize investment and construction activities to further promote the role of a State Corporation in the national economy.

Baoviet Investment Co., Ltd ("BVI") has successfully completed the 2021 business plan; total revenue archives 311 billion VND, net profit after tax archives 8.26 billion VND, exceed 8% above plan.

In 2022, the Company continuously aims to provide comprehensive solutions for investment and management of real estate resources for BVH and its subsidiaries.

After over 10 years of operation, BVI has set up a system combining activities in 03 major fields: Real estate investment, Office leasing and property management, Project management.

BVI has clearly identified Office leasing and Property management as one of the core business in the development strategy in the coming years, and will strengthen business plan to attain this goal. At the same time, BVI always increase business value in "Baoviet synergistic program" as well as invest in infrastructure; effectively use land fund; Operate & cooperate with services retail partners.



With professionalism, abundant financial capacity, rich experience, skilled human resources and high sense of responsibility to meet demand for real estate investment and providing construction services and construction investment consultancy with domestic and foreign partners.

REPORT ON BAOVIET INVESTMENT CO., LTD'S BUSINESS PERFORMANCE



In 2022, together with BVH's orientation on cross-business synergies of members' products, BVI focuses on researching and advising BVH and its subsidiaries of property management solutions, including real estate, head office, and office buildings in provinces and cities nationwide.

BUSINESS PLAN IN 2022

With such a long-term orientation, BVI aims to achieve sustainable growth with the following financial indicators:

TOTAL REVENUE (VND billion)	345
PROFIT AFTER TAX (VND billion)	8.36

KEY SOLUTIONS IN 2022



Real estate business activities

- Hieu stress (Ha Dong District), Baoviet Apartment in Phan Chu Trinh street (Vung Tau City).
- Completing the construction and putting into operation Bao Viet Building in Long Thanh (Dong Nai), Tra Vinh, Hau Giang.
- profit in the short term.
- Speed up capital retrieval from Eco Green and Landmark 51 projects.

Office building management activities

for BaoViet Life.

HR Management

- · Piority using internal emplyees to meet works requirement.
- · Organize training courses to improve employees' skills.



• Rapidly invest the projects of Baoviet synergistic program, such as: Baoviet Building in To

• Researching real estate market to carry out buying and selling apartments to increase

• Expanding the provision of building management services in localities across the country

REPORT ON BAOVIET SECURITIES JOINT STOCK COMPANY'S BUSINESS PERFORMANCE

ao Viet Securities Joint Stock Company (BVSC) was established in 1999 with the involvement of Vietnam Insurance Corporation (now Bao Viet Holdings) as a founding shareholder under the management of the Ministry of Finance. BVSC inherited Vietnam's top insurance corporation's brand reputation and financial power. The Company offers financial and investment services to all institutional and individual clients and reputable domestic and foreign investment banks and funds.

Mr. NHU DINH HOA Chief Executive Officer







COMPANY OVERVIEW

Over the past 22 years, with the mission of inspiring "Solid Trust" to investors and companies through a "Firm Commitment", BVSC has continuously strengthened its operations and invested heavily in the information technology system to maintain its position as a reputable securities company in the market.

Currently, BVSC has a network of 1 branch and 08 transaction offices in the two main cities of Vietnam, Hanoi and Ho Chi Minh City. BVSC always provides the best services to its clients through a team of competent and experienced stock market experts.



Total revenue 2021 (VND Billion)

Over the years, BVSC has consistently garnered awards, votes, and appreciation from honored local and international organizations and regulatory agencies.

BUSINESS OPERATIONS IN 2021

Despite the Covid-19 outbreak spreading across many large cities and provinces, 2021 was a spectacular year for the stock market. In 2021, cheap cash flow was the main factor that favorably supported the market, along with the wave of new investors reaching a record of roughly 100,000 new accounts every month. The VN-Index maintained a solid trajectory throughout 2021, breaking record peaks of 1,300, 1,400, and 1,500 points, respectively,





THE WAVE OF NEW INVESTORS REACHING A **RECORD OF ROUGHLY** 100,000

NEW ACCOUNTS EVERY MONTH

and ending the year at 1498.28 points, up 36% from the end of 2020. On the HNX, the HNX-Index closed at 473.99 points at the end of 2021, up 133% from the end of 2020. Market liquidity remained robust, with the average trading value on all three exchanges hitting VND26,661 billion/session, equaling to 259% of the average in 2020. Many sessions set new records in trading value, reaching over VND40.000 billion/session.

REPORT ON BAOVIET SECURITIES JOINT STOCK COMPANY'S BUSINESS PERFORMANCE

BVSC has excellently accomplished the business plan assigned by the Annual General Meeting of Shareholders in 2021 by grabbing market opportunities and promptly adapting to fluctuations, along with the close direction of the Board of Management and the consensus of all employees. Details are as follows:



Total revenue

Profit before tax (PBT)

(VND Billion)

(VND Billion)

Total assets

(VND Billion)



130.4% of the plan and 192.9% of 2020. The realized revenue is VND1052.83 billion, equaling to 130.8% of the plan and 203.2% of 2020.



351.03

145.6% of the plan and 227.5% of 2020. The realized PBT is VND290.96 billion, equaling to 141.9% of the plan and 233.8% of 2020.



5.719.30

increasing by VND2,306.30 billion, or rising by 67.57% YoY. The Company's assets increased mainly on short-term financial investments, loans for margin lending, and cash advance services, in line with the Company's business direction.



The Company's capital adequacy ratio (CAR) is always higher than the regulated rate (180%) of the State Securities Commission

489%

In 2021, the CAR reached

2.57 times the regulated CAR, and at a high level when compared to peers, demonstrating the Company's healthy financial status and well-controlled investment, payment, and operational risks.



Capital structure

In 2021, The Company boosted low-interest short-term debts. Thus, the debt-to-capital ratio of the Company has increased significantly. This demonstrates that BVSC has efficiently used short-term cheap and low-interest debts to support its core business activities, improve financial leverage, and contribute to the Company's growth potential



Profitability

Return on Equity (ROE)

in 2021 expanded rapidly to up 86.9% from the last year (7.06%)

Return on Assets (ROA) reached Up 27.55% YoY



This shows that the Company has effectively used financial leverage and excellent business strategies to drive growth in its operations, resulting in PAT more than doubling last year's level.

BROKERAGE ACTIVITIES **GROW SOLIDLY**



In 2021, increased dramatically despite the capital constraints and intense competition, growing by

Brokerage activities remain the Company's core operation, accounting for the majority of realized revenue (44%). In 2021, the Company grasped the advantages of market transaction size and actively implemented synchronous solutions for personnel and capital, focusing on expanding product and service exploitation on digital platforms.

BVSC PROMOTES CAPITAL ARRANGEMENT CONSULTING VIA BOND ISSUANCE AND BEING THE ISSUANCE AGENCY

The issuance of corporate bonds

(VND Billion)

Seizing the development trend of the bond market, since 2020, BVSC has begun to boost capital arrangement consulting operations for companies, mainly consulting on corporate bond issuance. This consultancy activity grew strongly in 2021, increasing by 91% YoY. BVSC advised the issuance of corporate bonds worth VND5,100 billion, with many typical deals such as consulting and being the issuance agency of Dua Fat Group Joint Stock Company, Indochine Import-Export



OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS





Brokerage activities income increased dramatically despite the capital constraints and intense competition, achieving 129.9% of the plan and growing by 208.9% YoY - the most significant growth among all business fields of the Company.

Investment Industrial Joint Stock Company, Danh Khoi Holdings Investment Joint Stock Company, Hung Vuong Developer Joint Stock Company...

Furthermore, the Company continues to effectively implement consulting operation, one of its strengths, such as the IPO deal for Khai Hoan Land Real Estate Joint Stock Company on the HSX and consulting on the divestment of Vietnam Post at PTI. BVSC is reinforcing its position and reputation on the market with these consultancy deals.



REPORT ON BAOVIET SECURITIES JOINT STOCK COMPANY'S BUSINESS PERFORMANCE

INCREASE DIGITAL TRANSFORMATION & THE USE OF TECHNOLOGY IN COMPANY OPERATIONS



In 2021, BVSC continued to proactively pursue digital transformation and technology application in business activities based on the new B-wise trading system to adapt to new business conditions and keep pace with the general market trend.

As a result, BVSC has released many technology products to improve customer experience and perfect the product ecosystem on the digital platform, besides continuously upgrading and improving the B-wise system and App Mobile:

Launch of new product based on eKYC: The Company launched an online account opening service based on eKYC facial recognition technology (referred to as eKYC account opening) in August 2021, implemented on the BVSC Mobile application, and allows users to open accounts swiftly anywhere at any time of day. The adoption of eKYC account opening has aided in optimizing customer account opening experience and improving the approach of properly reaching customers, particularly during the current difficult situation of the Covid-19 pandemic.

Implement and upgrade the Electronic Collect - Pay on behalf service with commercial banks: In May 2021, the Company launched an electronic payment service with Baovietbank to provide optimal convenience to customers and investors in depositing and withdrawing money from securities accounts to bank accounts, in addition to Vietinbank's collection and payment channel and BIDV's payment channel. Meanwhile, the Company is working on completing electronic collection services with BIDV and Baovietbank as rapidly as feasible

Feature of selling odd-lot securities on HOSE: To help investors sell odd-lot securities on HOSE quickly and conveniently while avoiding owning odd-lot securities that are difficult to trade, in October 2021, BVSC launched the feature of selling odd-lot securities on HOSE via the B-Wise online platform and deploying monthly HOSE odd-lot securities purchases. Thanks to this utility, Customers can actively sell odd-lot securities online without going to the Company's transaction offices. It is simple to make sell orders online and get proceeds from the sale of securities quickly.

Develop new investment consulting products based on technology application: In December 2021, the Company launched the product BVS - Value -Separately managed sub-account, which is managed by a team of prestigious and experienced analysts. Based on the technology platform, customers fully own and monitor all authorized assets daily; simultaneously, customers can flexibly choose to authorize part of the assets in parallel with proactive self-trading. At the beginning of 2022, BVSC continues researching and offering a new investment management authorization product, BVS - Active, which provides clients with more options for optimizing their investment portfolio.

DEPLOY THE FUTURE BROKER 2021 PROGRAM A FOUNDATION TO BUILD A NEW GENERATION OF EMPLOYEES

BAOVIET Securities

CHƯƠNG TRÌNH FUTURE 2022 BROKER

CUNG BVSC NGAY TAI

https://futurebroker.bvsc.com.vn

Hạn đăng ký: 06.03.2022

Following the Future Broker 2020, BVSC launched the Future Broker 2021 program in Hanoi and Ho Chi Minh City. The program is divided into three stages: education, training, and practice, for senior students with a goal and passion for working in the Finance and Securities industry and becoming a professional investment advisor. Via this program, BVSC targets to build a generation of skilled and productive employees for the future.





REPORT ON BAOVIET SECURITIES JOINT STOCK COMPANY'S

BUSINESS PERFORMANCE



ORIENTATION IN 2022 2022 BUSINESS GOALS TO SUBMIT TO THE FY22 AGM



BUSINESS ORIENTATION IN 2022 Promote brokerage activities Based on the company orientation, in 2022, BVSC will continue to invest in boosting the expansion of brokerage activities through synchronized solutions in terms of products, services, capital, human resources, and information technology. BVSC focuses on promoting capital arrangement consulting activities for firms through the issue of bonds and stocks while also preserving its strength in M&A consultancy. Besides, taking advantage as the Government approves the plan for divestment, equitization, and corporate restructuring in 2021-2025, the Company has approached corporations and companies desiring to restructure to advise on IPOs and listings. Apply a flexible strategy in proprietary trading In 2022, the Company will continue to seek stock market investment opportunities with a flexible strategy, keeping a close eye on market fluctuations and cash flow to ensure proper disbursement timing and solid investment portfolio results. Introduce the Next Gen 2022 program, a cutting-edge HR platform for the future Besides the Future Broker 2022 in Hanoi, the Company plans to design a new program, Next Gen 2022, to develop medium and long-term human resources for all positions. The Next Gen 2022 is the successor to the Future Broker initiative, focusing on comprehensive human resource planning at all levels to develop the next generation of employees to match the Company's current needs and long-term growth strategy. Upgrade the IT system to keep up with the market's expanding scale and the Company's digital transformation In 2022, the Company is expected to invest to supplement and replace the core equipment system, including

upgrading the server system and numerous associated essential pieces of equipment and upgrading the network system and the central virtual server. This investment in IT system will help BVSC: (i) strengthen its competitiveness, ensure to satisfy operating conditions as the market's transaction size grows in the future, (ii) meet the requirements for the new securities trading Core system of the Vietnam stock market (KRX system) to come into operation; (iii) speed up the digitization and digital transformation process, allowing the Company to create financial solutions based on a technological platform to provide clients with exceptional convenience when using the service, and also promote corporate governance efficiency and increasing the productivity of the Company's employees.





CORPORATE GOVERNENCE

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Q Baoviet pioneered good corporate practices governance in the development of its internal governance aiming system, to improve the quality of corporate governance, breakthrough laying foundation to develop business and achieve broader economic goals related to shareholder and investor confidence. accumulation and access markets, to capital and capital allocation throughout the Group.

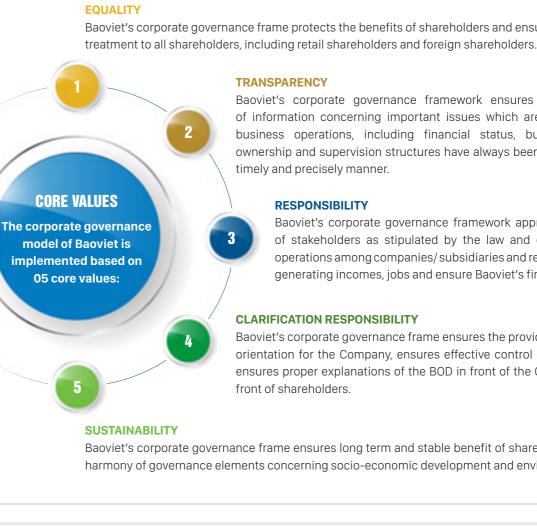


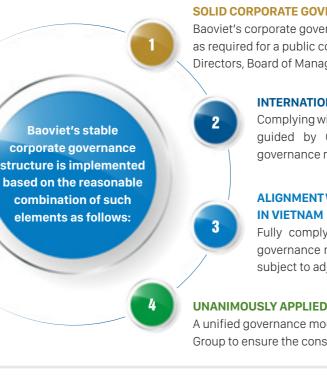
PRINCIPLES AND CORE VALUES OF CORPORATE GOVERNANCE AT BAOVIET HOLDINGS

Throughout the past year, under the direction and management of the Board of Directors ("BOD"), Baoviet Holdings has applied the Code of Corporate Governance in accordance with Best Practices for Public Companies in Vietnam (first published in September 2019), as a guideline to define a roadmap to improve governance standards and practices, reduce risks, and move towards the sustainable development and long-term prosperity of the Company.

Baoviet Holdings proactively refer to the Code of Corporate Governance in the process of building the internal management system at the Group, aiming to improve the quality of corporate governance, creating a premise for breakthrough development. conduct business and achieve broader economic goals related to shareholder and investor confidence, accumulation, access to capital markets and capital allocation across the Group.







Baoviet's corporate governance frame protects the benefits of shareholders and ensures equal

Baoviet's corporate governance framework ensures the disclosure of information concerning important issues which are related to the business operations, including financial status, business results; ownership and supervision structures have always been performed in a

RESPONSIBILITY

Baoviet's corporate governance framework approves the rights of stakeholders as stipulated by the law and encourages cooperations among companies/ subsidiaries and relevant parties in generating incomes, jobs and ensure Baoviet's financial stability.

CLARIFICATION RESPONSIBILITY

Baoviet's corporate governance frame ensures the providing of strategic orientation for the Company, ensures effective control of the BOD, and ensures proper explanations of the BOD in front of the Company and in

Baoviet's corporate governance frame ensures long term and stable benefit of shareholders and the harmony of governance elements concerning socio-economic development and environment.

SOLID CORPORATE GOVERNANCE FOUNDATION

Baoviet's corporate governance structure consists of the adequate components as required for a public company (General Meeting of Shareholders, Board of Directors, Board of Management and subordinating Committees)

INTERNATIONAL GOVERNANCE STANDARD ADOPTION

Complying with international governance frameworks and standards guided by OECD, IFC and adopting the advanced corporate governance models from foreign strategic partners' models.

ALIGNMENT WITH GENERAL PRACTICES AND LEGAL REGULATIONS

Fully complying with Vietnam legal framework and regulations, governance regulations applied to Vietnam's listed companies, and subject to adjustments to suit Vietnam's conditions.

UNANIMOUSLY APPLIED ACROSS THE GROUP

A unified governance model has been established and developed across the Group to ensure the consistency in operations.

CORPORATE GOVERNANCE FRAMEWORK OF BAOVIET HOLDINGS



INTEGRATING ESG **IN GOVERNANCE TO SUSTAINABLE** DEVELOPMENT

The crisis caused by the Covid-19 pandemic and increasingly extreme natural phenomena have increased the importance of responding to issues related to ESG. Aware of those challenges and opportunities, Baoviet has implemented additional ESG criteria, including processes and criteria on environmental protection and climate change control into its governance and operations. operate its business to ensure its growth, but this development must be sustainable. From the perspective of a Group operating in the fields of insurance, finance, banking, and investment, we also believe that the ESG portfolio possesses less risk to environmental and social fluctuations, while providing good long-term returns, especially as climate change issues become increasingly serious.

In addition, Baoviet also deploys integrated reporting according to international practices, whereby financial and nonfinancial information is aggregated, analyzed and reported according to a resource management model to create value. for businesses, shareholders, employees and the community.

In the direction of sustainable development, Baoviet has declared the commitment of senior leaders (from the Board of Directors, the Board of Management) to ensure the implementation of 3 socioeconomic and environmental goals (ESG) in Baoviet's development strategy. This strategic orientation is realized through the development of specific goals for each functional board and member unit. These objectives are quantified according to performance indicators (KPIs), which include financial (economic) and non- financial (environmental and social) indicators.

environmental issues.

units.

In the guiding documents, the Board of Directors frequently requested the Board of Management to focus on forecasting, updating and closely monitoring actual developments in the economic, social and environmental situation in business activities. to proactively adjust flexibly and promptly give appropriate and effective orientations, decisions and solutions, ensuring the direction and successful implementation of the annual business plan and business strategy.

Supervise the implementation of the Group's decisions, resolutions and policies issued by the Board of Directors related to sustainable development and environmental and social issues. Directing the implementation of sustainable development reports



Assessment of capacity and implementation in relation to sustainable development

Baoviet implements sustainable development orientation from senior leaders to the performance committees to evaluate these KPIs and report to the Board of Directors. It can be said that Baoviet's business activities are more and more closely linked with social and

Strategic orientations and action plans related to socio-economic - environmental issues are given at the Annual General Meeting of Shareholders. Accordingly, the Board of Directors organizes the implementation of resolutions approved by the General Meeting of Shareholders, and the Executive Board directs them to concretize them into actions through activities at the Parent Company and its member

Carry out a review of the impacts, risks and opportunities related to the Socio-Economics

The Board of Directors oversees the implementation of Baoviet's strategy, which includes the sustainable development strategy. The Board of Directors is responsible for approving the implementation policy and approving the audited financial statements and sending them to the Supervisory Board for appraisal before submitting to the General Meeting of Shareholders for consideration and approval. The Board of Directors assigns the Executive Board and the Division to be responsible for the sustainability report, ensuring that the content is developed in accordance with international standards and practices and Vietnamese conditions.

ASSESSMENT ON THE CORPORATE GOVERNANCE OF BAOVIET HOLDINGS ACCORDING TO ASEAN CORPORATE GOVERNANCE SCORECARD

ASSESSMENT ON THE CORPORATE GOVERNANCE OF BAOVIET HOLDINGS ACCORDING TO THE ACGS

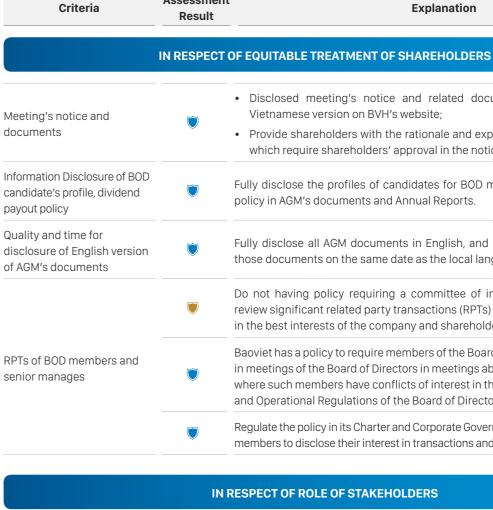
Under the direction of the Board of Directors, in recent years, Baoviet proactively adopts the international and regional best corporate governance practices to improve Baoviet's practical corporate governance; Build a system of analysis and corporate governance according to the business lines in the hope that the system can support the improvements of the practices on corporate governance in Vietnam; Support the management agencies in identifying the strengths and weaknesses of the regulations and practical corporate governance, thereinafter proposing the relevant revolutionary solutions; Evaluate the progress of corporate governance throughout the years; improve the awareness and knowledge of good practices on corporate governance of Baoviet's employees across the network of Baoviet.

General assessment on the corporate governance practices of BVH in 2021

Good practices 🛡 Bad practices, areas for improvements

Criteria Assessment Result		Explanation		
	IN RE	SPECT OF RIGHTS OF SHAREHOLDERS		
Right of shareholders	۲	Shareholders have the right to participate in the amendments of the Holdings' charter, the issuance of additional shares, the nomination of BOD members and inspectors and approval on the matters under the AGM's authority.		
Voting in absentia	۲	Based on the documents disclosed on BVH's website, shareholders can vote in absentia and send those votes to the BVH before the commencement of the AGM. Such votes are considered valid and counted in the number of votes for/against/ abstained at the meeting.		
Dividend payout	Ŵ	Ensure dividend payment to shareholders within 30 days from the date the Board of Directors issues the Resolution on dividend payment and within 06 months from the date of holding the Annual General Meeting of Shareholders.		
Provision of GMS's notifications and documents	V	Provide the rationale and adequate information for each agenda item which require shareholders' approval in the notice of AGM.		
Nominate and vote for BOD candidate	V	Giving the equal rights for shareholders regardless of major or minor shareholders to nominate the candidate and vote for BOD members at the GMS.		
Attendance of BOD, BOM, SB, and shareholders	Ŵ	AGM Minutes were comprehensive and contained the attendance of BOD, BOM, SB. BVH also encourages the attendance of shareholders especially institutional shareholders.		
Disclosure of AGM's Resolutions and meeting minutes	١	 Resolutions and Meeting Minutes of AGM are disclosed publicly and promptly within 24 hours after AGM in both English and Vietnamese version; Meeting minutes recorded all questions of shareholders and answers of the Chairing Board in the discussion session. 		
		Voting results were released together with the AGM Resolutions and Meeting Minutes.		
Deadline for disclosure of AGM's notices and documents	۲	The notices and materials of AGM were disclosed earlier than 21 days before the meeting.		





Sustainability Report	۲	Baoviet Holdings (BVH Report for 5 consecu The recommendations ensuring the reliability
Interaction with communities, corporate social responsibilities & policy for employees	۲	 BVH disclosed poli environmentally-fri Disclosed policies a as well as policies o employees.

Explanation

• Disclosed meeting's notice and related documents in both English and Vietnamese version on BVH's website;

• Provide shareholders with the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM.

Fully disclose the profiles of candidates for BOD members, and dividend payout policy in AGM's documents and Annual Reports.

Fully disclose all AGM documents in English, and release the English version of those documents on the same date as the local language version.

Do not having policy requiring a committee of independent BOD members to review significant related party transactions (RPTs) to determine whether they are in the best interests of the company and shareholders.

Baoviet has a policy to require members of the Board of Directors not to participate in meetings of the Board of Directors in meetings about activities and transactions where such members have conflicts of interest in the Charter, Internal Regulations and Operational Regulations of the Board of Directors.

Regulate the policy in its Charter and Corporate Governance Regulation requiring BOD members to disclose their interest in transactions and any other conflicts of interest.

H) continues to audit/assure the Sustainable Development utive years (from 2016-2021) by Baoviet's Internal Auditor. ns of the Internal Audit have been improved over the years, ty of the information provided in the report.

licies and practices for interaction with the communities, riendly value chain, and corporate social responsibilities.

and practices in dealing with customers' health and safety, on the health, safety, and welfare, training programmes for



Good practices 🖲 Bad practices, areas for improvements

Criteria	Assessment Result	Explanation
	IN F	RESPECT OF ROLE OF STAKEHOLDERS
Contact details for shareholders' complaints	۲	Provide contact details via the BVH's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/ or complaints for possible violation of their rights
Whistle-blowing system	۲	Formulated, issued and disclosed on BVH's website regarding the Code of Conduct, Regulation on Anti Money Laundering in order to direct the corporate culture and prevent the illegal or unethical behavior. The Human Resource Division of Operations Block is responsible for receiving complaints about these behaviors
Supplier selection, anti- corruption, and creditors' rights	۲	Formulated and disclosed in the Annual Sustainability Report.
_ong-term incentives for employees	۲	BVH has issued ESOPs for employees with a transfer restriction period of 3 years (May 2018-05/2021), enhancing the cohesion of employees and grateful for their contributions to Baoviet's business activities.
	IN RESI	PECT OF DISCLOSURE AND TRANSPARENCY
Annual Report	۲	 Good quality of Annual Report: Annual Report of BVH has been always in top ten best Annual Reports in Vietnam out of almost 600 companies listed on the HNX and HSX that took part in the Annual Report contest. BVH also received awards from the League of American Communications Professionals (LACP) in the Annual Report Competition. Provided detailed information of subsidiaries, associates, joint ventures in the Annual Report and website. Clearly identified the information of shareholders, the ownership structure subsidiaries, associates, joint ventures, financial and non-financial performance indicators in the Annual Report. Quality of the Annual Report: Provided detailed information of BVH, got rewards in the competition of Annual Report and Sustainability Report domestically and internationally.
Disclosure of RPTs and nsider trading	۲	Released the detailed information of material/significant RPTs and the trading of the BVH's shares by insiders in the financial statements and Corporate Governance Report in the Annual Report.
Website	۲	 Published the information in both English and Vietnamese version. Provided shareholders, domestic and foreign investors with the information on the business operations, financial statements and downloadable annua reports, notices and meeting minutes of AGM, BVH's CG documents (Charter Code of CG, Code of Conduct and Business Ethics).
Press conferences and media priefings	۲	Have organized press conferences and media briefings to disclose materia information
Analyst's meeting	۲	Organized 2 analyst's meeting in 2021 (in August and November via zoom teleconference) to discuss and listen to the opinion of analysts regarding the market and business operations of BVH

Criteria	Assessment Result	
$\langle \langle \rangle$	VỀ TĂNG C	ƯỜNG TRÁCH NH
Definition of BOD responsibilities and CG policy	۲	Disclosed in the E
Directorships of BVH's BOD member at other PLCs in Vietnam	۲	 Set a limit of simultaneousl BOD members
BOD Meeting	۲	 Organized six Documents fo business days Disclosed info
Independence of the BOD	۲	 Limited preser members of the 2022 Annual G The Chairman Board of Direct The Chairman Did not organ year without a
Competence of BOD	۲	 Established C (including Re established In Terms of refere in the Annual
Committee	۲	 Limited prese Committees. member. The Committe opinion via wr
BOD Appraisal and Committee Appraisal	۲	 Remuneration the Committee according to c Assessment re
BOD's Training and succession planning	۲	 Lack of informanagers; Not formulatenew and current

Explanation

ỦA HỘI ĐỒNG QUẢN TRỊ

S Charter and the Corporate Govenrnance Regulation

directorships that an individual BOD member may hold other PLCs in the BVH's Code of CG, and did not have any serve on more than two boards of PLCs outside of BaoViet.

meetings in 2021.

) meetings were provided to the Board members at least five dvance of the BOD meetings.

ion on the attendance of board members to BOD meeting.

f independent directors on BOD: there are no independent pard of Directors. There is a plan to vote additionally at the al Meeting of Shareholders.

ne Board of Directors is not an independent member of the

t independent BOD member.

meeting for only non-executive BOD members during the kecutives present.

ittee of the BOD according to recommendations of ACGS eration and Nomination Committee, Audit Committee), I Audit Block.

s and operating activities of BOD's Committee were disclosed rt

or no presence of independent BOD member in the BOD Chairman of BOD's Committee is not independent BOD

arely made direct meetings but only collecting members' form or email.

Nomination Committee evaluated the BOD's performance, rformance and each BOD member's performance from 2016 a approved by the BOD in the BOD's operating regulation. were published on the Annual Report.

on about succession planning for CEO and key senior

orientation programs and education activities designed for OD members

RECOMMENDATIONS FOR IMPROVEMENT OF BVH'S CORPORATE GOVERNANCE

With an aim of being pioneer to apply and step by step approaching the regional and international corporate governance standards, Baoviet needs to implement the following works in the future:

SHORT-TERM PLAN

Improve benchmark relating to "Disclosure and Transparency" and enhance the "Rights of Stakeholders" as following:

Continue to maintain compliance with regulations on information disclosure and transparency as required in Circular 96/2020/TT-BTC on information disclosure on the stock market, Circular 116/2020/TT -BTC on public corporate governance and standards in ASEAN corporate governance scorecard; strive to better implement the standards specified in current regulations and international practices to provide information to domestic and foreign shareholders and investors.

Research to formulate the whistle-blowing system/policy of BVH in addition to the general terms regulated in the Code of Conduct and Business Ethics of BaoViet.





Build up the succession planning, orientation programs and training courses for new BOD member and incumbent BOD member in order to ensure the successors team holding the managerial positions of Baoviet.

Upgrading Baoviet website with more friendly interface and features to update and fully disclose information for shareholders, customers, domestic and foreign investors to easily access.



MEDIUM AND LONG-TERM PLAN

Enhance the responsibility of the BOD



Build up a detailed roadmap to approach requirements relating to the independent BOD member ratio in the BOD according to the ACGS and the Law of Vietnam.

Enhance the participation of independent BOD members in the BOD's Committees to improve the performance of the Committee in advising and consulting to the BOD; strengthen the independence of the BOD's Committee. Research to formulate regulations regarding related party transactions in order to protect the legal rights and interests of BVH as following: A policy requiring a committee of independent directors to review material/significant related party transaction to determine whether they are in the best interests of the company and shareholders. • A policy covering the review and approval of material/significant related party transactions. • A policy requiring board members to abstain from participating in the BOD meeting on a particular agenda when they are conflicted. Consider to hire an independent third party to evaluate the performance of the BOD, of member of the BOD and BOD's Committee according to the best international corporate governance. In respect of BOD meeting and participating BOD meeting: Organize open meeting for the BOD in addition to guarterly meeting in order to discuss important agenda regarding business orientation and key initiatives (at least 6 times per year); Consider to require a minimum quorum of at least 2/3 for BOD decisions; A policy of which the non-executive BOD member meet separately at least once during the year without any executive BOD member present in order to evaluate all aspects of business management of the Company. Consider to hire an independent third party to evaluate and consult the activities of the internal audit, risk management and compliance of Baoviet, especially for the risk appetite framework and compliance in order to have the verification/statement of the third party on the adequacy of the company's internal controls/risk management systems. Continue to enhance the role of internal audit, risk management and compliance in the internal corporate governance framework of BVH in order to (i) ensure the performance and adequacy of the risk management and internal audit system, (ii) contribute to improve the corporate governance practices and (iii) strengthen the line of defense to preserve the investment capital and to create sustainable value in long-term for shareholders.



OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

ASSESSMENT ON THE CORPORATE GOVERNANCE PRACTICES OF BAOVIET HOLDINGS ACCORDING TO THE ASEAN CORPORATE **GOVERNANCE SCORECARD**

🛡 Implemented the practice(s) well

Have not implemented the practice(s) fully

PART A - RIGHT OF SHAREHOLDERS				
Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement	
A.1	Basic Shareholder Rights			
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days?	٠		
A.2	Right to participate in decisions concerning fundamental	corporate char	iges.	
Do share	cholders have the right to participate in:			
A.2.1	Amendments to the company's constitution?	۲		
A.2.2	The authorisation of additional shares?	۲	Regulated in the Charter of BVH	
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	٠		
A3	Right to participate effectively in and vote in general share including voting procedures, that govern general sharehol		gs and should be informed of the rules,	
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/ commissioners?	٠	Stated in the AGM's Agenda and content	
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/ commissioners?	۲	Regulated in the Charter of BVH	
A.3.3	Does the company allow shareholders to elect directors/ commissioners individually?	٠	Clearly regulated in the BOD member's election regulation	
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the start of meeting?	٠	Disclosed in the meeting documents prior to the date of AGM's meeting and before the opening session of AGM's meeting.	
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions and the questions raised by shareholders and answers given recorded?	•	 Baoviet recorded and disclosed questions and answers in the discussion session in the meeting minutes of the AGM. Disclosed the meeting minutes in English version 	

Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?	۲	Fully disclosed those contents in Resolutions of AGM.
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	۲	Disclosed those contents in the meet minutes of AGM.
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?	•	Disclosed those contents in the meet minutes of AGM.
A.3.9	Does the company allow voting in absentia?	•	Regulated in the Charter and Regulati on organizing the meeting of the AGM
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	•	Announced in the Regulations organizing the AGM
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/ or validate the votes at the AGM?	•	Announced at the AGM, recorded in meeting minutes of the AGM
A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?	۲	
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?	٠	Baoviet has announced the meet invitation, authorization docume agenda and related content of the 2 Annual General Meeting of Sharehold to ensure 21 days prior to AGM.
A.3.14	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	٠	 Meeting documents of Bao provided shareholders with suffici information and explanation each agenda item which requisitant shareholders' approval.
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	•	Disclosed meeting documents English version. Shareholders have the opportunity to questions to the BOD, including issu- regarding the annual independent au suggest/place items on the agenda of AGM, and raise the solutions. Recorder the meeting minutes of AGM.
A.4	Markets for corporate control should be allowed to function	n in an efficien	it and transparent manner.
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	۲	There is no case in Baoviet
A.5	The exercise of ownership rights by all shareholders, include	ding institutio	nal investors, should be facilitated.
A.5.1	Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM?	٠	Baoviet disclosed clearly this content in Anr Report (Investor Relation, Policy to encour shareholders to carry out their rights, to att and vote at the AGM's meeting).



🛡 Implemented the practice(s) well

Have not implemented the practice(s) fully

PART B – EQUITABLE TREATMENT OF SHAREHOLDERS

Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement
B.1	Shares and voting rights		
B.1.1	Do the company's ordinary or common shares have one vote for one share?	۲	
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	٠	Baoviet clearly disclosed that the Company has only ordinary share in the notification letter for record date, in financial statement and annual report.
B.2	Notice of AGM		
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	٠	
B.2.2	Are the company's notices of the most recent AGM/ circulars fully translated into English and published on the same date as the local-language version?	۲	Fully implemented since the 2016 AGM.
Does the	e notice of AGM/circulars have the following details:	۲	
B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of first appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	٠	Baoviet disclosed the profiles of BOD candidates.
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	٠	Baoviet implemented this standard according to the submission to the AGM to approve the list of independent auditors.
B.2.5	Were the proxy documents made easily available?	٠	Those documents were enclosed in the meeting notification sent to the shareholders and uploaded to BVH's website
B.3	Insider trading and abusive self-dealing should be prohibite	ed	
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	٠	Provisions in the Regulation on Corporate Governance and the Code of Conduct and Professional Ethics
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	۲	Baoviet followed this criteria according to the provisions in Circular 96/2020/TT-BTC
B.4	Related party transactions by directors and key executives.		
B.4.1	Does the company have a policy requiring directors / commissioners to disclose their interest in transactions and any other conflicts of interest?	۲	Regulated in the Charter and Corporate Governance Regulation of BVH

B.4.2 Does the company have a policy requiring a committee of independent directors/commissioners to review material/ significant RPTs to determine whether they are in the best interests of the company and shareholders? B.4.3 Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted? B.4.3 Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	According to the provisions of Article 31 the current Charter of Baoviet Holding the Board of Directors may establis affiliated committees to support th activities of the Board of Directors. Th members of the committee may includ one or more members of the Board of Directors and one or more outsid members as decided by the Board of
B.4.3 (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted? B.4.4 Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	Directors. The Board of Directors will stud the establishment/have a subcommitte with the function of reviewing the intern regulation, including the participation independent BOD members.
B.4.4 commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	According to the provisions of Artic 30.11 of the current Charter of BOM, member of the Board of Directors is n allowed to vote on contracts, transaction or proposals in which that member or person related to that member has suc interests and interests. conflicts or ma conflict with the interests of Baovie A member of the Board of Directors not included in the minimum numb of members present to be able to ho a meeting of the Board of Directors of decisions that such member does n have the right to vote.
	According to the provisions of Clause Article 40 of the current Charter, unles otherwise decided by the General Meetir of Shareholders, Baoviet is not allowed grant loans or guarantees to membe of the Board of Directors, Supervisor General Director, and Executive other corporate executives who a not shareholders and individuals ar organizations related to these subject In case of granting loans or guarantee to related organizations of membe of the Board of Directors, Controller General Directors, executives of Baovi of which Baoviet and that organizatio are companies in the same corporation or companies, including parent companie - subsidiaries, economic groups, th General Meeting of Shareholders the Board of Directors approved accordance with Clause 5, Article 40 the current Charter of Baoviet.
B.5 Protecting minority shareholders from abusive actions	
B.5.1 Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	Baoviet disclosed the policy of ensuring the equitable treatment and transparence in RPTs in annual report.
B.5.2 In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	Baoviet clearly state this content in th RPTs in the annual report.



🛡 Implemented the practice(s) well

Have not implemented the practice(s) fully

	PART C – ROLE OF STAKE	HOLDERS	
Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement
C.1	The rights of stakeholders that are established by law or th	ough mutual	agreements are to be respected.
Does the	company disclose a policy and practices that address:		
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	۲	Baoviet disclosed this policy in the annual report and sustainability report.
C.1.2	Supplier/contractor selection procedures?	۲	Baoviet implemented well this standard and disclosed in the sustainability report.
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	٠	Baoviet disclosed this policy in the annual report and sustainability report.
C.1.4	The company's efforts to interact with the communities in which they operate?	٠	Baoviet disclosed its strategy and policy regarding this content in the sustainability report
C.1.5	The company's anti-corruption programmes and procedures?	٠	Baoviet issued the Code of conduct and the regulation on the anti money laundering.
C.1.6	How creditors' rights are safeguarded?	Ψ	Baoviet use the equity for business operations.
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	۲	Baoviet disclosed this policy in the annual report and sustainability report.
C.2	Where stakeholder interests are protected by law, stakehold redress for violation of their rights.	lers should h	ave the opportunity to obtain effective
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	۲	Baoviet provided contact details of investor relations unit in the annual report and on BVH's website.
C.3	Performance-enhancing mechanisms for employee partici	pation should	d be permitted to develop.
C.3.1	Does the company explicitly disclose the health, safety, and welfare policy for its employees?	٠	
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	٠	Baoviet clearly stated in the annual report and sustainability report.

Code	Criteria
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyo short-term financial measures?
C.4	Stakeholders including individual employee and their communicate their concerns about illegal or unethica compromised for doing this.
C.4.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and uneth behaviour and provide contact details via the company' website or annual report
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethic behaviour from retaliation?
	C.3.3 C.4 C.4.1

	_		 	
PART	D —	nis	ns	IRF

	PART D – DISCLOSURE AND TRANSPARENCY					
Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement			
D.1	Transparent ownership structure					
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	•	Baoviet clearly disclosed in the annual			
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	٠	report, half-year and annual corporate governance report in compliance with the law.			
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	٠	Baoviet clearly disclosed in the annual report, half-year and annual corporate			
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	۲	governance report in compliance with the law.			
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	۲	Baoviet clearly disclosed in the annual report			

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	Actual CG practices at BVH	Note/Recommendations for improvement			
y /ond	٠	Baoviet implemented ESOP for employees in the first quarter of 2018			
ir representative bodies should be able to freely al practices to the board and their rights should not be					
n hical y's	۲	Regulations in the Code of Conduct and professional ethics. Uploaded English and Vietnamese versions of the Code of Conduct and Professional Ethics on the Company's website.			
ect ical	٠	It is necessary to develop specific procedures and policies to protect whistleblowers.			



Implemented the practice(s) well

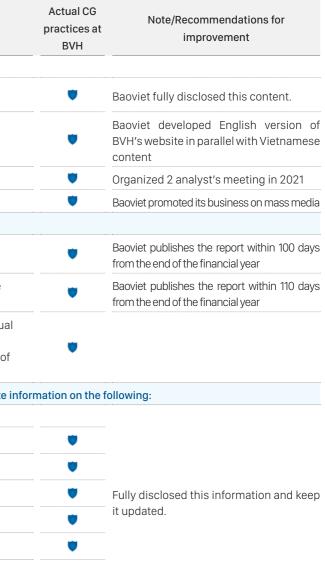
Have not implemented the practice(s)

Have not implemented the practice(s) fully N/A: There are no case in Baoviet

	Criteria	practices at BVH	Note/Recommendations for improvement
D.2	Quality of Annual Report		
Does the	company's annual report disclose the following items:		
D.2.1	Corporate objectives	۲	
D.2.2	Financial performance indicators	۲	
D.2.3	Non-financial performance indicators	۲	
D.2.4	Dividend policy	۲	Baoviet clearly disclosed in the annual
D.2.5	Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/ commissioners	٠	report
D.2.6	Attendance details of each director/commissioner in all directors/commissoners meetings held during the year	٠	Baoviet disclose in the Corporate
D.2.7	Total remuneration of each member of the board of Governance report in and		Governance report in annual report.
Corporat	te Governance Confirmation Statement		
D.2.8	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non- compliance, identify and explain reasons for each such issue?	٠	Baoviet disclose a statement confirming the Holdings' full compliance with the corporate governance regulation in the Corporate Governance report in annual report.
D.3	Disclosure of related party transactions (RPTs)		
D.3.1	Does the company disclose its policy covering the review and approval of material RPTs?	۲	Baoviet clearly disclosed this content in
D.3.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	٠	related party transaction report in the annual report.
D.4	Directors and commissioners dealings in the shares of the com	pany	
D.4.1	Does the company disclose trading in the company's shares by insiders?		Baoviet clearly disclosed in the annual report and the regular corporate governance report in accordance with the law.
D.5	External Auditor and Auditor Report		
Where th	ne same audit firm is engaged for both audit and non-audit service	es	
D.5.1	Are the audit and non-audit fees disclosed?	۲	
D.5.2	Does the non-audit fee exceed the audit fees?	Ψ	Baoviet do not have the non-audit fee
D.6	Medium of communications		

Code	Criteria
Does the	company use the following modes of communication?
D.6.1	Quarterly reporting
D.6.2	Company website
D.6.3	Analyst's briefing
D.6.4	Media briefings /press conferences
D.7	Timely filing/release of annual/financial reports
D.7.1	Are the audited annual financial report / statement released within 120 days from the financial year end?
D.7.2	Is the annual report released within 120 days from the financial year end?
D.7.3	Is the true and fairness/fair representation of the annua financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers o the company?
D.8	Does the company have a website disclosing up-to-date
Financial	statements/reports (latest quarterly)
D.8.1	Materials provided in briefings to analysts and media
D.8.2	Materials provided in briefings to analysts and media
D.8.3	Downloadable annual report
D.8.4	Notice of AGM and/or EGM
D.8.5	Minutes of AGM and/or EGM
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)
D.9	Investor relations
D.9.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office respons for investor relations?

HOME



Baoviet disclosed in the annual report • sible and BVH's website



🛡 Implemented the practice(s) well ♥ Have not implemented the practice(s) ♥ N/A: There are no case in Baoviet

Have not implemented the practice(s) fully

	PART E – RESPONSIBILITIES	OF THE BOAF	RD
Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement
E.1	Board Duties and Responsibilities		
Clearly c	lefined board responsibilities and corporate governance pol	ісу	
E.1.1	Does the company disclose its corporate governance policy / board charter?	٠	Baoviet disclosed the Corporate Governance Regulation on BVH's website in English and Vietnamese version.
E.1.2	Are the types of decisions requiring board of directors/ commissioners' approval disclosed?	٠	Resolutions of the BOD were disclosed in compliance with the Law and reported at the Corporate Governance Report and Annual Report.
E.1.3	Are the roles and responsibilities of the board of directors/ commissioners clearly stated?	٠	Regulated in the Charter, Corporate Governance Regulation, BOD Regulation and reported at the Annual Report.
Corpora	te Vision/Mission		
E.1.4	Does the company have a vision and mission statement?	٠	Baoviet fully disclosed his content in the annual report
E.1.5	Does the board of directors play a leading role in the process of developing and reviewing the company's strategy at least annually?	٠	BVH's BOD conducted the annual review of strategy and reported in the annual report.
E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	•	Baoviet complied with this standard. The BOD directed the formulation of the strategy and supervised the implementation and regular review of the strategy at the BOD meeting.
E.2	Board structure		
Code of	Ethics or Conduct		
E.2.1	Are the details of the code of ethics or conduct disclosed?	۲	
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the code?	۲	Baoviet disclosed the Code of Conduct and Business Ethics on BVH's website in
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	٠	English and Vietnamese version.
Board St	ructure & Composition		
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	۲	Baoviet did not meet this standard.
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years1 each for its independent directors/ commissioners? (The five years term must be required by legislation which pre- existed the introduction of the ASEAN Corporate Governance Scorecard in 2011)	•	It has been stipulated in Article 26.2 of the current Charter of the Corporation, whereby, an individual can only be elected as an independent member of the Board of Directors of Baoviet for no more than 02 consecutive terms.
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Code	Criteria
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/ commissioner may hold simultaneously?
E.2.7	Does the company have any executive directors who see on more than two boards of listed companies outside of Baoviet?
Nominat	ing Committee
E.2.8	Does the company have a Nominating Committee (NC)?
E.2.9	Is the Nominating Committee comprise of a majority of independent directors/commissioners?
E.2.10	Is the chairman of the Nominating Committee an independent director/commissioner?
E.2.11	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Commit
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet least twice during the year?
Remune	ration Committee/ Compensation Committee
E.2.13	Does the company have a Remuneration Committee?
E.2.14	Does the Remuneration Committee comprise of a major of independent directors/commissioners?
E.2.15	Is the chairman of the Remuneration Committee an independent director/commissioner?
E.2.16	Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee?
E.2.17	Is the meeting attendance of the Remuneration Commit disclosed and, if so, did the Remuneration Committee m at least twice during the year?
Audit Co	mmittee 1
E.2.18	Does the company have an Audit Committee?
E.2.19	Is the Audit Committee comprise entirely of non-execution directors/commissioners with a majority of independen directors/commissioners?
E.2.20	Is the chairman of the Audit Committee an independe director/commissioner?
E.2.21	Does the company disclose the terms of reference/ governance structure/charter of the Audit Committee
E.2.22	Does at least one of the independent directors/ commissioners of the committee have accounting expertise (accounting qualification or experience)?
1 Those	criteria are applied for the Inspection Committee in case the Company's org
OVERVIEW	DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GO

	Actual CG practices at BVH	Note/Recommendations for improvement
	٠	As stipulated in Article 11.3 of the current Governance Regulations of Baoviet, a member of the Board of Directors of Baoviet cannot concurrently be a member of the Board of Directors at more than five (05) other companies.
erve of	٠	Bảo Việt không có trường hơp này
?	۲	BVH have the Remuneration and Nomination Committee of the BOD.
	•	Baoviet have not met this standard yet.
ittee? ee et at	•	Baoviet followed this standard and reported in the annual report.
	۲	BVH have the Remuneration and Nomination Committee of the BOD.
ority	•	Baoviet have not met this standard yet
ittee neet	•	Baoviet followed this standard in the annual report.
tive nt	•	Baoviet have the Inspection Committee
dent	•	Head of the Inspection Committee is the independent member elected by the AGM and not being the capital representative of major shareholders. Head of Inspection Committee works full-time at BVH.
e?	۲	Baoviet followed this requirement and reported in the annual report.
	•	

ganizational model comprises of the GSM, the BOD and the Inspection Committee



Implemented the practice(s) well

Have not implemented the practice(s) fully

Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	٠	Baoviet followed this requirement and
E.2.24			reported in the annual report.
E.2	Board Processes		
Board m	eetings and attendance		
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	٠	The BOD approved its annual plan, including the scheduled BOD meetings before the start of fiscal year.
E.3.2	Does the board of directors/commissioners meet at least six times during the year?		In 2021, BVH's BOD organized 6 direct meetings and over 70 indirect meetings via the opinion collection from BOD members in writing in order to deal with works under the BOD's authority. Those meetings have been reported in the annual report.
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	۲	Baoviet followed this requirement and reported in the annual report.
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	•	Currently, Baoviet require a minimum of a half for BOD decisions according to the Enterprise Law and the Charter. However, in practice, BVH's BOD resolutions are often agreed by at least 7 out of 9 members, mostly 9 out of 9 members.
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	۲	Baoviet have not followed this standard yet.
Access t	o information		
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	٠	Baoviet complied with this standard and disclosed documents in English and Vietnamese version.
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	٠	Baoviet clearly disclosed in the Charter and annual report.
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	۲	Baoviet followed this standard.
Board Ap	opointments and Re-Election		
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	٠	Disclosed in the BOD's notification regarding the election of new BOD member at the meeting of the AGM.
E.3.10	Did the company disclose the process followed in appointing new directors/commissioners?	۲	Baoviet approved the regulation on electing new BOD member.

Code	Criteria	Actual CG practices at BVH	Note/Recommendations for improvement	
E.3.11	Are all directors/commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years2 each? The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011		Tenure of BVH's BOD member is 5 year	
E.3.11				
Remune	ration Matters			
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?	•	Disclosed in the annual report	
E.3.13	Is there disclosure of the fee structure for non-executive directors/commissioners?	•		
		_	The BOD approved the bonus level of t BOM	
E.3.14	directors/commissioners?	•	The general assembly of shareholde approved the bonus fund for busine plan fulfillment of the BOM	
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executived with long-term interests of the company, such as claw back provision and deferred bonuses?	٠		
Internal	Audit			
E.3.16	Does the company have a separate internal audit function?		Baoviet have the Internal Audit Block	
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	٠	Baoviet disclosed the name, CV a related persons of the Chief of Intern Audit Block in the annual report.	
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	۲	Baoviet followed this standard upon t appointment of Head of Block/Division Internal Audit Block.	
Risk Ove				
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	٠		
E.3.20	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	•	Baoviet followed this requirement in t annual report.	
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	٠		
E.3.22	Does the Annual Report/ Annual CG contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	٠	Disclosed in the annual report i.e. Interr Control.	



Implemented the practice(s) well Have not implemented the practice(s)

Have not implemented the practice(s) fully N/A: There are no case in Baoviet

Code	Criteria		Note/Recommendations for improvement
E.4	People on the Board		
Board Cl	hairman		
E.4.1	Do different persons assume the roles of chairman and CEO?	۲	
E.4.2	Is the chairman an independent director/commissioner?	۲	Baoviet have not met this standard yet.
E.4.3	Is any of the directors a former CEO of the company in the past 2 years?	۲	Baoviet do not have this case.
E.4.4	Are the role and responsibilities of the chairman disclosed?	•	Baoviet disclosed in the Charter, Corporate Governance Regulation, BOD Regulation and annual report.
Lead Ind	lependent Director		
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	٠	
Skills an	d Competencies		
E.4.6	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	٠	Baoviet followed this standard.
E.5	Board Performance		
Directors	s Development		
E.5.1	Does the company have orientation programmes for new directors/commissioners?	۲	Baoviet established the learning map for each level of executives and are under
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	•	reviewing the training courses for new BOD member and training sessions for BOD members.
CEO/Exe	cutive Management Appointments and Performance		
E.5.3	Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	٠	The BOD implemented this succession
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/Managing Director/President?	۲	planning, but not disclosed to the public.
Board Ap	opraisal		Specifically regulated in the BOD Regulation and reported the performance evaluation in the BOD's report in 2021 annual report.
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	٠	Implemented the performance evaluation and disclosed in the annual report
Director	Appraisal		
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	٠	Implemented the performance evaluation and disclosed in the annual report
Committ	tee Appraisal		
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	•	Implemented the performance evaluation and disclosed in the annual report



ASSESSMENT REPORT ON CORPORATE GOVERNANCE IN 2021

ASSESSMENT OF BOD MEMBER. REPRESENTATIVE OF SUMITOMOLIFE ON THE CORPORATE GOVERNANCE OF BAOVIET HOLDINGS



Mr. KAZUHIKO ARAI Board of Directors' Member, Baoviet Holdings

n the context that the Covid-19 epidemic has been having a great impact on the business strategies of enterprises, corporate governance has become more important than ever, including aim towards the Sustainable Development Goals. SDGs) and respond to climate change.

For Baoviet Holdings, which represents strategic overseas partners in which Sumitomo Life is investing, Sumitomo Life is even more interested in Baoviet's corporate governance mechanism. Not only in terms of business results, Baoviet's internal management and supervision mechanism has also developed to a high level among the leading financial groups in Vietnam.



We would like to express our gratitude to the efforts and dedication of the Chairman of the Board of Directors. the Chief Executive Officer and all members of Baoviet. The following is our assessment of Baoviet's corporate governance, risk management, and compliance.

Corporate governance

Effective corporate governance practices will contribute to the sustainable growth of the business and the enhancement of corporate value in the medium and long term. In recent years, Baoviet Holdings has been one of the pioneers in applying best practices in corporate governance such as Corporate Governance Principles of the Organization for Economic Cooperation and Development (OECD).), ASEAN Corporate Governance Scorecard. For example, Baoviet Holdings has invested in training the members of the Board of Directors and the Secretariat through training and coaching courses on the ASEAN Corporate Governance Scorecard. Through these efforts, the corporate governance of Baoviet Holdings is gradually improving.

Risk management and compliance

In recent years, Baoviet Holdings has continuously improved in terms of strategies, policies and methods of risk management, in addition, is also promoting research on measures to proactively identify risks by increasing awareness and culture of risk management.

In addition, Baoviet Holdings has continuously revised its compliance regulations to ensure compliance. In order to improve the awareness and compliance knowledge of employees, the enterprise has conducted training courses to comply with the provisions of the law and internal regulations. Sumitomo Life is satisfied with these achievements and wishes Baoviet Holdings will have further improvements in the future. Sumitomo Life will support this field by providing our knowledge and experience, and will continue to support Baoviet Holdings to become an enterprise with an excellent corporate governance foundation as judged by global standard.



In 2021, the Board of Directors (BOD) promoted its roles in the most efficient manners in the leadership and directions for constructing the objectives, strategies and business plan in 2021, implemented the strategies for the period of 2021 - 2030 and unit strategies; fostered all solutions to improve the efficiency in corporate management yielding to the implementation of the strategies on development and sustainable growth.

STRUCTURE OF THE BOARD OF DIRECTORS

List of BOD's members (as at 31/12/2020)

No.	Fullname	Tittle	BOD's members	Rate of ownership with voteable rights at BVH	Tittles of BOD's members at other listed companies in Vietnam
1	Mr. Dao Dinh Thi	BOD's Chairman	Fulltime Executive	23.46% (Representative of State owned capital: 174,119,770 Personal ownership 55,045)	None
2	Mr. Do Truong Minh	BOD's member	Executive	15.11% (Representative of State owned capital: 112,141,830 Personal ownership: 15,000)	None
3	Ms. Than Hien Anh	BOD's member	Non- executive	6.61% (Representative of State owned capital: 49,062,050 Personal ownership: 34,903)	None
4	Ms. Tran Thi Dieu Hang	BOD's member	Executive	6.61% (Representative of State owned capital: 49,062,050 Personal ownership: 0)	
5	Mr. Nguyen Xuan Viet	BOD's member	Non- executive	6.62% (Representative of State owned capital: 49,062,050 Personal ownership: 83,955)	
6	Mr. Nguyen Dinh An	BOD's member	Non- executive	6.61% (Representative of State owned capital: 49,062,050 Personal ownership: 9,960)	
7	Mr. Teruo Shimmen	BOD's member	Non- executive	11.04% (Representative of Sumitomo Life: 81,972,710 Personal ownership: 0)	
8	Mr. Arai Kazuhiko	BOD's member	Non- executive	11.04% (Representative of Sumitomo Life: 81,972,710 Personal ownership: 0)	



ACTIVITIES OF THE BOD IN 2021

Organise the agm and reported to agm regarding the issues upon the competences of the AGM:

In 2021, the BOD of Baoviet Holdings organised 01 annual general meeting of shareholders on 29th June 2021. The AGM discussed and approved of the issues as follows:

- Report on the business activities in 2020 and the 2021 Business plan of BVH;
- Approval of the audited consolidated financial report and the separated financial report in 2020 of BVH
- BOD's report on the BOD's activities report;
- Activities report of the Supervisory Board;
- Remuneration for the BOD and SB for the fiscal year 2020 and the projected budget on the remuneration for the BOD and SB for the fiscal year 2021;
- Solutions on using the Profits after taxes in 2020 and the usage plan on profits after taxes in 2021 of BVH;
- Approval of the Charter of BVH (the 12th amendment and supplement), the Internal Governance Regulation of the BVH (the 4th amendment and supplement), the Operation Regulation of the BOD of BVH (3rd amendment and supplement);
- Approval of operation regulation of BVH's Supervisory Board (5th Amendment and Supplement);
- Additional election, replacement of members of the BOD, Supervisor Board of BVH for the term of 2021-2023

- The 2021 AGM of BVH ("AGM") commenced as stipulated by the law on Enterprise, the Charter of BVH as well as other related law on listed companies. Prior to the AGM, BVH implemented the information disclosure regarding the organization of the AGM; announcement on the finalization of the shareholder list participating in the AGM, meeting invitations, disclosure of the documents submitted to the AGM as stipulated.
- In addtion, in 2021, BVH collected the Shareholders' opinions in written form in order to approve the following specific issues:
- Approveal of audited consolidated financial statement in 2020 of BVH:
- Adjustment of the business line and Amendment and supplement of the Charter of BVH;
- Adjustment of the usage of the capital raised from 2019 private placement;

According to the regulations of the 2021 AGM, the BOD implemented all the issues approved by the AGM.

REGULAR BOD MEETING FOR THE IMPLEMENTATION AND THE PROVISION OF THE ORIENTATION FOR DEVELOPMENT OF BAOVIET HOLDINGS

Upon the implementation of the regulations as stipulated by the Law on Enterprise and the Charter of Baoviet Holdings, in 2021, the BOD of Baoviet Holdings maintained the regular meetings quarterly as well as the open meetings in order to discuss, concluded and in-time provided immediate directions on the corporate governance of the Group. The BOD organised 06 (six) meetings including 05 (five) regular meetings and 01 (two) open.

The organisation of BOD's meetings ensured the proper implementation as stipulated by the Charter of BVH and the Law on Enterprise. The BOB's members participated in the BOD's meetings or authorized for BOD's members to attend the meetings and vote in serious manners as stipulated by the Charter of BVH and the regulations on operation of the BOD, specifically as follows:

BOD's meetings in 2021

No.	BOD's members	Tittle	Starting date/no longer being BOD's members	No. of BOD's meeting participated	Rate	Reasons for absence
1	Mr. Dao Dinh Thi	BOD's Chairman	Starting date as BOD's member 23/12/2014	06/06	100%	
2	Mr. Do Truong Minh	BOD's member	Starting date as BOD's member 27/6/2018	06/06	100%	
3	Ms. Than Hien Anh	BOD's member	Starting date as BOD's member 23/12/2014	06/06	100%	
5	Mr. Nguyen Xuan Viet	BOD's member	Starting date as BOD's member 27/6/2018	06/06	100%	
6	Ms. Tran Thi Dieu Hang	BOD's member	Starting date as BOD's member 27/6/2018	06/06	100%	
7	Mr. Nguyen Dinh An	BOD's member	Starting date as BOD's member 29/06/2020	05/06	83.33%	Business trip
8	Mr. Kazuhiko Arai	BOD's member	Starting date as BOD's member 29/06/2021	04/04	100%	Starting date as BOD's member 29/06/2021
9	Mr. Kenji Yoneda	BOD's member	Starting date as BOD's member 29/6/2019	02/02	100%	No longer Member of BOD from 29/6/2021
10	Mr. Teruo Shimmen	BOD's member	Starting date as BOD's member 29/6/2019	06/06	100%	

All of the BOD's meetings focused on solving the key issues related to the directions on organising the 2021 AGM: constructing and implementing the 2021 business plan; directing closely the implementation of the business plan, implementing the key tasks throughout the Group as well as implementing the resolutions of the 2021 AGM, etc. The resolutions of the BOD agreed that the essential orientations shall assist the BOM to implement the business tasks of the Group effectively.

THE OPINION COLLECTIONS FROM BOD'S MEMBERS IN WRITTEN FORMS IN ORDER TO APPROVE THE DECISIONS UPON THE COMPETENCE OF THE BOD

Aside from the direct BOD's meetings, the BOD approved on all other decisions via the form of opinion collecting from BOD's members in written forms in order to solve the issues upon the competence of the BOD according to the submissions of the CEO and other Committees of the BOD. In 2021, the BOD solved over 100 issues and issued 87 resolutions related to the important orientations on corporate governance, completed and issued the regulations on internal corporate governance, investment on HR development, strengthening the managerial positions, orientations on the investment activities across the Group, etc. Directed the adjustment of management structure, closely supervised the operation of the BOD in the implementation of the resolutions, decisions of the AGM and the BOD. The resolutions and decisions of the

THE IMPLEMENTATION ON ASSESSING THE OPERATION OF THE BOD AND OF THE BOD'S MEMBERS AND OTHER COMMITTEES OF THE BOD IN 2021 ACCORDING TO THE GOOD PRACTICES ON CORPORATE GOVERNANCE WORLDWIDE AND REGIONALLY

In order to improve the assessment activities of the BOD according to the good practices on corporate governance worldwide and regionally, in 2020, the BOD implemented the regulations on operation of the BOD, completed the assessment activities on the procedures and specific assessment criteria regarding the operation of the BOD, of each BOD's members and the committees of the BOD, specifically as follows:



The above assessment criteria were constructed based on the references of the standards at Part E - Responsibilities of the BOD in the Question set level 1 – Corporate Governance scorecard for ASEAN regional enterprises, Regulations on corporate governance of OECD and referential standards on assessing the operation of the BOD and of the BOD's members in developed countries worldwide.



The Remuneration and Appointment Committee and the Corporate Secretary Division held responsibilities on consulting to the BOD throughout the process of implementing the assessment.

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BOD have been issued based on such highly responsible spirit, fostering the leadership capability of the BOD's members upon the interests of shareholders as well as the sustainable growth of the Group.



Assessment criteria on the operation / n criteria - of the BOD includes 🗖 regarding:

Rights and responsibilities of the BODT;

structure of the BOD;

Procedure of the BOD;

• Operating results of the committees of the BOD;

- • Assessment of implementing the resolutions of the AGM and the annual business plan.

Assessment criteria on each 🚽 criteria BOD's members including

regarding:

Interactive level amongst BOD's members;

Quality of the comments/recommendations of the BOD's members;

· Implementation of tasks;

• Roles of BOD's Chairman.



In Dec 2021, the BOD implemented the assessment results on the operation of the BOD in 2019, the committees of the BOD and of the BOD's members with the results specifically as follows:

ASSESSED RESULTS ON EACH BOD'S MEMBERS

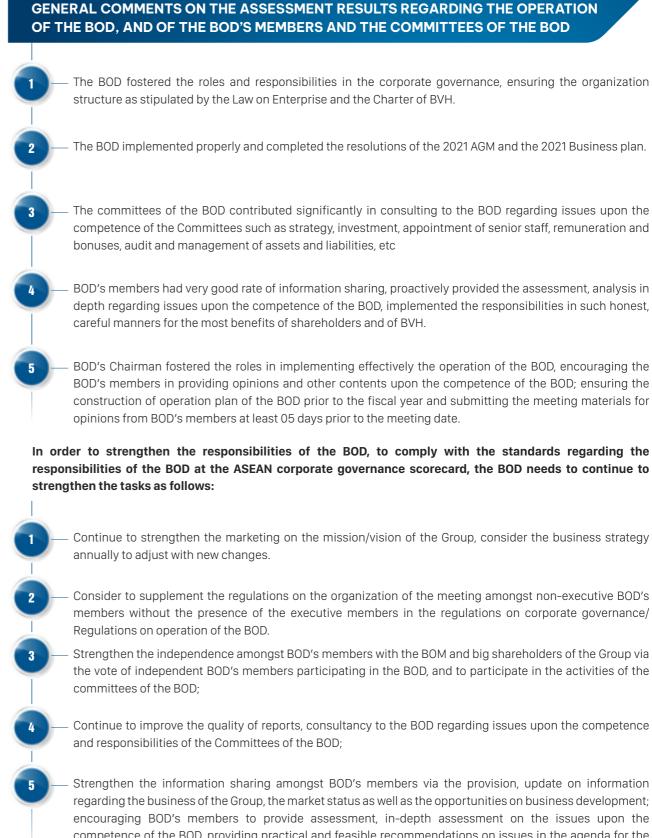


- (i) ____ Interactive level amongst BOD's members;
- (ii) ____ Quality of the comments/recommendations of the BOD's members;
- (iii) __ Implementation of tasks; the BOD's members have self-assessed the performance of their duties, and cross-assessed the activities of other BOD's members.

Result: 08/08 BOD's members were 4.6 to 4.8 point (maximum is 5 point) at the rate of "GOOD" GENERAL COMMENTS ON THE ASSESSMENT RESULTS REGARDING THE OPERATION OF THE BOD, AND OF THE BOD'S MEMBERS AND THE COMMITTEES OF THE BOD

Neak 😫 To be improved 😣 Average 😢 Good 😒 Very good

No.	Contents	Points	Rate	Notes for improvement
1	Rights and responsibilities of the BOD	4.6	\$	
2	Members and structure of the BOD	4.7	(• The independence between BOD members and BOM and influential shareholders.
3	Procedure of BOD		\$	
	• Participation in BOD's meetings	4.6		
	Access to information	4.7	۲	
	Opinion collections in written forms	4.6	\$	
	• Appoint and re-elect the BOD (if any)	4.9	\$	
4	Performance of Committees under BOD	4.4		
	• Remuneration and Nomination Committee	4.3	۲	 Members of the Remuneration and Appointment Committee are majorly independent members i.e. over 50% Chairman of the Remuneration and Appointment Committee is independent member.
	Audit Committee	4.3	۶	 The Audit Committee includes NED with majority of BOD members as independent. Chairman of the Audit Committee is an independent BOD's member.
	The Strategy & Investment Committee	4.6	(
	The Assets-Liabilities Committee (ALCO)	4.5		
10	Assessed the implementation of the AGM 's resolutions and the annual business plan	4.7	۶	



BOD to discuss and to decide.

The BOD fostered the roles and responsibilities in the corporate governance, ensuring the organization

The BOD implemented properly and completed the resolutions of the 2021 AGM and the 2021 Business plan.

The committees of the BOD contributed significantly in consulting to the BOD regarding issues upon the competence of the Committees such as strategy, investment, appointment of senior staff, remuneration and

BOD's members had very good rate of information sharing, proactively provided the assessment, analysis in depth regarding issues upon the competence of the BOD, implemented the responsibilities in such honest,

BOD's Chairman fostered the roles in implementing effectively the operation of the BOD, encouraging the BOD's members in providing opinions and other contents upon the competence of the BOD; ensuring the construction of operation plan of the BOD prior to the fiscal year and submitting the meeting materials for

Continue to strengthen the marketing on the mission/vision of the Group, consider the business strategy

Consider to supplement the regulations on the organization of the meeting amongst non-executive BOD's members without the presence of the executive members in the regulations on corporate governance/

Strengthen the independence amongst BOD's members with the BOM and big shareholders of the Group via the vote of independent BOD's members participating in the BOD, and to participate in the activities of the

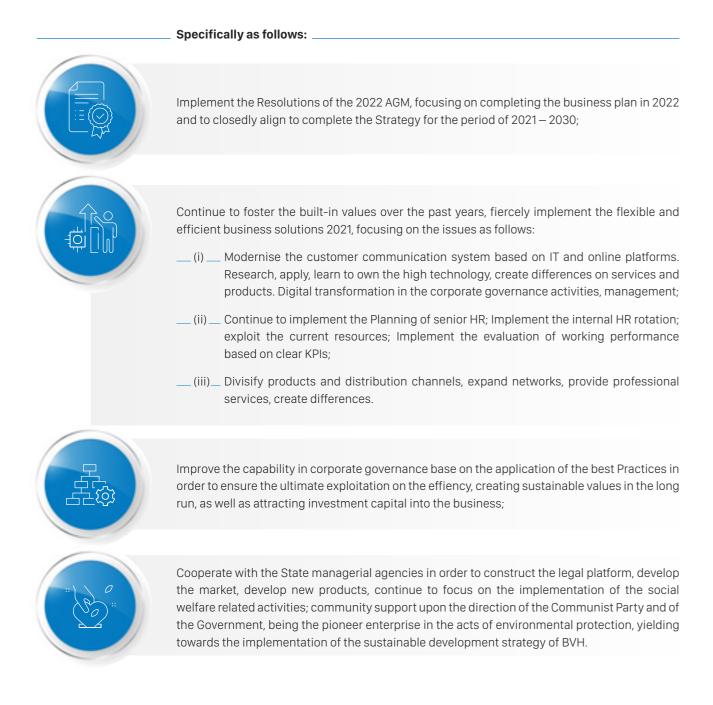
Continue to improve the quality of reports, consultancy to the BOD regarding issues upon the competence

Strengthen the information sharing amongst BOD's members via the provision, update on information regarding the business of the Group, the market status as well as the opportunities on business development; encouraging BOD's members to provide assessment, in-depth assessment on the issues upon the competence of the BOD, providing practical and feasible recommendations on issues in the agenda for the



ORIENTATIONS ON THE OPERATION OF THE BOD IN 2022

In 2022, the BOD shall continue to maintain the meeting regime quarterly as stipulated and to organise the meeting upon the form of opinion collection in written form from BOD's members in order to implement the 2022 AGM's resolutions, to implement the issues regarding the corporate governance and to direct the implementation of key tasks in 2022 across the Group.



LIST OF THE BOD'S MEMBERS WITH TRAINING **CERTIFICATES ON CORPORATE GOVERNANCE**

Mr. Dao Dinh Thi - BOD's Chairman Participated in the course "Construct and govern the BOD effectively: the roles of the Chairman and the planning for succession" (2015 Corporate Governance Certificate); "Certificate on BOD's member" (DCP) (VIOD certificate).

Mr. Do Truong Minh - BOD's member, CEO (2015 Corporate Governance Certificate); "Certificate on BOD's member" (DCP) (VIOD certificate).

Ms. Tran Thi Dieu Hang - BOD's member participated in the course "MSc in Audit Committee" (2015 Corporate Governance Certificate); "Certificate on BOD's member" (DCP) (VIOD certificate).

> Ms. Than Hien Anh - BOD's member "Certificate on BOD's member" (DCP) (VIOD certificate).

> Mr. Nguyen Xuan Viet - BOD's member (2015 Corporate Governance Certificate); "Certificate on BOD's member" (DCP) (VIOD certificate).

> Mr. Nguyen Dinh Anh - BOD's member "Certificate on BOD's member" (DCP) (VIOD certificate).



VIETNAM INSTITUTE OF DIRECTORS



REPORT OF THE COMMITTEES OF THE BOD



THE AUDIT COMMITTEE

The Audit Committee (AC) is an agency within the corporate governance structure of Baoviet Holdings (BVH) since the decision on establishment of BVH in 2008. Up to now, the functions, responsibilities and organisational structure of the AC have been revised in order to keep its relevance to the actual operation of BVH, to foster the efficiency, effectiveness of the operation of the Committee. Accordingly, the AC has functions of consultancy and assistance to the BOD in terms of:

2

Ensuring the internal audit system and complying the law in such efficient manners via the internal audit activities.

- Ensuring the sufficient requirements on the external financial reports (including the applicable requirements for the listing onto the security market according to the law and the Charter of BVH) via the assessment of the audited financial reports (or revision).

THE AC HAS MAIN RESPONSIBILITIES AS FOLLOWS:

Management in terms of profession, specialization on the activities of the Internal Audit Block (IAB), including: the construction of the plan on auditing strategy, the annual audit plan; professional issues related to the IAB in the report on the auditing results; Inspections and supervision of the internal audit plan, calculation of the effectiveness of the internal audit activities; Consideration of key results from the internal audit activities and feedbacks from the CEO, Chiefs for each Blocks of BVH and the CEO of the Subsidiaries with 100% charter capital owned by BVH.

Recommendations to the BOD and the CEO of BVH in order to ensure the IAB having sufficient resources for organizing the implementation of auditing activities.

Assessment of separated and consolidated audited financial reports of BVH annually and half-year periods regarding the compliance of the auditing standards, regulations on the listed and requirements of the law related to the financial reports to submit to the BOD of BVH. The implementation of coordinating the Supervisory Board of BVH regarding the tasks related to the construction of the reports on finance and independent auditing.

STRUCTURE OF THE AUDIT COMMITTEE

operation

members, in which the

Chairwoman of the Audit

Committee is a BOD's

member. 01 member as the Deputy Chief on

Internal Audit of BVH,

01 member as BOD's

i.e. Sumitomo Life. The

members of the Audit

Committee have long-

the fields of auditing,

finance, insurance and

experience

strategic partner

of

representing

in

structure

Chairwoman and

Committee

member,

the

time

investment.

the

the



In 2021, the Audit Nationality: Vietnamese continues **Professional level** with MsC. Business Management 01 **Current positions** 02



Nationality: Vietnamese Professional level MsC. Economics Experience: 32 years in the fields of financial inspection, audit and insurance **Current positions** • Deputy Head of Inspection - Internal Audit of BVH, Executive member of the

Nationality: Japanese **Professional level** BsC. International Research **Experience:** 30 years in the field of insurance **Current positions**

- Committee.

PROACTIVELY ADAPTING

HR of the Audit Committee up to 31/12/2021

Mrs. TRAN THI DIEU HANG

BOD's member. Chairwoman

Experience: 25 years in the fields of insurance, audit

 BOD's member of Baoviet Holdings for the term of 2018-2023 (since 27/6/2018); Chairwoman of the Audit Committee of BVH; Head of Inspection – Internal Audit of BVH.

Mr. NGUYEN QUANG VINH

Deputy Head of Inspection - Internal Audit, Member

Audit Committee of BVH.

Mr. TERUO SHIMMEN

BOD's member. Member

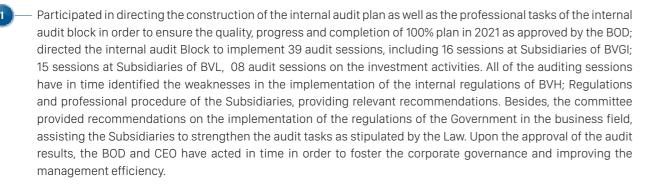
• BOD's member of Baoviet Holdings for the term of 2018-2023 (since 29/6/2020); • Member of the Audit Committee, member of the Strategy & Investment

• Member of the Member's Council of BVL; Chief Representative, Hanoi Representative Office of SML



ACTIVITIES OF THE AUDIT COMMITTEE IN 2021

In 2021, he Audit Committee implemented the key tasks according to its functions and scopes as follows:



Review of financial reports: In 2021, the Audit Committee cooperated with the Supervisory Board, Ernst & Young ("EY") independent audit company and the financial department of the Subsidiaries, company members regarding the financial reports in 2021, in order to ensure such reports to comply with the accounting standards, financial information disclosure regime for listed company. Besides, the Audit Committee proceeded the evaluation/consultancy to the BOD for approval of the VAS audited financial reports of the Parent company and the consolidated reports of BVH in 2021 according to VAS and IFRS.

- The Audit Committee provided opinions regarding the reports/ submissions of the Audit Block in order to improve the operating quality of the Block; simultaneously participated in the recommendation and report to the BOD/ CEO in the follow-up completion of organizing the operation mechanism of the Internal Audit Block.
- To comment on the contents at the request of the Board of Directors of the Group for the contents of the functions and duties of the Audit Committee.
- Implemented the cooperation between the Audit Committee and other departments of the Parent company and its Subsidiaries; providing opinions to the meeting of RMC, ALCO and other tasks upon request of the BOD.
- In order to fulfill the above tasks, Audit Committee has hold meetings, discussions, comments on periodic reports as well as reports of the Committee before submitting to the BOD.



DIRECTION IN 2022

In 2022, upon the solid foundation of strong experience in domestic and overseas flat-forms on the fields of audit, finance, insurance and investment, the Audit Committee continue to implement the consulting function to the BOD with the purposes as follows:



Ensure the efficiency of the supervisory system;



- Implement the tasks related to the financial reports and organised the independent audit;
- Directed to ensure the quality in the task of internal audit i.e. review, update the stipulated documents; procedure in order to ensure the compliance to the law and the regulations of BVH;



OPERATION OF THE REMUNERATION AND APPOINTMENT COMMITTEE

FUNCTIONS AND RESPONSIBILITIES

The Remuneration and Appointment Committee (RAC) is a body of the corporate governance system of Baoviet Holdings, established upon the decision of the BOD. The main functions of the Committees are as follows:

Consult, suggest to the BOD regarding the planning on the strategy development of HR, especially the strategy development of the senior HR resources of BVH;

- Models on the organizational structure and the model on the corporate governance;
- · Policies on the management of labour and salary of BVH;
- · Policies on the staff management of BVH;
- direction of BOD, etc.



Recommend to the BOD on the consideration, approval of the fundamental issues regarding:

· Issues related to the salary, remuneration, planning, and appointment of staff, HR strengthening upon the



REPORT OF THE COMMITTEES OF THE BOD

MEMBERS OF THE REMUNERATION AND APPOINTMENT COMMITTEE

Upon the directions Committee's of the the RAC Chairman. implemented well the functions on assisting the BOD in completing the model on the corporate governance, drafting the development strateav on the HR resources as as other policies well on HR, salary, ensuring benefits of the the management staff and the employees.

Chairman

HR of the RAC up to 31/12/ 2021

Mr. Nguyen Xuan Viet BOD'S member,

Nationality: Vietnamese

Qualification:

BSc. Economics; Engineer in Manufacturing Technology **Experience:** 26 years in the fields of insurance and information technology

Current positions

- Member of the Board of Directors of Baoviet Holdings tenure 2018- 2023 (since 27/6/2018);
- · Chairman of RAC of BVH;
- Chairman of the Members' Council, Baoviet Insurance Corporation;
- BOD's member of Baoviet Fund Management Company;
- Vice Chairman of the BOD of VietNam National Reinsurance Corporation (VinaRe).



Mrs. Than Hien Anh BOD'S member,

Member

Nationality: Vietnamese

Qualification:

MsC. Business Management, Bachelor of Banking, Bachelor of Insurance Experience: 24 years in finance and insurance area

Current positions

- Member of the Board of Directors of Baoviet Holdings tenure 2018-2023 (since 27/6/2018);
- Member of RAC of BVH:
- · Chairwoman of Member's Council of BVL.



Mr. Tran Nhuan An

Deputy Director of Human Resources Department, Member

Nationality: Vietnamese

Qualification:

MsC. Human Resource Management

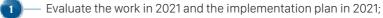
Experience: 22 years in the field of human resource management

Current positions

• Deputy Director of Human Resources Department, Member of RAC of BVH;

ACTIVITIES OF THE COMMITTEE IN 2021

In 2021, the RAC organized 03 direct meeting with the contents as follows:



- Delegate tasks to members;



Besides, the RAC proceeded to organized 28 meetings in the form of opinion collection in order to evaluate, review the recommendations of BVH and its Subsidiaries with 100% charter capital owned by BVH in order to propose to the BOD for consideration and decision upon the issues related to the field of senior HR management as follows:



DIRECTIONS IN 2022

In 2021, the RAC continues to review the implementation of the Development strategy for the period of 2016 - 2020, participates in the drafting of the business strategy for the period of 2021 - 2025, especially consulting to the BOD regarding the policies on the HR management within the competence of BVH, improving the efficiency of the central corporate governance in the 4.0 technological revolution..

The RAC continues to implement its roles in consultancy, assistance to the BOD in completing the policy regimes, procedures, regulations related to the management of senior HR, especially upon the new management structure applied at BVH and its 100% owned Subsidiaries i.e. (BVNT, BHBV, BVF, BVI).

Consolidate the organization of the block-level management apparatus of Baoviet Group and the plan to arrange

- Amending and supplementing the Regulation on functions, tasks and organizational structure of the Committee

- The settlement of salary fund in 2020 and labor and salary plan in 2021 of the Group and companies with 100%

The adjustment to the method of determining the average salary in 2021 of the full-time manager of the subsidiary



Besides, the RAC has been consulting to the BOD regarding the supplement of the independent BOD's member(s); strengthening the corporate governance system of BVH, focusing on the internal audit management model, risk management model to align with the updated law i.e. Decree No. 05.

Simultaneously, the RAC contributed to the implementation of the regulations of the Secretariat and of the Government regarding the implementation of the political documents of the 8th Plenum.

OPERATION OF THE ASSETS-LIABILITIES COMMITTEE ("ALCO")



FUNCTIONS AND RESPONSIBILITIES

The ALCO committee has the functions on consulting and revising to the BOD regarding the contents as follows:

- Evaluate, review the business performance, financial results and the business development, management and development of capital and assets of BVH and its Subsidiaries;
- Evaluate and recommend on the policies, solutions to effectively manage the mechanism, balance and the speed of growth of the assets and liabilities of BVH and of BVH regarding its Subsidiaries with the purpose of using effectively the financial resources and ensuring the solvency ratios;
- Monitor the external environment and determine the impacts upon the profits, the balance sheets and the solvency ratios according to the hypothesis;
- Evaluate and provide the solutions to implement the risk management on the impact possibilities to the balance sheets and the business performance of BVH and its Subsidiaries.

MEMBERS OF THE ALCO COMMITTEE

The ALCO committee includes: the CEO of BVH as the Chairman of the Committee, COF/DCOF of BVH as the standing member and the Secretary Board with 03 members. The remaining members come from the Block/

Division of BVH, representatives from Subsidiaries, including 02 presentatives from each Subsidiaries (Chairman of the Member's Council/ BOD and CEo of Subsidiaries).

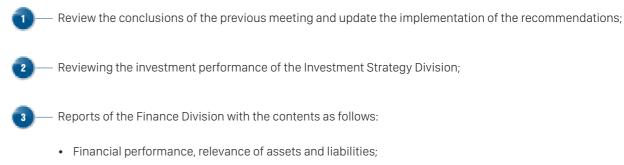
THE ALCO COMMITTEE IMPLEMENTS THE RIGHTS AND RESPONSIBILITIES AS FOLLOWS:

0-	Recommend on the policies, strategies and plan on the related to the assets and liabilities for various periods
2-	Consider, evaluate and recommend on the solutions balance of growth rate of the balance sheets regardi scope of charter capital;
3-	Consider, evaluate and recommend on the efficiency of and to balance the risks of BVH and its Subsidiaries;
0-	Evaluate the solvency upon the actual statistics, as st capital, the balance between assets and liabilities of B
6 -	Evaluate and recommend on the solutions to risk m

Evaluate and recommend on the solutions to risk management potentially having impacts on the business performance and the balance sheets. The recommendations on investment limit, yields, risk limits and other indices for BVH and its Subsidiaries.

ACTIVITIES OF THE ALCO COMMITTEE IN 2021

In 2021, in order to evaluate the impacts on the business performance of BVH and its Subsidiaries, the ALCO committee organized the regular meetings with the contents specifically as follows:



- The status of capital usage, capital demand;
- Solvency and liquidity risks.



Summarise the main issues of each Subsidiaries.

In 2021, the ALCO committee started to construct and to transfer the database to implement the ALCO reports throughout the Group via Power BI aside from the reporting system maintenance according to the old format.

he management of assets and liabilities, risk management of time:

to ensure the mechanism of asset and liabilities and the ling the plan, the business development strategy, and the

of using assets and liabilities in order to ultilise the profits

tipulated by BVH and the law (if any), the position for safe 3VH and its Subsidiaries:





ORIENTATIONS ON THE OPERATION IN 2022

In 2022, the ALCO committee yields to focus on improving the efficiency of the assets-liability management of BVH and its Subsidiaries, via the evaluation of the market impacts, solvency risks and other risks potentially affecting the relevance between assets and liabilities; propose the recommendations to improve the capital usage as well as proving the management information in-time and in-depth, specifically as follows:

- Strengthen the evaluation, management, adjustment of assets and liabilities of BVH and its Subsidiaries qualitatively and quantitatively;
- Related Blocks/ divisions should have frequent discussions, synergize to implement the evaluation and recommendations regarding the policies, strategies and management plan on assets and liabilities of BVH and its Subsidiaries for various periods of time; upon such evaluation, to update on the changes in the macro economies as well as the business environment and the actual business performance of the Group.
- Evaluate, review the influential factors and propose the recommendations on the solutions to ensure the relevant mechanism of assets and liabilities, to balance the growth rate of assets from the balance sheets in order to ensure the responsibilities of customers, being relevant to the plan, and the sustainable development plan of the Group;
- Diversify the means of communications to discuss, provide opinions via email as well as the application of IT such as online chat, workplace, etc. continue and foster the application of Power BI into the business activities such as tracking, analyzing, evaluating and strucsting the ALCO reports.



CORPORATE GOVERNANCE OFFICIERS OF BVH (CGO)



offier(s) as stipulated.

As at 31/12/2021, the

corporate governance

officer is the leader

of the General Affairs

Office of BVH with wide

experience in finance,

investment, consultancy

and proposal to the BOD

regarding the activities

of the BOD as well as the corporate governance

related activities.

Gu

(aeneral CG)_

Nationality: Vietnamese Qualification

Current positions

- The CG of BVH cum the secretary of BVH;
- Deputy Head of General Affairs Office. Past experiences
- Deputy Head of General Affairs Office;
- Auditor at ATC Ltd.



Nationality: Vietnamese

Qualification: Master of Business Administration, Bachelor of Banking-Finance, Bachelor of Business English

Experience: 18 years in the field of Finance, Insurance, Banking, Corporate Administration, Investor relations and sustainable development

Current positions

- governance;

Past experiences

- Corporation;

HR of the CGO as at 31/12/2021

Mrs. Luong Thi Bich Ngoc

Corporate governor cum secretary of BVH

MSc. Banking and Finance, Bsc. Banking and Finance, Auditor Certificate of the MOF Experience: 17 years in finance and corporate secretary.

· Head, Deputy Head of Corporate Secretary Division; Officer of the Investment Division/Project Investment/ strategic investment of BVH;

Ms. Nguyen Thanh Hoa

Corporate Governance, cum Director of Communication - Brand Department

• Director of Communication - Branding Division cum Person in charge of corporate

• GRI Certified SME Training Course based on G4 Reporting Guidelines 28/08/2015; VCGI (Vietnam Corporate Governance Initiative) Information Disclosure according to ASEAN Corporate Governance Scorecard 2017-2018;

• Director of Communication - Branding Division, Baoviet Holdings (from April 2014 to present) cum Person in charge of corporate governance (July 11, 2021);

Head of the Group Secretariat, Baoviet Holdings;

Deputy Head of the Group Secretariat, Baoviet Holdings;

• Specialist executive of the Group Secretariat, Baoviet Holdings;

• Specialist executive of Bancassurance Department, Baoviet Life Corporation;

Specialist executive of Business Development Research Department, Baoviet Life

• Project Assistant Officer, Japan International Cooperation Agency (JICA Vietnam).

REPORT OF THE COMMITTEES OF THE BOD

HR of the CGO as at 31/12/2021 Mrs. Tran Thi Thuy Anh

Corporate Governance. cum Deputy Director of Propaganda - Legal Division ____

Nationality: Vietnamese

Qualification

Bachelor of Law, Bachelor of English, Master of Economic Law

Experience: 22 years

Current positions

 Deputy Director of Propaganda - Legal Department cum Person in charge of corporate governance.

Past experiences

 Legal Director at Eximbank, Sumitomo Mitsui Banking Coporation and Jaccar Capital Fund, MB Securities Joint Stock Company, Vietnam Electrical Equipment Corporation (GELEX), GTNfoods Group.

ACTIVITIES OF CGOS IN 2021

In 2021, the CGOs of BVH implemented the responsibilities as stipulated according to the funsctions and responsibilities and upon the direction, request of the BOD, BOD's Chairman, specifically as follows:

- Consulted to the BOD of BVH regarding the organization of the 2021 AGM as stipulated and other related tasks between BVH and the shareholders of BVH;
- Prepared the meetings of the BOD, the Supervisory Board and the 2021 AGM upon the request of the BOD and the Supervisory Board, ensuring the relevance to the operation plan of the BOD and the Supervisory Board in 2021 and to comply with the law, the Charter of BVH;
- Participated and recorded, drafted the meeting minutes of the BOD, the Supervisory Board and the 2021 AGM of BVH;
- Consulted on the procedures to draft the resolutions of the BOD, of the AGM as stipulated by the law; coordinated to implement, foster the implementation of the resolutions, decisions, official announcements, conclusions of the BOD; of the AGM to ensure the deadlines as stipulated;
- Provided the financial information, copies of meeting minutes of the BOD and other imformation of the BOD's members and the members of the Supervisory Board;
 - Supervised and reported to the BOD on the operation of the company information disclosure;
- Researched, proposed to the BOD regarding training programmes for BOD's members and the members of the Supervisory Board;
- Implemented the filing activities, date confidentiality, document issuance of the BOD and other documents as stipulated:
- Consulted to the BOD, SB regarding the revision, supplement of the internal corporate governance related documents to align with the law related to the operation of BVH;
- Implemented other tasks upon the directions of the BOD. 10



ORIENTATIONS ON THE OPERATION IN 2022

With the consultation role to the BOD regarding the issues related to the operation of the BOD, in 2022, the CGOs shall continue to proactively consults in the organization of the BOD meetings quarterly, the meetings of the Supervisory Board, the organization of the 2022 AGM and other contents related to the functions and responsibilities of the CGs as well as upon the directions of the BOD.

OPERATION OF THE STRATEGY AND INVESTMENT COMMITTEE (SIC)

MEMBERS **OF SIC**



Nationality: Vietnamese Qualification MSc.

member of BVH as well

of

and

the

to

strategies;

projects,

roles

The SIC in

2021 operated with 01

Chairman – being a BOD's

as member of the MC.

Ceo of BVF, 01 member

SumitomoLife:01member

as the Chief Accountant

of BVH. The members

shows deep knowledge

and wide experiences

Committee

the BOD in the BOD's

decisions related to the Strategic development

and investment related

activities of BVH.

constructing

in

managing

investment

consultancy

improving

the

as representative

Current positions

- BOD's member of BVB.



Nationality: Vietnamese Qualification MSc.

implemeneting

Current positions

- Director of Accounting division:
- Member of the SIC; of
 - Member of the MC of BVGI;



Nationality: Japanese Qualification BSc.

Experience: 30 years in insurance

Current positions

- Member of the MC at BVL:
- Member of the MC of BVL;

Members of SIC at as 31/12/ 2021

Mr. Nguyen Dinh An

BOD'S member. Chairman

Experience: 16 years in investment and fund management

 BOD's member of BVH for the term 2018 - 2023 (from 29/6/2020); • Member of the MC, CEO of BVF; BOD's member of the National Reinsurance Ltd.;

Mr. Nguyen Xuan Hoa

Chief Accountant

Experience: 21 years in finance accounting

Chief accountant cum. Director of Finance division cum.

Head of the supervisory board of BVSC:

• Chairman of the MC of BVAL;

Member of the Representative Board of BVIF.

Mr. Teruo Shimmen

BOD'S member. Member

• Member of the Audit Committee of BVH cum. Member of the SIC; · Head of representative office of SML in Hanoi.





ACTIVITIES OF THE COMMITTEE IN 2021

In 2021, the SIC organized **08 meetings** upon the form of opinion collection regarding the contents as follows:

Temporarily assigning the information technology investment plan in 2021 to BVH;

Contents of the 2021 Annual General Meeting of Shareholders of Baoviet Securities Joint Stock Company;



Classification of strategic investment and financial investment;





Approving the policy of leasing data center infrastructure services for BVH;

Approving the temporary amendment of a number of regulations of the Investment Regulation of Baoviet Group 6 (1st and 2nd time);

Declare reports and propose plans to rearrange and handle land at 220 Tran Duy Hung, Cau Giay, Hanoi of Baoviet Life Corporation according to Decree 167/2017/ND-CP and Decree 67/2021/ND-CP.

Approving the strategic orientation of Baoviet Holdings for Baoviet Securities Company in the period of 2021-2025;



BẢO HIỂM 37 BỆNH HIỂM NGHÈO





Chi trả toàn bộ 100% số tiền bảo hiểm nếu bị mắc các bệnh hiểm nghèo trong danh mục

Phí bảo hiểm chỉ từ 200,000VNĐ/người/năm

Đô tuổi: 18 - 60 tuổi, tái tục tới 65 tuổi

PROACTIVELY ADAPTING

Mức trách nhiêm tối đa lên tới 1 tỷ đồng

Không cần khám sức khỏe khi tham gia

Thời han bảo hiểm: 1 năm (tái tục liên tục trong 5 năm với mức phí không đổi)



0 @[Protecting the rights and interests of shareholders and investors is an extremely important task of the Supervisory Board. Determining its responsibility, the Supervisory Board has constantly improved its activities to meet the expectations of shareholders and investors.



RIGHTS AND RESPONSIBILITIES OF THE SUPERVISORY BOARD

The Supervisory Board (SB) is a body of the corporate governance structure, voted by the AGM, the operation of the SB comply with the regulations as stipulated by the law, the Charter of BVH and the related regulations, and internal rules.

According to the Law on Enterprise and the Charter of BVH, the SB have rights and responsibilities as follows:

- Implement the supersion on the BOD, CEO and other management tittles in the corporate governance and management of Baoviet Holdings;
- Implement the supervision on the financial performance of Baoviet Holdings, review the relevance, legality, honesty and carefulness in the corporate governance and the management of the business activities; the systematication, unification and relevance of the accounting activitites, statistics and the drafting of the financial reports;
- Appraise the completeness, legitimacy and truthfulness of the Group's annual and six-monthly business and financial statements; Annual and six-month management evaluation reports of the Board of Directors and submission of appraisal reports at the Annual General Meeting of Shareholders;
- Review, inspected and evaluated the effectiveness and efficiency of the internal audit system, the risk management system in order to provide the early and in-time warning to Baoviet Holdings;
- Recommend to the BOD or the AGM regarding the solutions on the revision and supplement, renovation of the management organization, the supervision and management of the business performance of Baoviet Holdings;
- Have rights to participate and provide opinions in the meetings of the AGM, the BOD and other meetings of the Company;
- Recommend and propose to the AGM for approval on the organization of the independent audit implementing the financial reports of Baoviet Holdings.

HR OF THE SUPERVISORY BOARD

HR of the Supervisory Board in 2021:

No.	Fullname	Titles	Dated voted to participate in the SB	Rate of ownership at BVH
1	Mr. Ong Tien Hung	Head of Supervisory Board	29/11/2012: voted to be SM 27/06/2018: voted to be SM 29/06/2019: voted to be Head of SB	0.0069% (54,239 shares)
2	Ms. Tran Thi Phuong	Member	27/06/2018: voted to be SM 29/06/2021: dismissed	0.00% (1,500 shares)
3	Mr. Vu Thanh Hai	Member	29/06/2019: voted to be SM	0.00% (80 shares)
4	Mr. Dinh Hoai Linh	Member	29/06/2021: voted to be SM	

The Supervisory Board has 03 Supervisors, in which the Head of the Supervisory Board works full-time and 02 part-time Supervisors. The Supervisors are all qualified and meet the standards and conditions of the Supervisors in accordance with the Enterprise Law 2014 and the Holdings' Charter (currently all Supervisors are auditors or accountants).; The head of the Supervisory Board is a professional accountant). The Supervisors all operate independently, do not hold managerial positions at the Group, do not work in the Accounting department of the Holdings or any independent auditors audit the financial statements of the Holdings.

PERFORMANCE RESULTS OF THE SUPERVISORY BOARD

On the basis of defined rights and obligations and the operation plan of the Supervisory Board approved by the 2021 Annual General Meeting of Shareholders of Baoviet Group, the activities of the Supervisory Board in 2021 have achieved the following results:

Meetings of the Supervisory Board

In the meetings, the Supervisors all participate fully and work with a high sense of responsibility. The organization of meetings and issuance of documents of the Supervisory Board were carried out in accordance with the provisions of the Enterprise Law, the Charter of Baoviet Holdings and the Regulation on Organization and Operation of the Supervisory Board.



Besides, in order to carry out the work of the Supervisory Board, in addition to the face-to-face meetings, the Head of the Supervisory Board organized to collect opinions of the Supervisors via email



Meetings of the Supervisory Board The Supervisory Board held 02 regular meetings with the following main contents:

Date of meeting:	Contents
02/06/2021	
No. of SB participated:	Approving the report on activities of the Supervisory Board in the first and second quarters of 2021, including the following contents:
3/3	 Coordinate with the Accounting Department and Independent Auditor to urge the preparation, review and audit of the financial statements of the fourth quarter of 2020 and the financial statements of 2020.
Rate: 100%	 Approving the amendments and supplements to the Operational Regulations of the Supervisory Board to match the changes of the Enterprise Law (issued in 2020) effective from January 1st, 2021.
	• Coordinate with the Board of Management to select an independent auditing company to audit the financial statements of the Corporation for 2021, 2022, and 2023.
	 Appraise the Group's 2021 separate financial statements and issue an official dispatch to the Board of Directors regarding the Supervisory Board's comments and assessment on the Draft 2020 separate financial statements.
	 Participating in the preparation of the 2021 Corporate Governance Report of BDBV (operations of the Supervisory Board)
	• Approve the draft Report of the Supervisory Board to submit to the Annual General Meeting of Shareholders in 2021.
	 Proposing additional personnel for the Supervisory Board (because the Supervisory Board has 01 supervisor who applied for a job transfer).
	 The Supervisors fully attended the regular meetings of the Board of Directors, the Head of the Supervisory Board attended the meetings held by the Group to grasp the situation and supervise the governance and administration of the Group.
	Other regular tasks according to the functions and duties of the Supervisory Board.
Date of meeting: 09/09/2021	Contents
00,00,2021	Approval of the report on activities of the Supervisory Board at the meeting, including the
No. of SB participated:	following contents:
3/3	 Participating in the 2021 Annual General Meeting of Shareholders: i) Presenting the Report of the Supervisory Board's activities, the Report on the results of supervision and appraisal of the supervision detector and the Depart on the results of supervision and appraisal
Rate: 100%	of the separate financial statements, the Report on the performance evaluation of the Supervisory Board. and KSV, Operation plan of the Supervisory Board in 2021-2022; ii) Report to the Annual General Meeting of Shareholders approving the selection of the auditor of the financial statements for the year 2021, 2022, 2023 of Baoviet Holdings.
	 Coordinate with the Accounting Department, the Independent Auditor to urge the completion of the separate and consolidated semi-annual financial statements for 2021.
	 Appraise the Group's 2020 consolidated financial statements and issue an official dispatch to the Board of Directors regarding the Supervisory Board's comments and assessment of the Draft Consolidated Financial Statements 2020.
	 Appraise the separate and consolidated semi-annual financial statements for 2021 and issue an official letter to the Board of Directors regarding the comments and assessment of the Supervisory Board on the Draft of the separate and consolidated semi-annual financial statements for 2021.
	 Promulgating the Operation Regulation of the Supervisory Board of Baoviet Group (5th Amendment and Supplement).
	Approving the operation plan of the Supervisory Board between the two Annual General Meeting of Shareholders (GMS) in 2021 - 2022:

Meeting of Shareholders (GMS) in 2021 - 2022; Approving the assignment of tasks to the Supervisors (after being elected by the General Meeting of Shareholders to add 01 additional member)

Date of meeting	g: Contents
09/09/2021 No. of SB participa 3/3 Rate: 100%	 Coordinating to support the prepresentation Coordinating to support the prepresentation Report 2021 (operations of the Supervisors fully attended the Supervisory Board attended the supervise the governance and address of the Supervise the governance and address of the Supervise tasks according to the supervise tasks according tas
Other content	s Contents
No. of SB participa 3/3	• Coordinating the preparation of t (operations of the Supervisory Boa
Rate: 100%	Participating in supervising the conform of collecting written opinions
Supervision acti Board of Manage	vities of the Supervisory Board for t ement in 2021
On the basis of pr	escribed powers and obligations, the Sup nd other managers in the management and
O of resolut	ng the organization of meetings of the Board c tions and decisions of the Board of Directors; ders in 2021 of Baoviet Holdings.
• the Board	e the development, amendment and supplem d of Directors, and internal regulations on corp eneral Meeting of Shareholders for approval.

Supervising the completion of human resource planning for the positions of Chairman of the Board of 0-Directors, Member of the Board of Directors, General Director, Member of the Remuneration and Appointment Committee, Head of the Supervisory Board and Supervisor, Chief Accountant of the Group.

- the Resolutions and Decisions of the Board of Directors issued in 2021.
- Company and its subsidiaries.
- opinions of shareholders.

Ο

eparation of Baoviet Holdings' Semi-Annual Management upervisory Board).

he regular meetings of the Board of Directors, the Head of the meetings held by the Group to grasp the situation and ministration of the Group.

the functions and tasks of the Supervisory Board.

the Baoviet Holdings' Corporate Governance Report 2021 bard).

counting of votes of Shareholders of Baoviet Holdings in the ns of shareholders.

the Board of Directors, General Director and

pervisory Board supervised the Board of Directors, d administration of the Group, specifically:

of Directors (regular and extraordinary), the issuance ; the organization of the Annual General Meeting of

nentation of the Charter, Operational Regulations of porate governance of the Group to submit to the 2021

Supervising the approval and implementation of internal transactions and related persons between the Group and its subsidiaries, the Company is controlled by Baoviet Holdings over 50% of the charter capital.

Supervising the implementation of the Resolutions of the Annual General Meeting of Shareholders in 2020,

Supervising the development and provisional delivery of the business plan in 2022 for the Group's Parent

Supervising the counting of votes of Shareholders of Baoviet Holdings in the form of collecting written



SUPERVISORY BOARD REPORT

О

Supervising the activities of the Board of Directors, General Director and other Managers in the management and administration of Baoviet Holdings in 2021.

Supervising the implementation of the accounting regime and the preparation, audit/review of financial statements; the implementation of the recommendations in the Management Letter 2020 to the Group by the Independent Auditor.

Through supervision, the Supervisory Board found that the members of the Board of Directors. Chief Executive Officer and other Managers had made great efforts to fulfill their responsibilities in governance.

Although business conditions in 2021 are not favorable (Covid epidemic continues to break out on a large scale with the ability to spread faster and more dangerously), the Board of Directors, CEO and other Managers always stick to the actual situation., with resolute, timely and creative direction, has encouraged all employees in the whole Group to successfully complete the business plan in 2021, specifically: Consolidated revenue of the whole Group in 2021 is estimated at VND 50,485 billion, completing 103% of the year plan and growing 3% compared to 2020; consolidated profit after tax was estimated at 1,974 billion dong, completing 146.3 % of the year plan, up 19.7% compared to 2020. The parent company's revenue was estimated at VND 1,490 billion, up 5.7% compared to 2020; profit after tax is estimated at VND 1,031 billion, completing 100.1% of the year plan, up 1.9% compared to 2020. The Group' subsidiaries, according to the reported data, have

all excellently completed the implementation of business plan assigned.

Resolutions and decisions in governance and administration issued by the Board of Directors and CEO are in accordance with the Group's internal governance regulations and the law, ensuring that the legitimate rights and interests of shareholders are implemented. correct and complete.



Supervising the organization of the 2021 Annual General Meeting of Shareholders and the approval of the Resolutions of the 2021 Annual General Meeting of Shareholders

Through monitoring, the Supervisory Board found that the organization of the Annual General Meeting of Shareholders and the approval of the Resolutions of the 2021 Annual General Meeting of Shareholders at Baoviet Holdings strictly complied with the provisions of the law and the Group Charter.

Supervision on the implementation of the 2021 BVH annual general shareholders' meeting resolution

Baoviet Holdings implemented the resolutions of the 2021 AGM with the contents as follows:

In 2021, BVH implemented the business targets approved by the 2021 AGM with the contents as mentioned above.

BVH has completed the 2021 fiscal year dividend payment at the rate of 8.895% based on the charter capital of VND 7,423,227,640,000 with the total amount paid is VND 666,977,003,454 and use the profit after tax of the 2020 fiscal year to set aside provision funds as stipulated in accordance with Resolution No. 01/2020/ NQ-ĐHĐCDTDBV dated 29th June, 2021 approved by the 2021 Annual General Meeting of Shareholders.

ASSESSMENT OF FINANCIAL STATEMENTS AND BUSINESS PERFORMANCE REPORT

In 2021, he Supervisory Board regularly discussed and coordinated well with the Finance Department, Accounting Department, independent auditors and related departments to appraise the preparation and audit of the Parent Company's separate financial statements and Consolidated financial statements of the whole Group in 2020 and semi-annual 2021

Through the appraisal of separate financial statements, the Group's semi-annual consolidated financial statements for 2021 were reviewed and audited by the independent auditing firm Ernst & Young Vietnam (EY Vietnam), the Supervisory Board found: 1) The separate and semi-annual financial statements for 2021 have been prepared on the basis of selecting suitable accounting policies and then applying them consistently, and making judgments and estimates that are reasonable, prudent and in accordance

COOPERATION OF THE SUPERVISORY BOARD

The Supervisory Board with the Board of Directors, the CEO and other Managers have maintained a close working relationship and coordination upon the principle of maximizing the legitimate interests of BVH and shareholders, as stipulated by the law, the Charter of BVH and internal regulations.

DIRECTIONS ON THE OPERATION **OF THE SUPERVISORY BOARD IN 2022**

In order to complete its roles, responsibilities, as well as imprvoing the capacity in corpporate governance, management and the transparancy for the legal, maximum benefits of BVH and its shareholders, the SB will focus on the implementation of the contents as follows:

- Implement the functions and responsibilities as considered by the law, the charter of BVH and the regulation on the operation and organization of the SB and other internal regulations of BVH, in which fostering the supervision on the financial performance of BVH;
- · Research, update in time the new policies, supervise, recommend, propose for revision, supplement regarding irrelevant matters in order to ensure the sufficient compliance, in time regulations as stipulated by the law and to improve the efficiency of the internal audit system;

О

- with the regulations, the Accounting System and the Vietnamese Accounting Standards; 2) The separate financial statements and the semi-annual consolidated financial statements for 2021 have clearly presented information about events in the first 6 months of fiscal year 2021 in accordance with Vietnamese Accounting Standards and Accounting System; 3) The separate semiannual financial statements for 2020 have been reviewed by EY Vietnam and there is no exception from the audit, only the consolidated semi-annual financial statements have the exception of an independent auditor (incomplete information on the semi-annual financial statements of 2020 has not been provided by an associate company); 4) The Supervisory Board agreed on the figures presented in the Holdings' separate financial statements and semiannual consolidated financial statements for 2021 which were reviewed by EY Vietnam.
- In order to perform its duties well, the Supervisory Board regularly communicates with functional divisions: Audit Committee, Divisions/Centers/Inspection - Internal Audit of BVH to timely grasp information on the management and administration of the Board of Directors and the CEO.
- Participate in training courses, update knowledge related to the functions and tasks of the Supervisory Board to further improve the quality of the work performed.
- · Cooperate with the BOD, CEO and other Blocks, Divisions of BVH to keep updated on the information, provide opinions in order to serve better in the act of corporate governance of BVH.
- Inheriting the base and promoting the results achieved in 2021, the SB believes that the BOD, the CEO and the Board of Management shall lead Baoviet Holdings to complete all the targets and plans approved by the 2021 AGM.

REMUNERATION POLICY FOR THE BOD, THE SUPERVISORY BOARD



WAGE REGIME

Salaries of full-time Board members and Supervisory Board are determined in accordance with the Government's Decree No. 53/2016 / ND-CP of June 13, 2016. Accordingly, the salary is linked to the level of accomplishment of the Baoviet's production and business targets.

AWARD POLICY FOR THE BOD, THE SUPERVISORY **BOARD AND THE MANAGEMENT BOARD**

Award budget of members of the Board of Directors and the Supervisory Board were extracted from the profit after tax of the company based on the results of the previous business plan that approved by the General Meeting of Shareholders in Decision No. 01/2021/NQ-DHDCD-TDBV dated on June 29, 2021, that equal to 629,380,000 dong (0.06% of profit after tax).

ALLOWANCES OF THE MEMBERS OF THE BOARD OF DIRECTORS. SUPERVISORY BOARD AND MANAGEMENT BOARD

• Periodic health Use of car of 🍨 Use of • Business check regime **Baoviet Holdings** telephone allowance Use business-class air tickets and stay at hotels (domestic • • Social insurance, health insurance and foreign) according to the 5-star hotel standard at work places and other types of insurance or contracted under business trips according to the prescribed (Health Insurance, Cancer Insurance, rate Baoviet's regulations. An Phat Tron Doi Insurance, Huu Tri Vung Nghiep Insuarance and An Nghiep Thanh Cong Insurance).

Members of the Board of Directors, Supervisors and Management Board are entitled to other remuneration regimes including:

PRINCIPLES OF REMUNERATION

Payment of monthly remuneration to non-specialized members of the Board of Directors and the Supervisory Board shall comply with the Resolution of the Annual General Meeting of Shareholders of Baoviet Holdings.

- month

Pursuant to Decree No. 53/2016/ND-CP regulations on management of employees, salaries, remuneration and bonuses of joint-stock Companies, the actual compensation budget was determined based on the number of single-office holding managers and the working time of each person. Besides, the maximum compensation budget of multiple-office holding managers shall not exceed 20% that of single-office holding managers.

THE ACTUAL REMUNERATION IN 2021

The actual compensation budget is 1,920,000,000 dong that determined based on the number of single-office holding managers in 2021 and the working time of each person:

members in 2021

•	The actual compensation budget
	for BOD: 1,680,000,000 dong;

 The actual compensation budget for Control Board: 240,000,000 dong.

Salary after tax Personal income

of the General Director and other

Managers of the Group in 2021,

Full name	BOD members and Supervisory Board	Actual remuneration (dong)
Teruo Shimmen	Member of the BOD	240,000,000
Kazuhiko Arai	Member of the BOD	120,000,000
Kenji Yoneda	Member of the BOD	120,000,000
Than Hien Anh	Member of the BOD	240,000,000
Tran Thi Dieu Hang	Member of the BOD	240,000,000
Nguyen Xuan Viet	Member of the BOD	240,000,000
Do Truong Minh	Member of the BOD	240,000,000
Nguyen Dinh An	Member of the BOD	240,000,000
Tran Thi Phuong	Member of Supervisory Board	60,000,000
Vu Thanh Hai	Member of Supervisory Board	120,000,000
Dinh Hoai Linh	Member of Supervisory Board	60,000,000
Total		1,920,000,000
Full name	Titles	Salary 2021 (dong)
Mr. Dao Dinh Thi	Member of the BOD	1,228,757,948
Mr. Do Truong Minh	CEO	1,102,092,191
Mr. Ong Tien Hung	Head of Supervisory Board	825,196,450
Mr. Nguyen Xuan Hoa	Chief Accountant	990,628,204
	Teruo Shimmen Kazuhiko Arai Kenji Yoneda Than Hien Anh Tran Thi Dieu Hang Nguyen Xuan Viet Do Truong Minh Nguyen Dinh An Tran Thi Phuong Vu Thanh Hai Dinh Hoai Linh Total Full name Mr. Dao Dinh Thi Mr. Do Truong Minh Mr. Ong Tien Hung	Full nameSupervisory BoardTeruo ShimmenMember of the BODKazuhiko AraiMember of the BODKenji YonedaMember of the BODThan Hien AnhMember of the BODTran Thi Dieu HangMember of the BODNguyen Xuan VietMember of the BODDo Truong MinhMember of the BODNguyen Dinh AnMember of the BODTran Thi PhuongMember of Supervisory BoardVu Thanh HaiMember of Supervisory BoardDinh Hoai LinhMember of Supervisory BoardTotalTitlesMr. Dao Dinh ThiMember of the BODMr. Ong Tien HungHead of Supervisory Board

as follows:

EGRATED REPORT 202 250 PROACTIVELY ADAPTING

The remuneration fund in 2021 for non-specialized members of the Board of Directors and the Supervisory Board of Baoviet approved by the Annual General Meeting of Shareholders in 2021 is as follows:

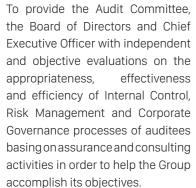
Remuneration for the BOD members: VND20 million/person/month.

• Remuneration for the Supervisory Board members: VND10 million/person/

Remuneration paid to part-time BOD members and Supervisory Board

INTERNAL AUDIT ACTIVITIES

In 2021, continuing to be affected by the Covid-19 epidemic and facing the general digital transformation trend of the whole world. Baoviet Holdings' Inspection - Internal Audit has made drastic changes to proactively adapt to new situations. 100% of audit jobs have been conducted remotely, in which priority has been given to directly access to the business management software systems of the audited entities to select audit samples, in order to save time and resources. The application of Power PI software in analyzing and evaluating business activities and internal control environment of the audited entities has been also promoted.

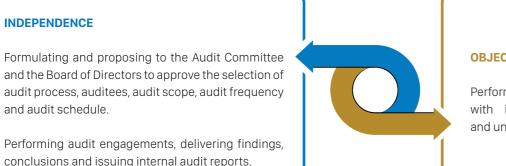




Party Committee of Baoviet Holdings in performing the duties and authorities regarding the inspection, supervision and discipline of the Party within the Party Committee of the Holdings in accordance with regulations of the Party's Charter. To carry out the duties assigned by the Party Committee, the Standing Committee, the Inspection Committee of the Party Committee of Baoviet Holdings. To be a specialized and professional agency on the Party's inspection, supervision and discipline of the Party Committee of Baoviet Holdings; to be the lead on advising the prevention and combat of corruption, wastefulness and negativity of the Party Committee of Baoviet Holdings.

To advise and assist the Party Committee of Baoviet Holdings, the Inspection Committee of the

OPERATING PRINCIPLES

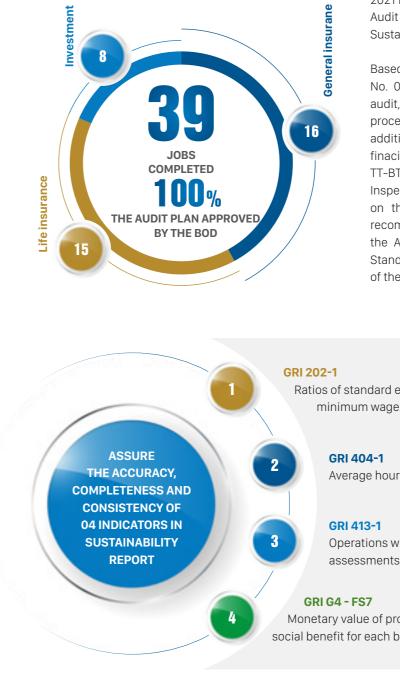


OBJECTIVITY

Performing audit work with integrity, fairness and unbiasedness.

THE INTERNAL AUDIT ACTIVITY PERFORMANCE IN 2021

In 2021, facing the complicated Covid-19 pandemic and the need to integrate with the global digital transformation trend, Baoviet Holdings' Inspection - Internal Audit has implemented remote (online) audits. Thanks to this method, the Inspection - Internal Audit has completed 100% of the audit plan approved by the Board of Directors with quality assurance and time and cost savings.



INDEPENDENCE

and audit schedule.



- 2021 is the fifth consecutive year the Inspection Internal Audit has provided limited assurance for Baoviet Holdings' Sustainability Report in line with the GRI standards.
- Based on procedures, methods stipulated in the Decree No. 05/2019/ND-CP dated 22 January 2019 on Internal audit. Baoviet Holdings' Internal audit regulations and processes, and Standard 3000 - Service Contracts in addition to the auditing services and reviewing of past finacial information (issued with Circular 66/2015/ TT-BTC dated 8 May 2015 by the Ministry of Finance), Inspection - Internal Audit has provided limited assurance on the selected Sustainability Report indicators, and recommended solutions to improve the quality of the Annual Sustainability Report to align with the GRI Standards and the Financial Services Sector Disclosures of the GRI

Ratios of standard entry level wage by gender compared to local

Average hours of training per year per employee.

Operations with local community engagement, impact assessments, and development programs.

Monetary value of product and services designed to deliver a specific social benefit for each business line broken down by purpose.



THE PROCESS TO LIMITED ASSURANCE SUSTAINABILITY REPORT



The below table illustrates some of the risks that can occur during the preparation of a Sustainability Report and some of the key risk control measures:

Descriptio	on of Risk	
THE COLLECTION OF INFORMATION AND DATA	The information and data of the Sustainability Report's indicators have not been collected in a full and timely manner.	The Sustainabi departments a which key men reporting proce
THE CONTROL AND SYNTHESIS OF INFORMATION AND DATA	The collected information and data have not been reviewed to assure the accuracy and consistency before presenting in the Sustainability Report.	Key members r completeness, plus, percenta with the last y consistency (w to the outside).
THE PREPARATION & PRESENTATION OF THE SUSTAINABILITY REPORT	The information and data of the Sustainability Report are incomplete, inaccurate, inconsistent, or unclear.	 Key member how to pre- Sustainabilit Key member ensure the c the informat

Description of Control

pility Report team is established with all relevant and staffs of the Holdings and its subsidiaries, in embers are responsible for coordinating the whole cess.

review the collected information and data on the mechanical accuracy (horizontal plus, vertical tage), comparablity (compare the current year year to identify major or unusual fluctuations), with information and data that have been reported

- ers research, promulgate and guide other members resent each content and each indicator of the lity Report.
- pers review the whole Sustainability Report to completeness, accuracy, consistency and clarity of ation and data.

The consulting role of the Inspection - Internal Audit has also been enhanced through participation in the review process of existing documents, processes and regulations of the State and Baoviet Holdings.

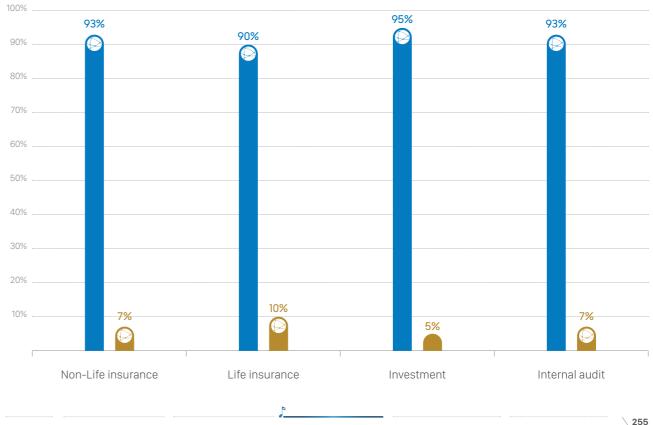
- · Regulations on IT management
- Regulations on setting up and using the BVH's development investment fund.
- BVH's training regulations
- · Regulations on work effectiveness management.

Implementation status of audit recommendations:



of the entities' objectives

• Average percentage of completed recommendations (fully/partially) (%) 0 • Average percentage of recommendations in progress (%)



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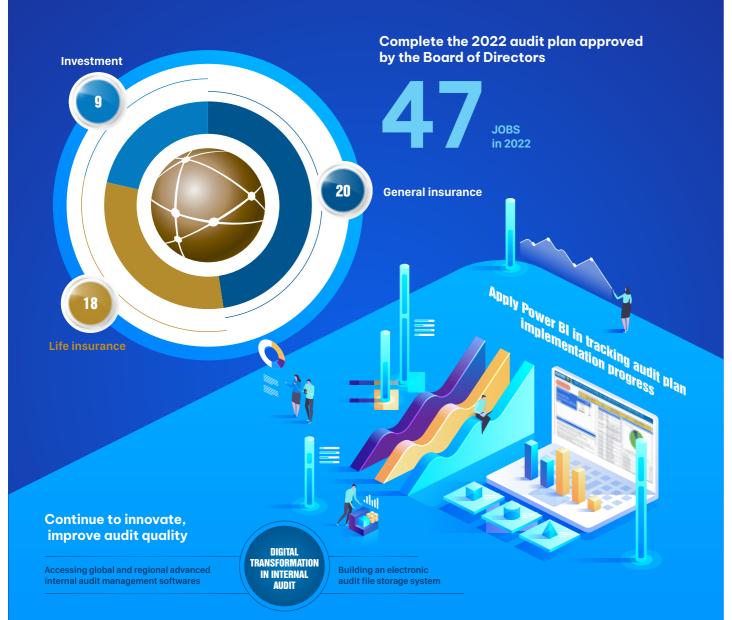




of the Inspection - Internal Audit's recommendations have been fully or partially completed, which has contributed in the prevention/mitigation of risks threatening the accomplishment



OBJECTIVES^{FOR} 2022



In order to improve labor productivity and save costs, the Inspection - Internal Audit continues to identify digital transformation in internal audit as the key goal of 2022. The Inspection - Internal Audit sets out a plan to approach advanced internal audit management softwares in order to gradually automate audit work. At the same time, the Inspection - Internal Audit has implemented the project of building an electronic audit file storage system from the early days of 2022 to match the remote audit process, save time and money on printing, archiving and preserving documents. The innovation of audit activities in the direction of digital transformation will help improve the productivity and efficiency of internal audit activities, timely detect risks and gaps in the internal control, risk management, and governance processes, quickly give advices and recommendations to handle risks, contributing to supporting audited entities to achieve their objectives.

TOP

BAOVIET A Insurance

DEVELODMENT STRATEGY

OVERVIEW

PROACTIVELY ADAPTING

BEST LISTED COMPANIES IN VIETNAM

BAOVIET Dille BAOVIET DI Fund BAOVIET Di Securities

BAOVIET 🙆 Invest

BAOVIET Dank

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BAOVIET

BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

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RISK MANAGEMENT

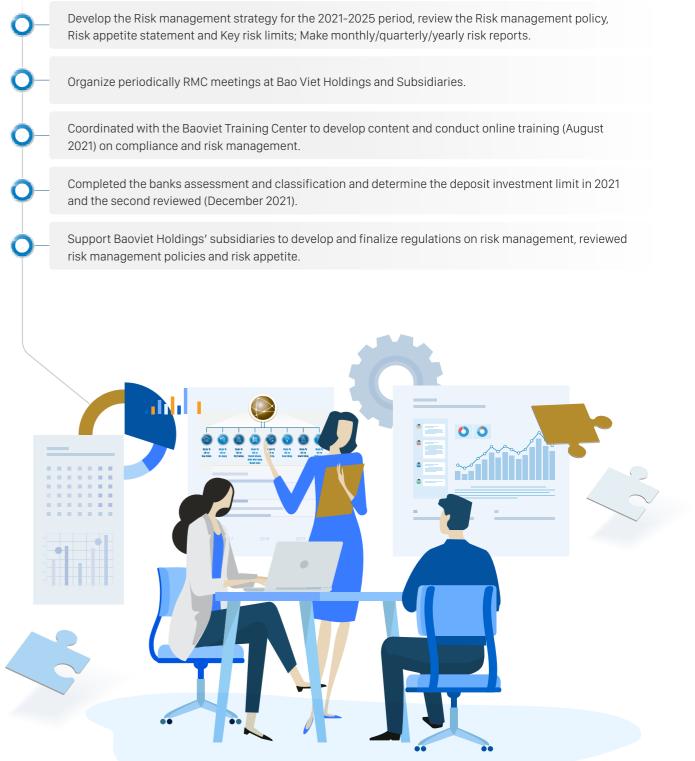
The importance of Risk Management activities is even more evident in the period when the world economy and Vietnam are heavily affected by the COVID-19 pandemic. Risk management solutions are flexibly applied in both normal and crisis scenarios, risks are identified and regularly reported to the Board of Directors and Board of Management for timely actions.



Risk management objectives of Baoviet Holdings in 2021

- Enhance coordination of risk management activities between Baoviet Holdings and subsidiaries to improve the effectiveness of the Group's risk management system.
- Maintain and improve the efficiency of RMC meetings at Baoviet Holdings and subsidiaries; improve the efficiency of operation coordination, information exchange between the three layers of defense.
- Use qualitative and quantitative methods to identify, assess and mitigate risks; improving overall risk management capabilities, supporting the efficiency of insurance, investment and financial services businesses.
- Improve the effectiveness of risk reports to advise and advise the Board of Management to make decisions in business activities; ensure that the major risks are timely managed and controled.
- Enhance risk management for the entire information technology system at the Group and its member units. Continue to implement security and security measures to improve the safety of the system, monitor and warn of risks to customers, employees and related units.

OUTSTANDING RESULTS IN 2021





In 2021, the Risk Management Council (RMC) of Baoviet Holdings and its management in whole Bao Viet Group; continue to improve the legal framework on risk management, identify key risks that need to be focused on management, strengthen policies, measures and models to assess and reduce risks in an overall way, ensuring all risks are managed in a timely and effective manner.

In the RMC meetings, the issues are discussed and resolved, including:

Update regulations on risk management, discuss on strategic contents, such as: Risk management policy, Risk appetite statement and the key Risk limits...

Review, analyse, evaluate all the risks and propose appropriate control measures such as insurance risks, credit risks, operating risks, liquidity risk, market risk and other significant risks.

Risk control was implemented via the closed coordination amongst the RMC and other Committees at Bao Viet Holdings as well as amongst Bao Viet Holdings and subsidiaries.

Coordinate with Strategy and Investment Committee to share information, data, and provide recommendations and solutions related to risk management in strategic and investment field of Bao Viet Holdings

Coordinate with Audit Committee to review material potential risks, especially those related to the compliance of policies, standards, procedures and legal regulations in order to promptly provide relevant solutions; coordinate to develop the risk indicators.

Coordinate with Assets-Liabilities Committee (ALCO) to exchange information on risks related to the balance of assets and liabilities at the RMC meetings. Representatives from the RMC shall be invited to the periodical meetings of ALCO to provide opinions and recommendations on related risks.

The permanent member of the Risk Management Council of Baoviet Holdings is invited to attend the meetings of the Risk Management Council of subsidiaries to provide professional support and advice on risk management at the subsidiaries, ensure uniform and effective risk management activities throughout all the Group.

Subsidiaries continue to improve the internal management system, establish Councils and Committees to assist and advise the Board of Members in investment activities.

The risk reporting system is implemented monthly, quarterly and irregularly to ensure that the information is promptly reported to the Board of Directors and the Board of Management.

In addition, the risk management of Baoviet Holdings and Subsidiaries received consulting support from strategic shareholder partner Sumitomo Life in investment activities, forecasting...

INSURANCE RISK MANAGEMENT

The insurance activities are carried out by Bao Viet Life (BVL) and Bao Viet General Insurance (BVGI) - subsidiaries of Bao Viet Holdings. Insurance is one of the core busineses

Life insurance



Baoviet Life contributed mainly to the revenue across the Group, accounting for 74% of the total revenue of the Group. Therefore, risk management at Baoviet Life is focused in insurance and investment.

The risk management framework system at Baoviet Life is built synchronously and consistently with the Baoviet Holdings by a system of issued internal regulations, including the Risk management regulations (including the Operational regulations of the Risk Management Council), Risk management policy, Risk appetite statement and Key risk limits, System of periodic reports

Baoviet Life always focuses on assessing and monitoring insurance

risks in all business operations, specifically: using internal risk methods/models, measurement sensitivity analysis, scenario analysis and probability theory to determine the premium and the insurance products can be offered.

Bao Viet Life has implemented strict regulations and processes on product design and management; monitor implementation experience; periodically assess sales and profit of products; scenario analysis; timely improve the products, re-charge when reality is different from the assumption.

In addition, Baoviet Life develops specific and rigorously issued limits for insurance exploitation, processes

for approving transactions related to new contracts or transactions exceeding the issued limit: Diversify products and services and determine pricing principles, reinsurance principles, and risksharing practices.

In 2021, due to the impact of the Covid-19 epidemic, insurance risk management will be increasingly focused. To cope with the risks caused by the COVID-19 epidemic, Baoviet Life has synchronously implemented solutions such as:

- Closely monitor changes in risk ratio, periodically evaluate to have a proposal to adjust the appropriate product business orientation Review policies risk limits and make timely adjustments to ensure both revenue growth and effective risk management.
- Assess the impact of Covid-19 epidemic on hypothetical risk ratios and consider the cost of implementing new distribution channels in the assessment of profitability and new product pricing. Pay attention to the quality of risk assessment, especially in groups showing signs of profiteering and in areas with many records of profiteering.

General insurance



- Deploying many digital solutions to reduce face-to-face contact and shorten implementation time, including contactless exploitation. recruitment, and fee collection processes (from online insurance claim declaration, e-signing to online payment, insurance benefit settlement process, customer care...)
- Many applications have been upgraded and deployed synchronously to enhance benefits for customers including: Loyalty application based on blockchain technology for loyal customers, MyBVLife application - Baoviet's customer portal Life helps customers look up information about participating insurance policies, pay premiums guickly, conveniently and securely online, look up electronic bills and annual notices of each policy. Therefore, in 2021, life insurance risks are basically well controlled.

Non-life insurance is one of Baoviet's core business lines, revenue from this field comes from Baoviet Insurance.

The risk management framework system at Baoviet Insurance is set up synchronously and consistently with the Group by a system of documents including the Risk Management Regulations, the Operational Regulations of the Risk Management Council, the Risk Management Policy, Risk Appetite Statement...

Insurance risk management activities of Bao Viet General Insurance includes application of strict control procedures such as: risk assessment in underwriting, reinsurance. loss assessment, compensation settlement, calculating, analyzing experience rates (according to historical data) and periodically reviewing and evaluating the effectiveness of insurance products to adjust the premium rate, adjust coverage... ensure loss rates in acceptable levels.

Bao Viet General Insurance applies risk transfer solutions to share risks with other insurers through coinsurance, reinsurance and risk sharing with the insured itself and

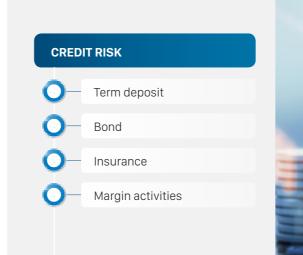
deductible applied. The reinsurance program of these factors is built based on relevant legal requirements, financial capacity, business strategy, solvency margin requirements, risk portfolio, loss portfolio... of Bao Viet General Insurance.

The Covid-19 epidemic had an impact on insurance revenue due to the social distancing order and reduced income of customers, but compensation costs decreased accordingly. Therefore, the non-life insurance sector is still effective. In the long term, Baoviet Insurance evaluates and analyzes data on treatment costs and deaths related to the Covid-19 pandemic to have an appropriate sales policy. Baoviet Insurance regularly reviews and promptly adjusts calculation assumptions in product design to ensure responsibility to customers.

For accepted risks, in 2021, Baoviet Insurance has redefined the premium rate applicable to each risk group based on loss experience and forecasts, trends of risks, inflation, level of competition, regulations of law. For risk groups with increased loss and expense ratios, Baoviet Insurance will only accept insurance if the policyholder accepts a corresponding increase in premium or limits on coverage, increases normally exempt. For risk groups whose loss ratio still ensures insurance profits, Baoviet Insurance advocates increasing the insurance acceptance rate to increase market share and increase cash inflows to benefit from investment activities. financial investment.

In 2021, despite being affected by the COVID-19 epidemic, Baoviet Insurance still basically controls insurance risks and ensures business efficiency.

CREDIT RISK MANAGEMENT



Manage credit risk of term deposit investment

Term deposit investment is managed by regulation on evaluating, classifying and determining the credit limit for commercial banks and financial companies, reviewed periodically twice a year.

The implementation of deposit limit permits Baoviet Holdings to mitigate credit risk in line with the economic situation, macro policies and regulatory requirements.

Credit risk are reported and evaluated in risk monthly report to ensure timely response to any deterioration in the credit quality of the counterparty.

Manage credit risk of bond investment

In Bond investment, credit risk arises mainly from corporate bond portfolio. Government bond accounts mainly in bond portfolio so the risk of bond investment is considered fairly low.

Baoviet Holdings has issued Regulation on risk management of corporate bond investment, approved investment limit for each type of bond in line with investment strategy and total asset structure.



Manage insurance credit risk

Credit risk in insurance activities mainly arises at Bao Viet General Insurance. In order to manage this risk, Bao Viet General Insurance has issued regulations, guidelines and required related parties to strictly comply with regulations on insurance debt.

In order to manage credit risk for reinsurance recipients, the reinsurance ceding is only carried out for reinsurance companies that meet the criteria for rating assessment according to current regulations.

Manage credit risk from margin activity

Perform customers' credit rating and classification to grant deposit limits in accordance with customers' financial capacity and collateral assets. BVSC also periodically reviews customers with accumulation risk in compliance with risk limits of BVSC.

Select stock portfolios qualified for margin transactions in accordance with the regulations of the State Securities Commission and Stock Exchanges. Regularly update stock information in the market to provide early warnings of stocks with signs of illiquidity or market price downtrend.

Set up a set of safe margin ratios. Accordingly, early alert customers about the status of their loan and request for additional margin. Handle collateral assets to preserve capital safety of BVSC during margin transactions.

MARKET RISK MANAGEMENT



MARKET RISK	
O— Interest rate	
O Equity price	
O— Foreign rate	
O— Fund certificates	

Interest rate risk

These movements in interest rate have affected on the business performance of insurance subsidiaries, the fair value of portfolio, interest income and reinvestment.. Bond and deposit investments account for a significant portion of the financial investment portfolio, and are appropriately held to meet future payables.

In 2021, government bond interest rates and bank deposit rates are flat at low levels.

Baoviet Life has increased the proportion of insurance policies with income sharing clauses with policyholders to help reduce interest rate risk. At the same time, Baoviet Life has strengthened its assessment and investment in corporate bonds.

Currently, Bao Viet Holdings has managed this risk by Duration and PVO1 tool to evaluate sensitivity of interest rate on term deposit and bonds.

Bao Viet Holdings has always focused in forecasting the market interest rates and periodically reviewed and selected an investment strategy and appropriate reinvestment duration to mitigate interest risk while maintaining the profitability and liquidity of Bao Viet Holdings and subsidiaries.

Equity price risk

Bao Viet Holdings has invested in listed and non-listed equities. Listed equities are directly exposed to risk of price fluctuations. while the value of unlisted stocks can also move adversely if the market conditions and company's performance deteriorate.

Bao Viet Holdings' stock portfolio is diversified according to different industries and fields, ensuring according to Bao Viet Holdings' regulations on investment limits in one industry, one company or group of companies. As at 31 December 2021, proportion of equity is 2,3% of the Bao Viet Holdings' financal investment portfolio.

Bao Viet Holdings uses Value at risk ('VaR') tool to monitor and limit listed equity price risk. VaR is a method which estimates the maximum losses can occur when there are fluctuations in the market price of a certain period of time (1 day, 1 week, 1 month, 1 year), with a given confidence level (95%). Moreover, Bao Viet Holdings also uses stress-testing method to evaluate the potential impacts on investment portfolio under certain scenarios.

For the non-listed stocks, Bao Viet Holdings uses the basic analysing methods, monitorsand supervises financial and nonfinancial performance of companies which Bao Viet Holdings invested through capital representatives.

The information of non-listed equities has been updated periodically in the monthly risk report that helps Board of management to make timely decisions.

MARKET RISK MANAGEMENT

Foreign currency risk

Fund certificates

Foreign currency risk is the risk of loss resulting from changes in exchange rates. Fluctuations in exchange rates between VND and other currencies in which Bao Viet Holdings conducts business may affect its financial condition and business performance. Subsidiary that have the highest impact due to foreign currency risk are Bao Viet General Insurance, although the total exposure is not significant.

A part of Bao Viet General Insurance's reinsurance liability is denominated in USD, liabilities are offset and only paid differential amount. Thus, its impact to profit of Bao Viet General Insurance is immaterial.

LIQUIDITY RISK MANAGEMENT



POACTIVELY ADAPTING

The volatility of price of Bao Viet Holdings' fund certificates has reviewed, controlled and assessed regularly by Bao Viet Fund (BVF). The Net Asset Value (NAV) per fund unit may increase or decrease, depending on the total assets and the total liabilities. This risk stems from the price reduction of securities, such as bonds, listed and unlisted securities in the Fund portfolio investment.

Bao Viet Fund's investment is carried out through a rigorous appraisal process, following on the fund's objectives to grab the opportunities in high-yield, high-growth investment at the acceptable risk. Moreover, Bao Viet Fund has monitored closely the changes and trends of the economic factors as well as performance and future prospects to design appropriate investment strategies.

> Baoviet Holdings and Subsidiaries balance financial resources in accordance with their solvency at an appropriate level, daily operation requirement and compliance with regulations. To prevent and mitigate this risk, Bao Viet Holdings has analysed the remaining duration of financial liabilities and anticipated cash flow, historical liquidity requirement to recognize the fluctuations and influent factors. Bao Viet Holdings' liquidity position is regularly monitored, and is reported to the Asset-Liability Committee (ALCO).

> The solvency ratios of the Bao Viet Life and Bao Viet General Insuarance are based on regulations promulgated in Circular No. 50/2017/ TT-BTC dated the 15th May 2017 and Circular No.01/2019/TT-BTC dated the 2nd January 2019 by the Ministry of Finance.

CONCENTRATION RISK MANAGEMENT

Concentration risk can arises from insurance business and financial investment activities. Measure, monitor and manage concentration risk:

CONCENTRATION RISK



Financial investment

- · Concentration risk measured by asset structure, total investment value, premium revenue, value of payment/compensation by customer, location and or business sector.
- Concentration risk is monitored by reporting to Executive Board and RMC
- Concentration risk is managed by investment limits, functional process, decentralization procedures for making decision.

Manage the concentration risk from insurance business

At Bao Viet Insurance, the concentration risk can arise from insurance types such as reight insurance, shipping insurance, aviation insurance, petroleum insurance, property insurance, human insurance, technical insurance ... Therefore, besides the concentration risk in the same category. Bao Viet Insurance also faces concentration of risks e.g. combination of vessel and cargo insurance, asset and human insurance, etc. Bao Viet Insurance has regulations on concentration risks management and purchase the reinsurance contracts to limit liability when the insurance event occurs.

At Bao Viet Life, the underwriting strategy is designed to ensure that insured risks are well diversified in terms of the type and insured benefits. Insurance underwriting is largely achieved through diversification across industry sectors and geography, the health and occupational characteristics of people working in each sector, The actual compensation cases and the process of evaluating insurance products, the claim payment process is regularly reviewed. Underwriting limits are implemented to ensure appropriate risk selection criteria.



Manage concentration risk from financial investment

Baoviet Holdings and Subsidiaries manage concentration risk by the risk limits, which are updated annually. In order to mitigate the concentration risk from financial investment, Bao Viet Holding' investment strategy based on principle of investment portfolio diversification:

- · Diversify with a variety of assets (eg: investing in stock, bond, deposit, fund certificate...);
- Diversify with one asset (eg: investing in bond including: government bonds, corporate bonds or local government bonds...);
- Diversification of industry: expanding the scope of investment in companies, areas without cross-ownership;
- Diversification by market capitalization: allocate investment assets in stocks of different company.

OPERATIONAL RISK MANAGEMENT

¢Ľ Operational risks are reported in risk dashboards at periodic Risk Management Coucil of Bao Viet Holdings and subsidiaries. Each subordinate operational risk is clearly defined and assessed. Critical risks are analyzed then appropriate actions are carried out to minimize loss from those risks.

In 2021, the prolonged epidemic situation with many new strains, high infection rates and prolonged social distancing measures will increase the demand for online working, affecting the system's performance. information technology, which can cause disruption to local systems at peak times can impact business continuity and labor productivity ...



Baoviet Holdings has implemented solutions to both ensure compliance with regulations on disease prevention, ensure the health of employees, and create a safe working environment to maintain business activities in the country. units within the Group.



Baoviet has also implemented extensive digital transformation on the system to flexibly adapt during the Covid-19 pandemic, ensuring that safety and information security risks are monitored and handled in a timely manner, specifically:

- Review and arrange backup personnel; application of information technology to support working online and remotely for most business areas.
- Enhance security and safety of information systems. Focusing on infrastructure investment and application of information technology according to international standards, ensuring synchronization, modernity, efficiency and safety, and implementing appropriate solutions and strategies to keep up with development trends. and the integration of Vietnam with the world.
- Communicating and guiding users to regularly update security software; implements a reliable security solution for devices, including mobile phones.
- The Information Security team keeps an eye on the latest trends and attacks to stay on top of the situation, and continuously encourages employees to report suspicious contacts and findings.
- Manage information security according to an overall network security risk management architecture with ISO 27001 standard and Zero trust solution orientation.



REPUTATION RISK MANAGEMENT



Baoviet Holdings manages reputational risks by monitoring attitudes and reactions of stakeholders including authorities, customers, media agencies, press and employees to the Group's reputation and brand;

Review and adjust internal regulations to ensure compliance with the law and business practice; develop measures to manage and control the safety of IT systems.

Training and communication for staff and leaders in the Holdings on crisis handling communication and thematic training courses on reputation risk management.

STRATEGIC RISK MANAGEMENT



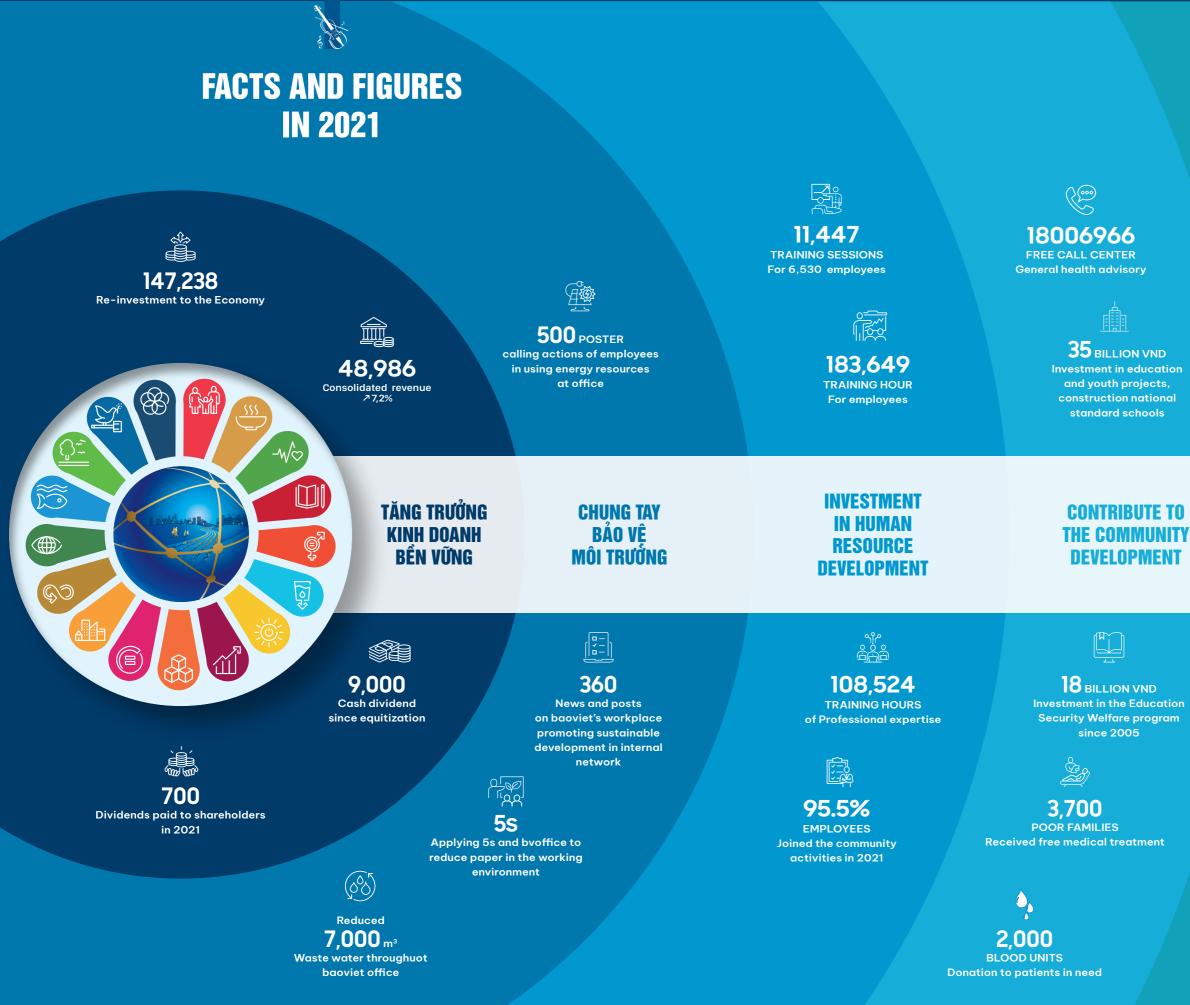
Baoviet Holdings manages strategic risks through measuring and monitoring financial and non-financial indicators, strategy implementation results; scenario analysis of fluctuations in macroeconomic factors and internal factors to promptly review and adjust appropriate strategies.

RISK MANAGEMENT PLAN IN 2022



SUSTAINABLE DEVELOPMENT







150 **19600**

STANDARD Compliance with business operations training

ENGAGING **SUSTAINABLE** DEVELOPMENT **INCORPORATE GOVERNANCE**



Core team for sustainable development 18 MEMBERS





ISO STANDARDS Regulating important business operations training



OVERVIEW OF SUSTAINABLE DEVELOPMENT ACTIVITIES IN BAOVIET

Through communication exchanges with stakeholders and analyzing the impacts of Baoviet, the effects and opportunities from sustainable development trend, Baoviet has perfected the sustainable development model with a vision to 2025.

Sustainable development goals are actively and proactively shared by Baoviet with stakeholders in order to identify the concerned issues. These issues continue to be assessed and reviewed by us in relation to our current operation and sustainable development strategies, thereby identifying key issues to conduct the review, improvement as well as shown in the 2021 Sustainability Report.

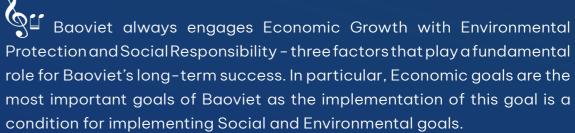
Baoviet's 2021 Sustainability Development Report highlight the activities of Baoviet Holdings and its subsidiaries in relation to sustainable development issues in 2021. The approach of Baoviet's sustainable

development issues is conducted from its longterm economic growth goals combined with social development and environmental protection goals, therefore contributing to the overall development of the community.

Baoviet has integrated the presentation of sustainable development content in 2021-2025 visions to daily business operations across the Group. The Chapter V in the 2021 Annual Report focuses on activities of social responsibility and environmental protection, including Baoviet materialities. In 2021, the sustainability development report will also be reviewed and ensured by the Internal Auditing Division of Baoviet Holdings.

The content of sustainable development is prepared by Baoviet as an Independent Report according to the latest Sustainable Reporting Reporting Guidelines - GRI Sustainability Reporting Standards.

OVERVIEW OF SUSTAINABLE DEVELOPMENT MODEL IN BAOVIET









REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS



In 2021, Baoviet Board of Management closely followed the direction of the Board of Directors, actively implemented activities related to environmental protection and social responsibility in accordance to Baoviet strategic direction on Sustainable development. Aiming to bring a better living standard to the community, Baoviet also invested in community projects to maximize the benefits for local people and the influence of Baoviet in that locality.

Social responsibility and community activities

In the context of the epidemic, to support customers with health checks, Baoviet promotes the impact with large enterprises in prestige protection technology, including Hitachi Group deploying the "Health is Golden" feature. "on Baoviet Direct - application of artificial intelligence (AI) technology platform - analysis of indicators, living habits, tests, medical history to make assessment of potential health risks. ... At the same time, deploying online health consulting service with BaoViet

Mydoctor application integrated on website https://baovietonline.com. vn/; Customers will be connected to the system of general doctors, leading specialists in Vietnam to notify live video calls, easily receive advice and list online anytime, anywhere.

In addition, in order to meet the increasing demand for medical protection and care, especially in the context of increasing risks like today, Baoviet Life has implemented



Green business and environmental protection activities



Realizing the impacts of climate change and human activities on the environment, Baoviet has enhanced the application of information technology to digitize transactions and operation activities to minimize the effects toward the environment. In 2021, Baoviet focuses on engaging

SDGs in supply chain assessment and operational risk assessment through integrating accountability obligations in contracts. negotiate with the main contractor; Project investment management processes and equity capital investment processes.

a new financial solution "An Khang

Hanh". Phuc", providing lifelong and

comprehensive protection against

life's risks, especially in the early

stages of cancer, stroke, heart attack,

Baoviet invests in developing micro

insurances such as agricultural

insurance, student insurance, motor

vehicle insurance to help low-

income participants in rural areas to

be able to access insurance services

for living and production activities.

In addition, our specialized pension insurance also bring a stable income for employees after their retirement while sharing the financial burden with the State's social insurance

budget.

and superior medical care benefits.

Baoviet understands that building a good future requires the efforts of all of us today, in which enterprises play a positive role in realizing this future. Aiming to that vision, we also need to build a specific roadmap to make up for the limited resources that people have overexploited in the past and in the present.





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ECONOMIC IMPACTS





INSURANCE OFFICES

Contribute to the economy development

Operating in the field of Insurance - Investment -Finance - Banking, Baoviet prosperity has made an important contribution to these industries in particular and the country's economy in general.

Support local economic development

With more than 300,000 employees, over 200 branches and more than 700 insurance offices in 63 provinces and cities, Baoviet provides products and services for people nationwide, contributes to creating jobs for workers, contributes for the development of local suppliers and local budgets.

Pioneer in implementing the State's guidelines

Baoviet is always at the forefront of implementing the State policies, implementing social insurance programs, agricultural insurance programs, pension insurance, export credit insurance, aquatic exploitation insurance, disaster risks insurance.



ENVIRONMENTAL IMPACTS

Minimize impacts from waste disposal and energy consumption

With 90% of the equity portfolio, Baoviet's capital contribution focuses on core businesses of insurance - investment, finance, banking - environment-friendly industries. Therefore, the environmental impact of Baoviet is mainly through waste discharge and energy consumption at 200 branches and 700 transaction points, etc.

In order to minimize this impact, Baoviet has developed an environmental protection project at its office and was approved by the Department of Natural Resources and Environment. This project includes the analysis of sources of waste potentially harmful to the environment, Baoviet also conducts guarterly environmental monitoring reports at Baoviet's office building and solutions to reduce pollution.

Baoviet always focuses on fulfilling community development goals because a healthy, safe and wealthy community is a critical condition for enterprises in insurance and financial services can be developed and be able to serve the community in long term.



Create jobs

With operations throughout the country, Baoviet contributes to creating jobs for local people. At the same time, the sustainable development orientations of Baoviet, when deployed to units and implemented by officials, will create a spillover effect throughout the community.

Share the burden with the uncertainties of customers' health and property

With a base of more than 17 million customers, Baoviet offers a wide range of insurance and financial products, giving customers peace of mind against life risks. In addition, micro insurance products are still deployed by Baoviet every year to help low-income customers, in rural areas, have access to insurance services for life and Agriculture production activities.

BRANCHES





Join hands for community development

Up to now, Baoviet has invested nearly VND 400 billion for social security activities, focusing on poverty reduction for people in difficult areas; invest in building schools and scholarship programs for poor studious children. With practical action, Baoviet wishes to join hands with the business community, ministries and sectors to actively implement the national target program on sustainable poverty reduction, completing the targets set by the National Government. association.



Baoviet has invested for social security activities (VND billion)

ENGAGING BUSINESS WITH SDGS

Environmental issues are included by Baoviet in the discussions related to sustainable development and evaluated based on the level of interest of the parties. As an enterprise operating in the financial services sector, the direct impacts on the environment during Baoviet's operation are negligible. However, we understand that monitoring the use of energy and natural resources, applying technology to reduce environmental impact, and implementing climate change response activities are actions. It is a small but essential action to help green business activities and protect the community's general environment.

Climate change is one of the biggest challenges facing humanity in the 21st century. According to experts, the business community plays an important role in responding to climate change. However, the awareness of climate change of enterprises is still limited and uneven, affecting green growth goals. As a business in financial services, Baoviet has negligible impact on the environment, however, we always focus on monitoring the use of energy and natural resources, thereby contributing to minimizing environmental pollution. greenhouse gas emissions and impacts on the environment and communities.

We believe that the Sustainable Development Goals (SDGs) will become easier to be archived when our stakeholders, especially stakeholders in Baoviet's value chain, together join hand in engaging SDGs to business operation. Therefore, we can reduce the consumption of energy resources, raise the awareness and contribute to environmental protection.

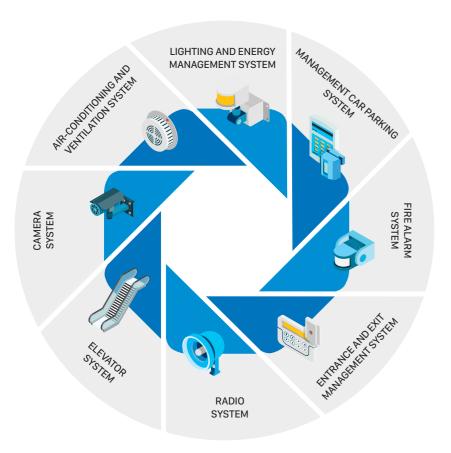


Communicate

with stakeholders to determine materialities



SOLUTIONS FOR SUPERVISING AND CONTROLLING ENERGY CONSUMPTION



6 Understanding the impacts of climate change and human activities on the environment, Baoviet has increased internal communication to raise employees' awareness of environmental protection through savings energy consumption at headquarters and branches. In addition, we also invest in the application of information technology, in order to digitize business transactions, reduce paper waste into the environment.

In order to monitor and use energy, in addition to raise employees' awareness, Baoviet determined that the application of advanced technology solutions will be an energy-saving support tool. Baoviet Building have applied and promoted the performance of the BMS (Building Management System), which is a synchronous system that allows the control and management of all

technical systems in the building such as electrical systems, water supply systems, air-conditioning, ventilation, environmental warnings, security, fire alarm - fire protection, etc., ensuring the correct and timely operation of the equipment in the buildina.

In terms of working space, all offices in Baoviet have proper windows and sunshades to be ventilated with natural sunlight, limit exposure to ultra-violet radiation, and against heat loss during air-conditioning.

When renovating the offices, Baoviet requested construction companies to provide solutions to limit control the indoor temperature increase caused by the greenhouse effect when there are huge pane of glass windows.

In 2021, Baoviet continues to maintain the Consulting Contract for technical operation inspection and building management services with VNPT Building Management and Operation Joint Stock Company (PMC) - a professional building management operator. Quarterly, PMC consulting unit will conduct field inspection and make a detailed advisory report on the operation of technical systems and building management services to make recommendations to help Baoviet to optimize the operation, save energy, minimize the risk of equipment failure, reduce replacement and repair costs thereby extending the life of the Building.

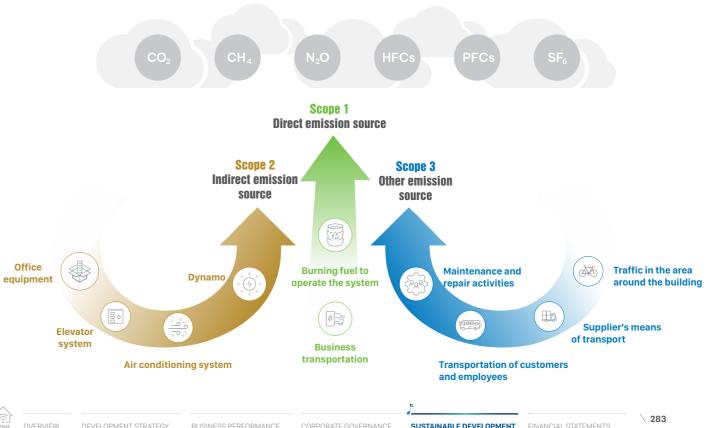
SOLUTIONS FOR ENERGY SAVING IN OPERATION

0-	Organizing management and rational operation acco
0-	Setting the maintenance mode for the entire system
0-	Regularly cleaning all heat exchangers, especially ai the capacity of the devices;
0-	Ensuring the quality of soft water for water chiller sys
0-	Maintaining and repairing damage in time to avoid e
0-	Hiring professional empolyees to manage and opera bringing high efficiency in energy saving.

MONITORING AND CONTROLLING GREENHOUSE GAS EMISSION

As an enterprise with financial services businesses, Baoviet's business activities do not produce much greenhouse gas emissions as well as cause significant impacts on the environment. However, for offices and buildings managed and used by Baoviet, controlling emissions, waste and wastewater from Baoviet buildings is the next environmental protection measure that will be implemented by Baoviet. Currently, Baoviet is also developing regulations on the management of greenhouse gas emissions sources based on the GHG Protocol.

Sources of greenhouse gas emissions at Baoviet buildings



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cording to demands;

n after being used;

ir-cooled condensers that avoid dust which will reduce

/stems;

energy loss for the system;

ate air-conditioning and ventilation systems in buildings,



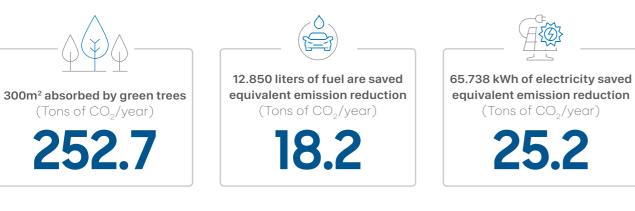
In each building, depending on the permitted conditions when arranging the premises, Baoviet alternately arranges green spaces to create fresh air and minimize the amount of CO2 emitted into the air. Particularly at Baoviet Financial Center Building 233 Dong Khoi, an area of more than 300 m2 of green space with ornamental

(Tons of CO_2 /year)

252.7

plants is arranged, which is a highlight in the design of the Building as well as an economical and efficient CO. filtration system. fruit.

In addition, the policy of reducing travel and promoting online business activities has helped reduce fuel costs for vehicles, save 5,614 liters of gasoline in 2021, and reduce CO2 emissions in the process. migration process. The energy saving activities of the building as well as within the employees have also helped to reduce electricity by 35,637 kWh in 2021, helping to reduce energy costs and reduce greenhouse gas emissions by a considerable amount.



SOLUTIONS FOR WASTE RESOURCES AT WORKPLACE

In 2021, Baoviet Holdings has implemented a number of solutions at its headquarter buildings, including:

0-	Supplementing the post-treatment wastewater disinfection system for the system as well as microbiological culture for aerobic tanks to improve the aerobic treatment process;
0-	Disinfecting water with chlorine before discharging it into the environment;
0-	Cleaning the water tank to ensure clean water supply for the buildings;
0-	Installing a system to measure the amount of wastewater discharged in two buildings 71 Ngo Sy Lien and 72 Tran Hung Dao, Hanoi to control the amount of waste water from the buildings;
0-	Making quarterly waste water analysis of buildings for timely solutions in case of indicators exceeding the prescribed standards.
2	

In addition, Baoviet's environmental protection scheme (approved by Department of Natural Resources and Environment) continues to be implemented in Baoviet's buildings. This project includes contents related to solutions to minimize pollution of waste water sources through the addition of probiotics, cleaning of drainage systems to ensure clean ventilation; periodic inspection of wastewater treatment systems, wastewater collection and drainage systems to avoid clogging of waste streams.



COMPLIANCE WITH LAWS AND ENVIRONMENTAL REGULATIONS

In 2021, Baoviet Holdings and its subsidiaries, hardly recorded any records / notices related to violations of environmental laws and regulations. The confirmation of no violations is also based on the information of data from the audit results (no record of fines) and the information recorded from the monitoring system of regulation compliance.

PERIODIC QUALITY CONTROL OF WASTEWATER

In 2021, Baoviet Holdings installed a wastewater measuring system in two buildings 71 Ngo Sy Lien and 72 Tran Hung Dao, Hanoi to control the flow of waste water into the environment from the buildings. At the same time, Baoviet Holdings also conducts quarterly waste water analysis so that it can take timely solutions if the indicators exceed the prescribed standards.



Environmental monitoring reports at 71 Ngo Sy Lien and 72 Tran Hung Dao, Hanoi, 2017-2018 are based on the following legal terms:

0-	Vietnamese Law No. 72/2020/QH14 on Environmental Protection 2020;
0-	Vietnamese standards and regulations, 1998 up to now;
0-	Units participating in monitoring certification of results have VIMCERTS 006 certificate of environmental monitoring;
0-	Units participating in monitoring and certification result of the Vilas Certificate number 372.





EVALUATION OF MONITORING RESULTS AND RECOMMENDATIONS OF THE INSPECTION COMMITTEE

In addition to the monitoring results on waste water, the inspection team also checked more on environmental factors such as toxic gases, dust concentration in the workplace. Through the results of the actual situation survey and analytical measurements in the work area and around the building site, based on the monitoring reports in 2021, the inspection team made specific comments as follows:



TOXIC GAS: Values of toxic gases at the inspection sites in the working area and around the unit are within the permitted limits according to TC 3733-2002 / BYT-QD, QCVN 05: 2013 / BTNMT.

DUST LEVEL: The value of dust concentration at the inspection sites in the working area and around the unit is within the permissible limits according to TC 3733-2002 / BYT-QD and QCVN 05: 2013/BTNMT.



WATER ENVIRONMENT: Domestic wastewater: The value of the analyzed criteria in the wastewater sample at the unit is within the permitted limits according to QCVN 14: 2008/ BTNMT, column B.



RECOMMENDATION: Proposing to maintain the control system, minimize the impact to ensure environmental quality according to the regulations.

Qui addition to environmental protection and protection activities carried out by individual businesses, Baoviet also cooperates with suppliers to implement environmental protection measures in a more systematic and professional way. In 2021, Baoviet Group has invested over 2 billion VND to sign contracts for monitoring, collection, transportation, waste treatment and system maintenance contracts to ensure occupational safety and use. power efficiency. Contracts with environmental suppliers are carried out annually by Baoviet and will continue to expand in the following years.

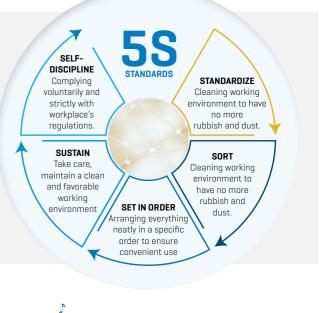
ENGAGING EMPLOYEES IN GREENIZING BUSINESS ACTIVITIES



PROMOTING 5S STANDARDS IN WORKING ENVIRONMENT

With the view to bring a healthy, clean, airy and convenient working environment, thereby bringing comfort to employees, increasing labor productivity and applying an effective management system. In 2021, Baoviet Holdings promoted the 5S standards in the working environment by establishing the annual 5S Monitoring Team, evaluating the implementation process and progress in document management, work space arrangement and stationery recycling activities.

The successful and periodic implementation of the 5S program will bring about miraculous change. Unnecessary things will be removed from the workplace, necessary items are neatly and tidy, placed in convenient locations for users, machinery and equipment become clean and protected. maintenance and preservation. From 5S activities, it will enhance the collective spirit, encourage the harmony of everyone, through which employees will have a more positive attitude, be more responsible and more aware of their work.



EVENTS AND ACTIVITIES OF BAOVIET'S SUSTAINABLE DEVELOPMENT

INVEST FOR THE EDUCATION AND YOUNG GENERATION



Lighten up the dreams for the poor and studious children

In order to "Protect Vietnamese interests - Protect Vietnamese future", in 2021, Baoviet Life continues to award bicycle scholarships to nearly 1,700 poor studious students in 28 provinces and cities across the country: Bac Lieu, Cao Bang, Ha Giang, Soc Trang, Tra Vinh, Vinh Long, Yen Bai, ... This is an annual activity that Bao Viet Life has consistently performed for many years, has awarded nearly 28,000 scholarships to children. have difficult circumstances, encourage them to continue on the path of academic success, grow up to become useful citizens, and build a richer and more beautiful homeland.

Accompanying parents to nurture the future

As a Vietnamese life insurance company, Baoviet Life understands the worries and good wishes of parents in the journey of raising their children to adulthood. Accompanying parents to build a solid future for their children, the series of programs "Raising children, easy or difficult" was officially launched by Baoviet Life on the digital platform in November 2021 with many topics. valuable and practical topics, helping parents understand and have methods to accompany their children's upbringing and development. Each program attracts more than 500 parents to attend, interact with questions and discuss, creating a community of wise parents, raising talented children.



Awarding scholarships to students in Simacai, Lao Cai

As part of the 2021 Humanitarian New Year program, Baoviet Insurance has awarded scholarships to students in Simacai, Lao Cai. A gift instead of words of encouragement, sharing and helping students to excel in their studies.



"Bringing warmth to the highlands" Giving gifts to households suffering great damage caused by floods and rains



In 2021, BVSC cooperates with the Standing Committee of Quang Binh Provincial Youth Union, the Secretariat of the Vietnam Youth Union, the Red Cross Society of Quang Binh Province and some other units to organize the annual program on the occasion of the New Year's festival. This is one of the activities aimed at the people and students in ethnic, border and remote areas in Quang Binh province. Accompanying the Program, BVSC presented 70 Tet gifts to families and students with difficult circumstances in Ca Xen village, Thanh Hoa commune, worth 50 million VND from the fund "Bringing warmth to you" upland" of BVSC.

ROACTIVELY ADAPTING

Children are the future of the family and society, the generation to build and protect the country in the future. Aware of that, at BVSC we pay special attention to protecting, caring and educating to improve the material and spiritual life for the future "green sprout" of the country, contributing to creating a bright future. and perpetuate the nation. Over the years, BVSC has always given priority to the budget for educational development activities, sponsoring learning tools for remote areas, giving gifts and scholarships to disadvantaged children.



EVENTS AND ACTIVITIES OF BAOVIET'S SUSTAINABLE DEVELOPMENT

POVERTY ALLEVIATION AND MEDICAL SUPPORT

DONATING -Billion VND to the Vaccine Fund to prevent COVID-19

Accompanying with the whole country in "fighting the epidemic like fighting the enemy", on June 5, 2021, Bao Viet Life Corporation donated VND 30 billion to the COVID-19 vaccine fund, in order to meet the urgent requirements for epidemic prevention and control, speeding up the import of vaccines to deploy large-scale immunization for the entire population. In which, Bao Viet Life supports 15 billion VND to the Fund to buy vaccines and vaccines for people and 15 billion VND to actively fulfill the responsibility of businesses to employees, support the cost of vaccination for staff and employees. consultants, reducing the burden on the State budget.

This is Baoviet Life's effort to join hands in protecting public health, contributing to a peaceful and prosperous Vietnam. Also on this occasion, Baoviet Life's staff members quickly implemented donate at least 1 working day's salary to contribute to the Covid-19 Vaccine Fund, contributing to showing the spirit of sharing and helping the whole country overcome the difficult period.



BẢO VIỆT NHÂN THO TƯ HÀO CHUNG TAY CÙNG CHÍNH PHỦ

ĐÓNG GÓP 30 TÝ VÀO QUỸ VACCINE PHÒNG COVID-19

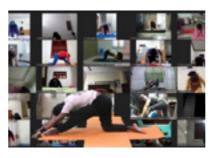
BAOVIET 🥯 Life

VÎ VIỆT NAM BÎNH AN 📋 VÎ NGƯỜI DÂN KHOỂ MANH VÌ DOANH NGHỆP BẾN VỮNG | VÌ GIA ĐÌNH YẾU THƯƠNG



Improve people's quality of life and health

The outbreak of the disease has had a significant impact on the health and daily life of the people. With the goal of raising awareness about sports practice, proactively protecting health against disease risks, in October 2021, Baoviet Life organized a free online yoga program with the teaching of experienced and highly specialized coaches from India. Up to now, the program has attracted more than 15,000 people to practice, contributing to improving mental and physical health, accompanying Vietnamese families to overcome the pandemic.





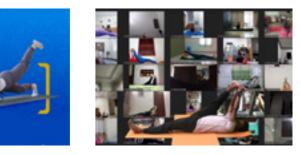
"New Year of Kindness - 2021" **Bao Viet Insurance gives medicine and** gifts to ethnic people in Siamcai district, Lao Cai

In 2021, Baoviet Insurance Corporation will continue the journey of connecting hearts and bringing love to the highland village of Simacai when accompanying the program "Tet Nhan Ai 2021" for the poor and policy families. and people in the most difficult mountainous district in Lao Cai province.

Contributing to the program "New year of Kindness 2021" is a meaningful gift from Baoviet Insurance Corporation to people in Sin Cheng commune, Si Ma Cai district, Lao Cai province, with the desire to share the joy, giving warmth and connecting hearts to poor people in the highlands. Thereby, the delegation of Baoviet Insurance Corporation presented gifts with the total value above 120,000,000 VND.







Baoviet Securities accompanies the medical staff, doctors, frontline forces and people nationwide to fight against the Covid-19 epidemic

As of the rapid spread of the disease, in order to join hands with the Government to control the epidemic and protect the health of employees in the Company, BVSC implemented the program "BVSC - Safe & Happy Working Environment". The program includes a campaign to launch company employees to support the Government's Covid-19 vaccine fund and deploy a vaccination plan for employees. By the end of the program, BVSC had launched and donated an amount of nearly 3 billion VND and the coverage rate of the third dose of covid-19 vaccine to employees was up to nearly 70%.

Accompanying the medical staff, the frontline force against the Covid-19 epidemic, and joining hands to share the difficulties that the medical force encountered in the process of performing their duties to ensure the disease prevention for all patients. community. BVSC has sponsored and contributed to frontline units in epidemic prevention across the country, such as:





Donated 05 high-flow oxygen ventilators to the field hospital 13 Ho Chi Minh City with a value of 309 million VND.

Funding in cash and in kind to support frontline units in the local epidemic prevention and control.

- Support Bach Mai hospital in the prevention of Covid 19: VND 300,000,000
- Donate to Covid fund Central Lung Hospital: VND 500,000,000

In addition to cash donations, BVSC also helps to equip equipment used in the epidemic prevention and control process such as protective clothing, masks, test kits, .. for medical units and centers in Hanoi, such as:

- Support to buy costumes to prevent covid-19 to support Hoan Kiem District People's Committee: VND 159,544,636
- Donating 500 quick test kits for SARS-CoV-2 virus worth VND 34,500,000 to police officers in Hoan Kiem district, Hanoi.
- Sponsoring protective clothing against epidemics (grades II + III) for health centers in Cau Giay district: 96,500,000 VND
- Support for medical center in Hai Ba Trung district to prevent Covid-19: VND 100,000,000
- Support the Central Lung Hospital to buy test for SARS-CoV2 virus by Realtime PCR method: 85,714,286 VND.

BVSC had launched and donated an amount of nearly (VND)

3,000,000,000 and the coverage rate of the third dose of covid-19 vaccine to employees was up to nearly 70%

OVERCOMING CONSEQUENCES OF NATURAL DISASTERS AND THE ENVIRONMENT

Greening Vietnam, encouraging a positive lifestyle to Vietnamese families

Responding to the Prime Minister's call to "Plant 1 billion trees for Vietnam", on January 7, 2021, Bao Viet Life Corporation launched the campaign "Green Vietnam Journey" to spread the word. green lifestyle and encourage environmental protection action to the community. Accordingly, in Thua Thien Hue province, Bao Viet Life will plant indigenous trees on 5 hectares of land in Phong Dien Nature Reserve, and at the same time plant rows of black star trees to beautify the urban landscape in Cua Lo Town. Nghe An province. This is a meaningful activity to celebrate the 25th anniversary of Baoviet Life, a pioneer in opening and accompanying Vietnam's life insurance market, demonstrating its commitment to carrying out the mission of "Protecting Vietnam's Future - Protecting Vietnamese Family".



"Bringing warmth to the highlands" Giving gifts to households suffering great damage caused by floods and rains



BVSC has also successfully organized the program "Bringing warmth to the highlands" in Tien Hoa commune, Tuyen Hoa district, Quang Binh province during the flood in the Central region. The program gave 300 gifts in cash with the value of 300,000 VND/ each to households who suffered great damage caused by floods and rains; 100 school backpacks; 03 sets of inter-team drums and books for students with a total gift value of 195,000,000 VND.

EVENTS AND ACTIVITIES OF BAOVIET'S SUSTAINABLE DEVELOPMENT

GRATEFUL TO HEROES AND MARTYRS, FAMILIES WITH MERITORIOUS SERVICES TO THE COUNTRY



Donating antibacterial masks to soldiers of **Division 7, Military Region 4**

The tradition of "Drink water, remember the source" is not only a good tradition of the Vietnamese people but also an annual activity that BVSC attaches great importance to. On the occasion of the 73rd anniversary of War Invalids and Martyrs' Day on July 27, the Company organized meaningful activities to pay tribute to the generations of his father who devoted and sacrificed himself for national independence. The company has sent greetings and many gratitude gifts to employees' families to express gratitude to those who have sacrificed their whole lives for national peace.

In addition, BVSC presented sets of antibacterial masks to the 7th Division of Military Region 4 to help soldiers feel secure in performing the task of protecting the people with an in-kind value of up to: VND 28,100,000.

SAFETY AND HEALTH OF CUSTOMERS

Bao Viet Insurance donates 2 billion VND to the vaccine fund in an effort to achieve dual goals

The Prime Minister emphasized: "People's health is the most important, putting the task of protecting people's lives first and foremost". Vietnam has achieved positive results in epidemic prevention and control, affirming its role as a responsible member of the international community. However, in order to successfully advance in the fight against the Covid-19 epidemic, the vaccine is the most powerful weapon, a prerequisite for the war to come to a complete victory.

Understanding the need and urgency in the increasingly complicated epidemic period, right after receiving the information, Baoviet Insurance responded to the Government's call to mobilize resources for socialization in the strategy. Vaccine approved the donation of 2 billion VND to the Vaccine Fund to prevent and control the Covid-19 epidemic. This helps reduce the burden on the State budget, protects Vietnamese families and

contributes to ensuring social safety during the epidemic situation

In addition, Bao Viet Insurance has donated 1.2 billion VND to the people of Binh Duong province to support patients with Covid-19.





An Khang Hanh Phúc

Hoach đinh cuộc sống, tron đời bình an

Constantly researching to serve customer needs

According to the international cancer research project GLOBOCAN 2020, the number of people suffering from and dying from cancer worldwide is on an increasing trend, of which this rate in Vietnam is also increasing rapidly in the last 2 years. However, surpassing the "death sentence" of cancer, cardiovascular disease has been the leading risk of death for nearly two decades, according to the latest announcement of the World Health Organization (WHO). In Vietnam, according to statistics of the Ministry of Health, every year about 200,000 people die from cardiovascular disease, accounting for 33% of all deaths. In the situation that the Covid-19 epidemic is complicated and poses a higher risk to people with underlying medical conditions including cardiovascular disease and cancer, the need for protection becomes even more urgent.

To meet the increasing protection needs, Bao Viet Life's new product "An Khang Hanh Phuc" offers many outstanding benefits, helping policyholders to accumulate effectively for the future. at the same time, reserve a secure financial source to treat incurable diseases or pay medical and surgical expenses when unfortunately there is a risk of accident, illness or infection with Covid-19. "An Khang Hanh Phuc" especially protects against cancer from the very beginning, and at the same time provides dual protection against the risk of stroke and heart attack. High protection value, up to 2.5 billion.

When there is no risk, at the 10th and 20th policy anniversary years, customers will receive additional special bonus benefits up to 30% and 50% of the annual recurring premium, respectively. In particular, the contract also enjoys the benefits of increased investment and committed interest rates. In fact, the announced interest rates for Baoviet Life's universal life insurance products are always much higher than the committed level and are always one of the highest in the market.





FINANCIAL STATEMENTS

6



THE HOLDINGS

Bao Viet Holdings (herein referred to as "the Holdings") was previously a state-owned company that was equitized and became a joint stock company pursuant to Business Registration Certificate granted by the Hanoi Authority for Planning and Investment on 15 October 2007. The Business Registration Certificate of the Holdings was subsequently modified fourteen times with the fourteenth amendment on 25 February 2022.

The Holdings' entire shares are listed on Ho Chi Minh Stock Exchange (HOSE).

Below is a summary of information extracted from the fourteenth amended Business Registration Certificate:

	Business Registration Certificate Number:	0100111761
I	Registered company name:	Bao Viet Holdings
I	Head Office's address:	No. 72, Tran Hung Dao street,
	Operating activities:	Equity investments in subsid services under Vietnamese L related services; educational Registration Certificate
(Charter capital:	VND 7,423,227,640,000
I	Number of registered shares:	742,322,764 shares
	Founding shareholders:	The Ministry of Finance, State (Asia Pacific) Holdings Limite
I	Legal representative:	Mr. Do Truong Minh - Chief Ex

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr. Dao Dinh Thi	Chairman
Mr. Do Truong Minh	Member
Ms. Than Hien Anh	Member
Ms. Tran Thi Dieu Hang	Member
Mr. Nguyen Xuan Viet	Member
Mr. Teruo Shimmen	Member
Mr. Nguyen Dinh An	Member
Mr. Arai Kazuhiko	Member
Mr. Kenji Yoneda	Member

BOARD OF SUVERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr. Ong Tien Hung	Head of Board of
	Supervision
Mr. Vu Thanh Hai	Supervision
Mr. Dinh Hoai Linh	Supervision
Ms. Tran Thi Phuong	Supervision



CONSOLIDATED **FINANCIAL STATEMENTS**

For the year ended 31 December 2021

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- 310 Consolidated cash flow statement
- 312 Notes to the consolidated financial statements

, Tran Hung Dao Ward, Hoan Kiem District, Hanoi

diaries and associates; financial services and other related Laws; real estate business; IT services and other computer support services and other activities according to Business

te Capital Investment Corporation ("SCIC"), HSBC Insurance ed

xecutive Officer

- Appointed on 23 December 2014
- Appointed on 27 June 2018
- Appointed on 23 December 2014
- Appointed on 27 June 2018
- Appointed on 27 June 2018
- Appointed on 29 June 2019
- Appointed on 29 June 2020
- Appointed on 29 June 2021
- Resigned on 29 June 2021
- Appointed on 29 June 2019 Appointed on 29 November 2012
- Appointed on 29 June 2019
- Appointed on 29 June 2021
- Resigned on 29 June 2021

GENERAL INFORMATION (continued)

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Chief Accountant

Mr. Do Truong Minh Mr. Nguyen Xuan Hoa Chief Executive Officer

Appointed on 27 June 2018 Appointed on 13 January 2016

LEGAL REPRESENTATIVE

The legal representative of the Holdings at the date of this report is Mr. Do Truong Minh - Chief Executive Officer.

AUDITORS

The auditors of the Holdings are Ernst & Young Vietnam Limited.



The Board of Directors of the Holdings is pleased to present this report and approve the consolidated financial statements of the Holdings and its subsidiaries ("the Group") for the year ended 31 December 2021.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management of the Holdings ("Management") is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- and explained in the consolidated financial statements; and
- that the Group will continue its business.

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

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements. These consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of the Board of Directors:



Mr. Dao Dinh Thi Chairman

Hanoi, Vietnam 31 March 2022

• state whether applicable accounting standards have been followed, subject to any material departures disclosed

· prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume

INDEPENDENT AUDITORS'S REPORT





Ernst & Young Vietnam Limited 20th Floor, Bitexco Financial Tower 2 Hai Trieu Street, District 1 Ho Chi Minh City, S.R. of Vietnam

Tel: +84 28 3824 5252 Fax: +84 28 3824 5250 excom

Reference: 60780870/22679888-HN

INDEPENDENT AUDITORS'S REPORT

To: The Shareholders of Bao Viet Holdings

We have audited the accompanying consolidated financial statements of Bao Viet Holdings and its subsidiaries (collectively referred to as "the Group") as prepared on 31 March 2022 and set out on pages 304 to 399, which comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's Responsibility

Management of Bao Viet Holdings is responsible for the true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements, and for such internal control as management determines is necessary to ensure that the preparation and presentation of the consolidated financial statements are free from material misstatements, whether due to fraud or error.

Auditors' 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.



Deputy General Director Audit Practising Registration Certificate No. 2071-2018-004-1

Hanoi, Vietnam

31 March 2022

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Cumleus

Huynh Nhat Hung Auditor Audit Practising Registration Certificate No. 5040-2019-004-1

CONSOLIDATED BALANCE SHEET

as at 31 December 2021

B01-DN/HN

				Currency: VND
Code ASS	SETS	Notes	31 December 2021	31 December 2020
100 A.	CURRENT ASSETS		99,467,964,400,489	91,841,581,344,776
110 I.	Cash and cash equivalents	5	5,354,092,025,872	6,780,742,363,756
111 1.	Cash		745,692,025,865	643,642,363,751
112 2.	Cash equivalents		4,608,400,000,007	6,137,100,000,005
120 II.	Short-term investments		82,007,147,486,839	73,718,143,604,394
121 1.	Held-for-trading securities	14.1	2,842,449,430,183	2,449,645,175,350
122 2.	Provision for held-for-trading securities	14.1	(46,212,778,674)	(156,221,229,549)
123 3.	Held-to-maturity investments	14.2	79,210,910,835,330	71,424,719,658,593
130 III.	Current accounts receivables	6.1	9,230,511,316,787	8,299,283,030,486
131 1.	Short-term trade receivables		5,693,409,420,064	6,147,086,149,110
131.1 1.1	Receivables from insurance activities		1,223,876,924,280	1,754,864,348,632
131.2 1.2	Receivables from investment activities		4,469,532,495,784	4,392,221,800,478
132 2.	Short-term advances to suppliers		56,638,491,525	63,469,950,921
135 3.	Short-term loan receivables		3,417,516,489,890	2,238,592,447,282
136 4.	Other short-term receivables		477,495,537,770	270,591,778,388
137 5.	Provision for doubtful short-term receivables		(414,718,728,147)	(420,627,400,900)
139 6.	Shortage of assets waiting for resolution		170,105,685	170,105,685
140 IV.	Inventories	7	141,653,223,444	124,433,087,390
150 V.	Other current assets		585,578,169,288	672,283,091,006
151 1.	Short-term prepaid expenses		542,934,988,670	634,419,485,710
151.1 1.1	Unallocated commission expenses	8	493,005,752,612	600,397,009,237
151.2 1.2	Other short-term prepaid expenses	9	49,929,236,058	34,022,476,473
152 2.	VAT deductible		25,624,105,125	24,620,422,132
153 3.	Tax and other statutory receivables		1,847,071,254	3,512,662,035
155 4.	Other current assets		15,172,004,239	9,730,521,129
190 VI.	Reinsurance assets		2,148,982,178,259	2,246,696,167,744
191 1.	Reinsurance assets from unearned premium reserves	24	1,033,169,851,481	1,059,460,785,355
192 2.	Reinsurance assets from claim reserves	24	1,115,812,326,778	1,187,235,382,389

CONSOLIDATED BALANCE SHEET (continued) as at 31 December 2021

Code ASSETS				
200 B. NON-CURRENT ASSETS				
210	Ι.	Long-term receivables		
216	1.	Other long-term receivables		
220	Fixed assets			
221	1.	Tangible fixed assets		
222		Cost		
223		Accumulated depreciation		
227	2.	Intangible fixed assets		
228		Cost		
229		Accumulated amortization		
230	III.	Investment properties		
240	IV.	Long-term assets in progress		
242	1.	Construction in progress		
250	V.	Long-term investments		
252	1.	Investments in associates and jointly controlled entity		
252 253				
	2.	and jointly controlled entity		
253	2. 3.	and jointly controlled entity Investments in other entities		
253 254	2. 3. 4.	and jointly controlled entity Investments in other entities Provision for long-term investments		
253 254 255	2. 3. 4.	and jointly controlled entity Investments in other entities Provision for long-term investments Held-to-maturity investments		
253 254 255 260	2. 3. 4. VI. 1.	and jointly controlled entity Investments in other entities Provision for long-term investments Held-to-maturity investments Other long-term assets		
253 254 255 260 261	 2. 3. 4. VI. 1. 2. 	and jointly controlled entity Investments in other entities Provision for long-term investments Held-to-maturity investments Other long-term assets Long-term prepaid expenses		



B01-DN/HN

		Currency: VND
Notes	31 December 2021	31 December 2020
	70,036,158,576,516	54,571,219,473,584
6.2	72,361,637,816	70,801,065,457
	72,361,637,816	70,801,065,457
	1,934,480,147,292	1,788,655,050,662
10	974,265,052,366	859,647,804,853
	2,558,529,794,503	2,316,960,202,591
	(1,584,264,742,137)	(1,457,312,397,738)
11	960,215,094,926	929,007,245,809
	1,539,962,270,408	1,430,463,210,802
	(579,747,175,482)	(501,455,964,993)
12	45,388,992,000	45,388,992,000
	441,738,975,020	561,928,499,811
13	441,738,975,020	561,928,499,811
	67,383,497,918,631	51,874,244,925,437
14.3.1	3,088,258,326,242	2,880,436,188,476
14.3.2	929,538,716,123	1,042,701,268,763
14.3.2	(42,683,425,929)	(120,753,192,331)
14.2	63,408,384,302,195	48,071,860,660,529
	158,690,905,757	230,200,940,217
9	108,990,144,232	202,692,782,843
16.2.1	18,414,546,814	12,137,474,250
	31,286,214,711	15,370,683,124
	169,504,122,977,005	146,412,800,818,360

CONSOLIDATED BALANCE SHEET (continued)

as at 31 December 2021

B01-DN/HN

Currency: VN			
31 December 202	31 December 2021	Notes	OURCES
125,591,034,777,51	147,477,392,612,620		LIABILITIES
19,747,437,592,78	21,707,051,775,852		Current liabilities
2,710,675,408,40	2,427,860,701,125	15	Short-term trade payables
2,651,844,948,29	2,339,603,934,638		Insurance activities payables
4,024,930,00	24,042,025,826		Other payables for financial activities
54,805,530,11	64,214,740,661		Payables to suppliers and service providers
14,895,367,27	17,372,000,000		Short-term advances from customers
122,177,355,61	207,468,643,695	16	Statutory obligations
855,435,551,31	1,641,394,958,939		Payables to employees
52,220,043,38	52,323,112,912		Short-term accrued expenses
230,592,057,61	164,952,999,903	17	Short-term unearned revenue
87,737,943,07	167,928,784,567	18.1	Unearned commission revenue
939,865,915,37	1,099,392,948,721	19	Other short-term payables
895,634,463,71	2,506,330,153,950	20	Short-term borrowings
154,253,870,94	199,699,495,740	21	Bonus and welfare fund
13,683,949,616,06	13,222,327,976,300	22	Payables under bond repo contracts
105,843,597,184,73	125,770,340,836,768		Non-current liabilities
251,591,787,49	270,418,960,801	23	Other long-term liabilities
316,542,417,11	267,266,088,776	20	Long-term borrowings
5,101,265,07	3,963,738,615	16.2.2	Deferred tax liabilities
105,270,361,715,05	125,228,692,048,576	24	Statutory insurance reserves
93,090,719,199,76	112,070,973,854,439		Mathematical reserve
4,970,615,412,20	4,642,357,944,455		Unearned premium reserve
2,575,753,599,12	2,407,649,271,122		Claims reserve
1,935,346,562,09	2,157,438,745,997		Dividend reserve
2,547,998,489,07	3,688,335,309,663		Reserve for guaranteed interest rate
133,720,703,79	207,300,826,538		Equalization reserve
16,207,748,98	54,636,096,362		Catastrophe reserve



				Currency: VND
Code RES	SOURCES	Notes	31 December 2021	31 December 2020
400 D.	OWNERS' EQUITY		22,026,730,364,385	20,821,766,040,844
410 I.	Capital	25	22,026,730,364,385	20,821,766,040,844
411 1.	Contributed charter capital		7,423,227,640,000	7,423,227,640,000
411a	- Common shares with voting rights		7,423,227,640,000	7,423,227,640,000
412 2.	Share premium		7,310,458,742,807	7,310,458,742,807
417 3.	Foreign exchange differences reserve		15,445,192,000	15,445,192,000
418 4.	Investment and development fund and financial reserves		1,284,786,140,295	967,358,385,620
420 5.	Other funds belonging to owners' equity	*******	103,568,802,818	103,568,802,818
421 6.	Undistributed earnings	*	4,475,440,359,637	3,723,310,113,726
421a	- Undistributed earnings by the end of the prior year		2,653,064,465,370	2,186,864,003,123
421b	- Undistributed earnings of the current year		1,822,375,894,267	1,536,446,110,603
423 7.	Statutory reserves for insurance operations		577,618,921,373	523,523,906,834
429 8.	Non-controlling interests		836,184,565,455	754,873,257,039
440 TOT	FAL LIABILITIES AND OWNERS' EQUITY		169,504,122,977,005	146,412,800,818,360

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Mr. Nguyen Xuan Hoa Chief Accountant

Mrs. Nguyen Thi Thanh Van Preparer

Hanoi, Vietnam 31 March 2022

B01-DN/HN



Mr. Do Truong Minh Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

as at 31 December 2021

B02-DN/HN

				Currency: VND
Code	ITEMS	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
01	Insurance premium (01 = 02 + 03 + 04)		39,996,504,593,125	38,204,891,722,825
02	Direct written premium	26.1	39,503,608,139,870	37,727,000,410,986
03	Reinsurance premium assumed	26.2	164,638,985,503	179,220,641,986
04	Decrease in gross unearned premium reserve		328,257,467,752	298,670,669,853
05	Reinsurance premium ceded (05 = 06 + 07)		(4,104,197,442,569)	(4,761,215,263,679)
06	Reinsurance premium ceded	27	(4,077,906,508,695)	(4,119,350,824,090)
07	Decrease in ceded unearned premium reserve		(26,290,933,874)	(641,864,439,589)
08	Net insurance premium (08 = 01 + 05)		35,892,307,150,556	33,443,676,459,146
09	Commission on reinsurance ceded and other insurance income		935,654,349,652	1,080,367,825,398
15	Total net revenue from insurance business (15 = 08 + 09)		36,827,961,500,208	34,524,044,284,544
16	Claim and maturity payment expenses	28.1	(12,747,844,422,468)	(12,800,823,934,349)
17	Claim expenses for reinsurance assumed	28.2	(119,410,886,417)	(132,653,130,239)
18	Deductions (18 = 19 + 20)		2,757,799,997	3,179,894,839
19	Subrogation recoveries		1,642,506,238	1,561,404,451
20	Salvages		1,115,293,759	1,618,490,388
21	Recoveries from reinsurance ceded	28.3	1,723,267,262,211	2,158,008,670,719
22	Increase in insurance reserves (22 = 23 + 24 + 25 + 26)		(20,416,263,781,907)	(19,123,200,751,466)
23	Increase in mathematical reserve		(18,980,254,654,676)	(17,544,035,787,158)
24	Increase in reserve for guaranteed interest rate		(1,140,336,820,587)	(1,419,369,122,647)
25	Increase in dividend reserve		(222,092,183,901)	(121,723,538,646)
26	Increase in equalization reserve		(73,580,122,743)	(38,072,303,015)
27	Decrease in claim reserves for direct insurance and reinsurance assumed		168,104,328,007	342,927,712,146
28	Decrease in claim reserve related to reinsurance ceded		(71,423,055,611)	(152,814,367,780)
29	Total claim and maturity payment expenses (29 = 16 + 17 + 18 + 21 + 22 + 27 + 28)		(31,460,812,756,188)	(29,705,375,906,130)
	Production for a standard strength			(41,472,073,431)
30	Provision for catastrophe reserve		(38,428,347,377)	(41,472,073,431)

	ITEMS
32	Other underwriting expenses (32 = 33 + 34)
33	Commission expenses
34	Other insurance operating expenses
41	Total direct insurance operating expenses (41 = 29 + 30 + 31 + 32)
42	Gross insurance operating profit (42 = 15 + 41)
43.1	Income from other activities
43.2	Expenses from other activities
43	Net operating income from other activities (43 = 43.1 + 43.2)
44.1	Financial income
44.2	Financial expenses
44	Profit from financial activities (44 = 44.1 + 44.2)
45	Share of profit in associates and jointly controlled entity
46	Selling expenses
47	General and administrative expenses
48.1	Other income
48.2	Other expenses
48	Other profit (48 = 48.1 + 48.2)
50	PROFIT BEFORE TAX (50 = 42 + 43 + 44 + 45 + 46 + 47 + 48)
51	Current corporate income tax expense
52	Deferred income tax income/(expense)
60	NET PROFIT AFTER TAX (60 = 50 + 51 + 52)
61	NET PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS OF THE HOLDINGS
	Net profit after tax attributable to

70 Basic earnings per share

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Mrs. Nguyen Thi Thanh Van Preparer

Mr. Nguyen Xuan Hoa Chief Accountant

Hanoi, Vietnam 31 March 2022



CONSOLIDATED INCOME STATEMENT (continued)

as at 31 December 2021

Notes

29

30

31.1

31.2

32

33

B02-DN/HN

Currency: VND

For the year ended 31 December 2020

(4,477,259,732,473) (3,094,850,217,854) (1,382,409,514,619)

(34,198,800,822,616)

325,243,461,928

433,287,152,651 (417,934,268,486)

15,352,884,165

9,495,658,687,333 (1,841,912,602,607) 7,653,746,084,726

70,011,972,612

(2,366,157,942,795) (3,756,517,474,608) 13,517,757,652 (1,910,935,621) 11,606,822,031

1,953,285,808,059

(267,396,475,068) (36,042,360,066) 1,649,846,972,925

1,597,588,285,269

603,177,063,194 750,298,675,797 (676,872,151,022) 73,426,524,775 8,911,612,242,924

For the year ended

31 December 2021

(4,725,543,333,449)

(2,928,815,553,658)

(36,224,784,437,014)

(1,796,727,779,791)

(1,059,722,118,833) 7,851,890,124,091 14.3.1 92,993,746,827 (2,266,015,074,428) (3,997,998,677,361)

21,094,866,627

(2,079,859,229) 34 19,015,007,398 2,376,488,714,496 16.1 (380,484,124,137) 16.2 7,414,599,023

1,896,699,438,352

106,719,751,030

2,555

1001

2,003,419,189,382

52,258,687,656

2,097

36



Mr. Do Truong Minh Chief Executive Officer

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2021

B03-DN/HN

					Currency: VND
Code	e ITEI	MS	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
	I.	CASH FLOWS FROM OPERATING ACTIVITIES			
01	1.	Accounting profit before tax		2,376,488,714,496	1,953,285,808,059
	2.	Adjustments for:		11,317,060,867,464	9,683,183,505,884
02	-	Depreciation of tangible fixed assets and investment properties and amortization of intangible fixed assets	10, 11	226,311,777,789	206,997,738,211
03	-	Provisions		19,764,343,443,495	18,324,904,209,345
04	-	Unrealized gains on foreign exchange revaluation		(7,612,658,011)	(3,832,163,038)
05	-	Profits from investing activities		(8,987,183,374,694)	(9,547,259,680,419)
06	-	Repo and interest expenses		321,201,678,885	702,373,401,785
08	3.	Operating profit before changes in working capital		13,693,549,581,960	11,636,469,313,943
09	-	Increase in receivables		(1,065,508,541,724)	(13,288,642,669)
10	-	(Increase)/Decrease in inventories		(17,220,136,054)	1,924,398,500
11	-	Increase in payables (excluding interest, corporate income tax)		710,225,094,428	105,126,771,747
12	-	Decrease in prepaid expenses		211,478,069,525	748,213,752,516
13	-	(Increase)/Decrease in held-for-trading securities		(392,804,254,833)	381,642,210,752
14	-	Interest paid		(420,996,995,370)	(757,788,609,663)
15	-	Corporate income tax paid	16	(338,734,753,436)	(237,775,940,333)
17	-	Other cash outflows from operating activities		(58,336,039,784)	(68,382,974,829)
20	Net	cash flows from operating activities		12,321,652,024,712	11,796,140,279,964
	П.	CASH FLOWS FROM INVESTING ACTIVITIES			
21	1.	Purchase and construction of fixed assets and other long-term assets		(237,768,613,970)	(231,433,491,623)
22	2.	Proceeds from disposals of fixed assets and other long-term assets		1,585,989,110	1,026,440,364
23	3.	Loans to other entities and payments for purchase of debt instruments of other entities		(94,785,369,046,052)	(87,906,743,938,242)
24	4.	Collections from borrowers and proceeds from sale of debt instruments of other entities		72,177,863,032,366	71,688,969,281,693
25	5.	Proceeds from purchasing of investments in other entities		(4,425,975,843)	(29,535,895,500)
26	6.	Proceeds from sale of investments in other entities		207,297,671,249	
27	7.	Interest and dividends received and gain from trading held-to-maturity investments		8,354,119,919,729	8,717,737,729,146
30	Net	cash flows used in investing activities		(14,286,697,023,411)	(7,759,979,874,162)

				Currency: VND		
Code l	ITEMS	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020		
I	III. CASH FLOWS FROM FINANCING ACTIVITIES					
33 1	1. Drawdown of borrowings (including repo activities)		48,063,151,289,896	17,451,796,200,000		
34 2	2. Repayment of borrowings (including repo activities)		(46,836,804,754,365)	(18,829,087,539,287)		
36 3	 Dividend paid to shareholders and non-controlling interest 		(687,434,838,726)	(621,510,028,457)		
40 N	Net cash flows from/(used in) financing activities		538,911,696,805	(1,998,801,367,744)		
50 N	Net change in cash for the year	t change in cash for the year (1,426,133,301,894	(1,426,133,301,894)	2,037,359,038,058		
60	Cash and cash equivalents at the beginning of the year				6,780,742,363,756	4,742,602,123,821
61 I	Impact of exchange rate fluctuation		(517,035,990)	781,201,877		
70 0	Cash and cash equivalents at the end of the year	5	5,354,092,025,872	6,780,742,363,756		

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Mrs. Nguyen Thi Thanh Van Preparer

Hanoi, Vietnam 31 March 2022

Chief Accountant



CONSOLIDATED CASH FLOW STATEMENT (continued)



for the year ended 31 December 2021

B03-DN/HN



Mr. Nguyen Xuan Hoa

Mr. Do Truong Minh Chief Executive Officer

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2021 and for the year then ended

B09-DN/HN

1. CORPORATE INFORMATION

Bao Viet Holdings (herein referred to as "the Holdings") was previously a state-owned company that was equitized and became a joint stock company pursuant to Business Registration Certificate granted by the Hanoi Authority for Planning and Investment on 15 October 2007. The Business Registration Certificate of the Holdings was subsequently modified fourteen times with the fourteenth amendment was on 25 February 2022.

The Holdings' entire shares are listed on Ho Chi Minh Stock Exchange (HOSE).

Below is a summary of information extracted from the fourteenth amended Business Registra

Business Registration Certificate Number:	0100111761
Registered company name:	Bao Viet Holdings
Head Office's address:	No. 72, Tran Hung Dao street, Tran Hung Dao Ward, Hoan Kiem District, Hanoi
Operating activities:	Equity investments in subsidiaries and associates; financial services and other related services under Vietnamese Laws; real estate business; IT services and other computer related services; educational support services and other activities according to Business Registration Certificate
Charter capital:	VND 7,423,227,640,000
Number of registered shares:	742,322,764 shares
Legal representative:	Mr. Do Truong Minh - Chief Executive Officer

The Holdings has No.1 business location - Bao Viet Holdings located at: 08 Le Thai To, Hang Tr District, Ha Noi

The shareholdings' structure of the Holdings during the year and at the date of this report was

Shareholders	No. of shares	Percentage (%)
- The Ministry of Finance	482,509,800	65.00
- Sumitomo Life Insurance Company ("Sumitomo Life")	163,945,421	22.09
- State Capital Investment Corporation ("SCIC")	22,154,400	2.98
- Other shareholders	73,713,143	9.93
Total	742,322,764	100.00

As at 31 December 2021, the Holdings had six (6) subsidiaries, one (1) investment fund, eig joint ventures (held directly by the Holdings or indirectly through its subsidiaries/investment dependently accounted units. Details are as follows:

OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

IOTES TO THE CONSOLIDATED FIN

as at 31 December 2021 and for the year then ended

1. **CORPORATE INFORMATION** (continued)

Ν

Subsidiaries

dings	swas subsequently	Subsidiaries	Address	Principal activities	Percentage directly owned by the Holdings	Voting right of the Holdings
ratio	n Certificate:	Bao Viet Insurance Corporation ("Bao Viet Insurance")	7 Ly Thuong Kiet, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi	General insurance, liability insurance, health and personal accident insurance products, reinsurance and loss survey	100%	100%
em Di	strict, Hanoi	Bao Viet Life	Floor 37, Keangnam Hanoi	Life insurance products	100%	100%
sines	services and other s; IT services and and other activities	Corporation ("Bao Viet Life")	Landmark Tower, Pham Hung street, Nam Tu Liem District, Hanoi	and reinsurance		
		Bao Viet Fund Management Company Limited ("BVF")	Floor 5, 08 Le Thai To street, Hang Trong Ward, Hoan Kiem District, Hanoi	Management of security investment funds and investment portfolios	100%	100%
Tron	g Ward, Hoan Kiem	Bao Viet Investment One Member Company Limited ("BVInvest")	71 Ngo Sy Lien, Van Mieu Ward, Dong Da District, Hanoi	Real estate business, construction investment consulting and provision of machinery and equipment	100%	100%
as as follows:		Bao Viet Securities Joint Stock Company	08 Le Thai To street, Hang Trong Ward, Hoan Kiem	Brokerage and custodian services, proprietary	59,92%	59,92%
s	Percentage (%)	("BVSC")		trading, underwriting and corporate finance		
00	65.00			and investment advisory service		
21	22.09	Bao Viet Au Lac		Vocational driving training	60%	60%
00	2.98	Limited Company	Que Vo District, Bac Ninh			
43	9.93	("Bao Viet - Au Lac")	Province			
64	100.00		 Bao Viet Insurance was established on 21 June 2004 in accordance with Decision No. 1296/QD/BTC issued b Ministry of Finance and Business Registration Certificate No. 01/GPDC3/KDBH issued by the Ministry of Fin 			
0	(8) associates and und), and three (3)	on the same date. On 2 establishment of Bao V	3 November 2007, after the /iet Insurance pursuant to t	Holdings' equitization, the Mir he Establishment and Operat	nistry of Finance ing License No.	approved the re- 45/GP/KDBH and

the latest Amended Business Registration Certificate No. 45/GPDC16/KDBH issued by the Ministry of Finance on 09 February 2022. As at 31 December 2021, Bao Viet Insurance's charter capital was VND 2,900 billion.

- No. 46/GPDC11/ KDBH issued by the Ministry of Finance on 13 April 2021.
- was VND 100 billion.

NCIAL STATEMENTS (continued)

B09-DN/HN

• Bao Viet Life was established on 04 December 2003 in accordance with Decision No. 3668/QD/BTC issued by the Ministry of Finance. On 23 November 2007, after the Holdings' equitization, the Ministry of Finance approved the re-establishment of Bao Viet Life in pursuant to the Establishment and Operating License No. 46/GP/KDBH. As at 31 December 2021, the charter capital of Bao Viet Life is VND 6,000 billion according to the Adjustment License

• BVF was established on 22 August 2005 in accordance with Decision No. 911/2005/QD/HDQT-BV by the Holdings' Board of Directors and Establishment and Operating License No. 05/UBCK-GPHDQLQ issued by the State Securities Commission on 8 November 2005 and the latest amended Business Registration No. 08/GPDC-UBCK dated 17 January 2022 by the State Securities Commission. As at 31 December 2021, the charter capital of BVF

as at 31 December 2021 and for the year then ended

B09-DN/HN

1. **CORPORATE INFORMATION** (continued)

Subsidiaries (continued)

- BVSC was established on 01 October 1999 in accordance with Incorporation License No. 4640/GP-UB issued by the Hanoi People's Committee and Operating License No. 01/GPHDKD dated 26 November 1999 and the latest amended Business Registration No. 03/GPDC-UBCK dated 10 January 2022 issued by the State Securities Commission. As at 31 December 2021, the charter capital of BVSC was VND 722,339,370,000.
- Bao Viet Au Lac was established on 18 February 2009 under the Business Registration Certificate No. 2300373648 granted by the Authority for Planning and Investment of Bac Ninh province. As at 31 December 2021, the charter capital of Bao Viet - Au Lac was VND 60,660,000,000.
- BVInvest was established on 09 January 2009 in accordance with Business Registration Certificate No. 0103034168 granted by Hanoi Authority for Planning and Investment. On 4 January 2019, Business Registration Certificate No. 0103193730 was amended for the eighth time, changing BVInvest from a joint stock company to a one-member limited liability company wholly owned by the Holdings. As at 31 December 2021, the charter capital of BVInvest was VND 200 billion.

BVInvest has one (1) subsidiary - Bao Viet Construction One Member Limited Company ("BVC"), which is located at 71 Ngo Sy Lien, Van Mieu Ward, Dong Da District, Hanoi. BVC, operating in construction business, was established on 10 January 2017 in accordance with Enterprise Registration Certificate No. 0107699334 by Hanoi Authority for Planning and Investment. As at 31 December 2021, the charter capital of BVC was VND 5 billion which is 100% contributed by BVInvest.

Bao Viet Value Investment Fund (BVIF)

Bao Viet Value Investment Fund ("BVIF") is a closed-end member fund incorporated in Vietnam in accordance with the Business License No. 223/TB-UBCK issued by the State Securities Commission on 20 October 2015. The Fund was originally licensed to operate for a period of eight (08) years.

BVIF is managed by BVF, a subsidiary of the Holdings. The custodian bank of BVIF is the Joint Stock Commercial Bank for Investment and Development of Viet Nam - Ha Thanh Branch.

As at 31 December 2021, direct and indirect investments of Bao Viet Holdings in BVIF are as follows:

	Contributed capital VND	Percentage of ownership
Direct investment of the Holdings	420,000,000,000	42%
Indirect investment via subsidiaries		
- Bao Viet Life	350,000,000,000	35%
- Bao Viet Insurance	150,000,000,000	15%
- BVSC	80,000,000,000	8%
	1,000,000,000,000	100%

CORPORATE INFORMATION (continued) 1.

Dependently accounted units

Name	Address	Principal activities
Bao Viet Training Centre	8 Le Thai To street, Hang Trong Ward, Hoan Kiem District, Hanoi	Training services
Infrastructure Construction Project Management Unit ("PMU")	71 Ngo Sy Lien, Van Mieu Ward, Dong Da District, Hanoi	Construction and Project management
Bao Viet Holdings Information Technology Center Branch	71 Ngo Sy Lien, Van Mieu Ward, Dong Da District, Hanoi	Providing information technology services; Whole sales of software and hardware

Associates and jointly controlled entity

Invested company	Principal activities	Charter capital	Directly held by the Holdings	Via subsidiaries /fund	Total	Group's Voting right
Associates		VND	%	%	%	%
Long Viet Investments & Construction JSC ("Long Viet") (*)	Construction	65,043,200,000	-	45.00	45.00	45.00
Bao Viet SCIC Investment Limited Company ("Bao Viet SCIC")	Real estate	140,000,000,000	-	50.00	50.00	50.00
Bao Viet Joint Stock Commercial Bank ("Bao Viet Bank")	Banking services	3,150,000,000,000	49.52	-	49.52	49.52
Trung Nam Phu Quoc Joint Stock Company ("Trung Nam Phu Quoc")	Tourism and hospitality services	220,000,000,000	49.00	-	49.00	49.00
PLT Information Technology Joint Stock Company ("PLT")	Information technology and communication services	73,125,000,000	-	35.00	35.00	35.00
Hon Tam Nha Trang Joint Stock Company ("Hon Tam Nha Trang") (**)	Tourism and hospitality services	903,097,620,000	-	22.74	22.74	22.74
Nam Mu Hydropower Joint Stock Company ("Nam Mu Hydropower") (***) Jointly controlled entity	Electric Utilities	209,999,000,000	-	24.29	24.29	24.29
Tokio - Marine Insurance Vietnam Company Limited ("Tokio Marine Vietnam")	General insurance, reinsurance, loss assessment, financial investment	300,000,000,000	49.00	-	49.00	49.00
						315

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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Percentage of ownership

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CORPORATE INFORMATION (continued) 1.

Associates and jointly controlled entity (continued)

- (*) In the second quarter of 2020, the Group disclosed the information about the plan of the transfer of all shares held by the Group (through Bao Viet Life) at Long Viet.
- (**) In March 2022, the Group (through Bao Viet Life) completed the transfer of all ownership in Hon Tam Bien Nha Trang Joint Stock Company. Accordingly, as at the reporting date, Hon Tam Bien Nha Trang is no longer an associate of the Group.
- (***) In January 2021, through Bao Viet Value Investment Fund, the Group purchased 24.29% shares of Nam Mu Hydropower.

BASIS OF PREPARATION 2

2.1 Accounting standards and systems

The consolidated financial statements of the Holdings and its subsidiaries ("the Group"), expressed in Vietnam Dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

Bao Viet Holdings is a company operating in financial investing sector and preparing its financial statements according to Circular No. 200/2014/TT-BTC providing guidance on the Vietnamese Corporate Accounting System dated 22 December 2014 issued by the Ministry of Finance ("Circular 200"). However, as the Holdings' subsidiaries have major operations in insurance services, the consolidated financial statements of the Group are prepared in accordance with Circular 200, Circular No. 202/2014/TT-BTC providing guidance on preparation of consolidated financial statements dated 22 December 2014 ("Circular 202"), Circular No. 199/2014/TT-BTC ("Circular 199") dated 19 December 2014 providing accounting guidance applicable to life insurance companies and reinsurance companies and Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance guiding accounting regime applied for non-life insurance, reinsurance and branches of foreign non-life insurance enterprises ("Circular 232").

Accordingly, the accompanying consolidated financial statements, including their utilization, are not designed for those who are not informed about Vietnamese accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and BVIF (collectively referred to as "the Group") as at 31 December 2021 and for the year then ended.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Holdings obtains control, and continues to be consolidated until the date that such control ceases. Control exists when the Holdings has direct or indirect power to govern the financial and operating policies of a company so as to obtain benefits from its activities.

- BASIS OF PREPARATION (continued) 2.
- 2.2 Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company. using consistent accounting policies.

All intra-group balances, income and expenses and unrealized gains or losses resulted from intra-group transactions, are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

2.3 Applied accounting documentation system

The Group applied accounting documentation system is the Voucher Journal system.

2.4 Accounting currency

The consolidated financial statements are prepared in Vietnam Dong ("VND") which is also the Group's accounting currency.

2.5 Fiscal year

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

The Group also prepares its consolidated financial statements for the three-month period ended 31 March, threemonth and six-month periods ended 30 June, three-month and nine-month periods ended 30 September and three-month and twelve-month periods ended 31 December each year.

STATEMENT ON THE COMPLIANCE WITH VIETNAMESE ACCOUNTING STANDARDS AND SYSTEMS 3.

Management of the Group confirms that the Group has complied with the Vietnamese Accounting Standards and Vietnamese Enterprise Accounting Systems in preparation and presentation of the consolidated financial statements. The Group has also followed the accounting policy for the recognition of the revalued land use rights as set out in Note 4.5.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 4.

The accounting policies of the Group used to prepare the consolidated financial statements are consistent with the policies that were used to prepare the consolidated financial statements for the fiscal year ended 31 December 2020.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, cash in transit and short-term, highly liquid investments with an original maturity of less than three months which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

4.2 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, net of provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the consolidated balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.

4.2 Receivables (continued)

For receivables that are undue but the Group collected evidences which determine that entities have become bankrupt or undergoing dissolution procedures, are missing, have absconded, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or suffering from serious illness (with hospital's confirmation) or have deceased, or receivables that are sued by the Group but have been suspended, provision should be estimated based on the amount of expected loss.

For overdue receivables, the Group adopts the provision policy as promulgated by the Ministry of Finance in Circular 48/2019/TT-BTC dated 08 August 2019:

Overdue ages	Provision rate
Overdue from six (06) months to less than one (01) year	30%
Overdue from one (01) to less than two (02) years	50%
Overdue from two (02) to less than three (03) years	70%
Overdue over three (03) years	100%

4.3 Inventories

The Group's inventories comprise pre-printed certificates of the insurance subsidiaries and inventory property of BVInvest, which are carried at the lower of cost and net realizable value.

Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories as follows:

Inventories	Valuation method		
Raw materials, tools, goods and construction equipment	- cost of purchase on a weighted average basis.		
Finished goods and work-in process	 cost of direct materials and labor plus attributable production overheads based on the normal operating capacity on a specific identification basis. 		

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the consolidated balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

Inventory property of BVInvest

Property acquired or being constructed for sale in the ordinary course of business of BVInvest, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realizable value.

- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.3 Inventories (continued)

Inventory property of BVInvest (continued)

Cost includes:

- Freehold and leasehold rights for land;
- · Amounts paid to contractors for construction; and
- transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognized in consolidated income statement is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

4.4 Leases

Where the Group is the lessee

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

Where the Group is the lessor

Assets subject to operating leases are included as the Groups' fixed assets in the consolidated balance sheet. Rentals under operating leases are charged to the consolidate income statement on a straight-line basis over the lease term.

4.5 Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortization.

The cost of a fixed asset comprises of its purchase price and any directly attributable costs of preparing the fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

Land use rights

Definite and indefinite land use rights are recorded as intangible fixed assets based on land use right certificates issued by governing bodies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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· Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property

as at 31 December 2021 and for the year then ended

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- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.5 Fixed assets (continued)

Land use rights (continued)

The advance payments for land rental, of which the land lease contracts had been effective prior to 2003 and have land use right certificates, are recorded as intangible fixed assets according to Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance guiding the management, use and depreciation of fixed assets ("Circular 45").

The land use rights that the Group had land use right certificates or was being in the process of obtaining the land use right certificates, as at 31 December 2005 for the equitization purpose of the Group, are recognized as intangible fixed assets based on their revalued amount by an independent valuer for the lands.

4.6 Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	05 - 50 years
Machinery and equipment	03 - 20 years
Means of transportation and transmission	06 - 30 years
Office tools and equipment	03 - 10 years
Other tangible fixed assets	04 - 25 years
Land use rights with definite term	According to the term specified on the land use right certificate
Computer software	03 - 08 years
Other intangible assets	02 - 20 years

Land use rights with indefinite terms are not amortized in accordance with Circular No. 45.

4.7 Investment properties

Investment properties are stated at cost, including transaction costs, less accumulated depreciation/amortization. Investment properties held for capital appreciation are not depreciated but subject to impairment review.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

4.8 Borrowing costs

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowings of the Group.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4

4.9 Business combinations

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

4.10 Investments

Investments in associates

Investments in associates over which the Group has significant influence and which is neither a subsidiary nor a joint venture (typically those that the Group owns over 20% of voting rights) are accounted for using the equity method of accounting in the consolidated financial statements.

Under equity method, the investment is initially recorded at cost on the consolidated balance sheet and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. On acquisition of the investment, any difference between the cost of the investment and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as follows:

- amortized but is assessed annually for impairment losses.
- cost of the investment is recognized as income in the year in which the investment is acquired.

The share of post-acquisition profit/(loss) of the associates is presented on the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

For the investment in associates purchased during the year, the Group applied provisional initial accounting for this investment at cost and shall recognize any adjustment within 12 months of the acquisition date. Accordingly, any difference between the cost of the investment and the Group's share of the fair value of the associate's identifiable net assets (if any) will be recognized at the fair value determination date.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the consolidated financial statement of the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

A listing of the Group's associates is shown in Note 14.3.1

Investment in jointly controlled entity

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint venture changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

· Goodwill relating to an associate is included in the carrying amount of the investment. Such goodwill is not

• Any excess of the Group's share of the net fair value of the associate's identifiable assets and liabilities over the

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- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.10 Investments (continued)

Investment in jointly controlled entity (continued)

The share of profit/(loss) of the jointly controlled entity is presented on the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from jointly controlled entity reduce the carrying amount of the investment.

The financial statements of the jointly controlled entity are prepared for the same reporting period and use the same accounting policies as the consolidated financial statement of the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Securities and other investments

Based on the holding purposes, securities and other investments are classified as held-for-trading securities, heldto-maturity investments and investments in other entities.

- Held-for-trading securities: include securities listed on the securities market and other securities and financial instruments which are held for trading purpose. Held-for-trading securities are stated at cost.
- Held-to-maturity investments: include Government bonds, corporate bonds, term deposits, term loans and other investments which will be held until maturity. After initial recognition at cost, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognized as expense in the consolidated financial statements and deducted against the value of such investments.
- Investments in other entities: include equity investments in other entities that the Group does not have control, joint control or significant influence. These investments are stated at cost.

Provision for impairment of financial investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases in the provision balance are recorded as finance expense in the consolidated income statement.

Details of the basis of determination of impairment of investment are as follows:

- · Held-for-trading securities: provision for the possible losses due to the diminution in value of investments which are held for trading purpose and is made when there are reliable evidences of the diminution in value;
- Held-to-maturity investments: The Group will assess the recoverability of the investment and in the case there are evidences that a part or the whole of the investment is not recoverable;
- Investment in joint ventures, associates and other entities: The capital contribution to domestic economic institutions, not the investments in trading securities that the Group currently owns at the balance sheet date, shows that there is a decrease in value due to the investment value of the Group; the provision is based on the separate financial statements of investee which are prepared at the same time with the Groups' financial statements;
- · Long-term investments (not classified as trading securities) that the Group does not have significant influence on the investee: for investments in listed shares or fair value of the investments which can be determined reliably, the provision is based on the market value of the stock (similar to the provision for diminution of trading securities); for the investments whose fair value cannot be determined at the time of this report, the provision is based on the separate financial statements of investee which are prepared at the same time with the Groups' financial statements (provision for losses of investments in other entities).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.

4.11 Advances on surrender value

Policyholders are entitled to an advance on the surrender value, with the advance amount at a maximum of 80% of the surrender value and accumulated un-withdrawn dividend for the relevant policy, provided that:

- Policies have surrender value:
- linked); and
- · Policies have not received advances on insurance benefits.

Advances on surrender values are carried at cost and are recorded under "Short-term investments" item on the consolidated balance sheet. The interest rate applied for each policy will be announced periodically by Bao Viet Life. The interest income arising from advances on surrender value will be recognized as "Financial income" in the consolidated income statement.

4.12 Securities sold under agreement to repurchase ("repo and sell-buy-back contracts")

Securities sold under agreements to repurchase at a specified future date ("repo") or sell-buy-back contracts are not derecognized from the consolidated financial statements. The corresponding cash received is recognized as a liability in the consolidated balance sheet. The difference between the selling price and repurchasing price is allocated to expense in the consolidated income statement over the life of the agreement using straight-line method.

4.13 Payables and accruals

Payables and accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Group.

4.14 Employee benefits

Social insurance benefits

Pursuant to the Social Insurance Law 2014 and its guiding documents, the Group monthly contributes to retirement and survivorship fund at the rate of 14% of the salary fund to the Vietnam Social Insurance Agency. The Group also contributes 3% of salary fund of the employees to the sickness and maternity fund and 0.5% to the occupational accident and occupational disease fund. In addition, since 01 January 2016, the Group has purchased voluntary retirement insurance for its employees. Accordingly, the retired employees will be entitled to receive benefits from the retirement insurance contracts based on the years of services and amount contributed of each individual.

Health insurance benefits

Pursuant to the Social Insurance Law 2014 and its guiding documents, the Group monthly contributes to health insurance fund at the rate of 3% of the salary fund to the Vietnam Social Insurance Agency.

Voluntary resignation and retrenchment benefits

For employees who have worked on a regular basis for at least 12 months for the Holdings:

half of a month's salary for each working year to each employee who voluntarily resigns;

· Policies have gone effective for more than 24 months (for insurance products other than universal life and unit-

• When employment contract is terminated, the Holdings has the obligation to pay a resignation benefit equal to

as at 31 December 2021 and for the year then ended

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- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.14 Employee benefits (continued)

Voluntary resignation and retrenchment benefits (continued)

• When an employee is retrenched, in the cases specified in Article 34 of the Labor Code, as a result of organizational changes, technological changes or merger, consolidation, splitting up of enterprise, conversion of the enterprise, transfer of the right to ownership or right to enjoyment of assets of the enterprise, the Holdings has the obligation to pay such employee a retrenchment benefit at the rate of one month's salary for each working year, but not less than two months' salaries.

The qualified working period used for calculating resignation benefit, retrenchment benefit is the total period during which the employees have actually worked for the Holdings minus the period during which the employees are covered by unemployment insurance program in accordance with the law on unemployment insurance, and the period for which the employees have received resignation allowance, retrenchment allowance from the Holdings.

The average monthly salary used for calculating resignation benefit will be the average salary under the labor contract of the last 6 months up to the time of resignation.

Unemployment Insurance Fund

According to Article 57 of the Law on Employment No.38/2013/QH13 effective from 01 January 2015 and Decree No.28/2015/ND-CP dated 12 March 2015 of the Government providing guidelines for the Law on Employment in term of unemployment insurance, the Group is required to contribute to the unemployment insurance at the rate of 1% salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance. The monthly salary on which unemployment insurance contributions are based is the salary used as the basis for contribution of compulsory social insurance in accordance with the Law on Social Insurance.

According to Decision No.28/2021/QD-TTG of the Prime Minister, from 01 October 2021, the company is entitled to reduce the unemployment insurance contributions rate of 1% mentioned above to 0% within 12 months.

4.15 Technical reserves

Technical reserves are established in accordance with Decree 73/2016/NĐ-CP ("Decree 73") dated 01 July 2016, Circular No. 50/2017/TT-BTC ("Circular 50") dated 15 May 2017, Circular 52/2016/TT-BTC ("Circular 52") dated 21 March 2016, Circular 115/2013/TT-BTC ("Circular 115") dated 20 August 2013, Circular No. 01/2019/TT-BTC ("Circular 01") dated 02 January 2019 and Circular 89/2020/TT-BTC dated 11 November 2020 ("Circular 89"), to amend and supplement Circular 50 issued by the Ministry of Finance. The Group's technical reserves include:

Life insurance services	General insurance services		
Mathematical reserve	Mathematical reserve		
Reserve for insurance risk	Unearned premium reserve		
Unearned premium reserve	Claims reserve		
Claims reserve	Catastrophe reserve		
Dividend reserve	Equalization reserve		
Reserve for guaranteed interest rate			

Equalization reserve

- 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 4.15 Technical reserves (continued)

4.15.1 Life insurance reserves

Details of the reserve calculation methods are as follows:

- a) The technical reserves for traditional products include mathematical reserve, unearned premiums reserve, claim reserve, dividend reserve and equalization reserve. The calculation methodologies are based on Decree 73, Circular 50, Circular 01 and Circular 89 on amendments and supplements to Circular 50 issued by Ministry of Finance as follows:
- Mathematical reserve of Bao Viet Life is calculated based on one of the following methods: full insurance premium reserve method, net insurance premium reserve method or net insurance premium reserve method adjusted by Zillmer coefficient. The reserving method, basis and assumption are approved by the Ministry of Finance upon product submission or on subsequent submissions. Disclosed technical reserve is the greater value between the reserve established according to the Company's methodology and the statutory minimum provision.
- Unearned premium reserve is the provision for unearned revenue of amounts paid on the balance sheet date and is calculated on the gross premium for all insurance policies with a term of one (01) year or less that are still in force on the reporting date.
- · Claim reserve includes provisions for losses that have been notified or claimed but have not yet been resolved at the end of the year and provisions for losses that have occurred but have not yet been notified or claimed.
 - Outstanding claim reserve (OSC) is calculated for each individual outstanding claim requests and based on the sum insured payables for each case that have been submitted but still in the course of settlement as at the balance sheet date.
 - Reserve for incurred but not reported claims (IBNR) is only applicable for policies with a term of one (01) year or less.
- Dividend reserve includes the reserves for accrued unpaid interest, dividends and undistributed surplus reserve for participating policies.
- Equalization reserve is set at one percent (1%) of profit before tax and is provided for annually until it is equal to five percent (5%) of the Bao Viet Life's premium collected in the fiscal year.
- b) According to Circular 50 and Circular 52 and the methodology and actuarial principles used to estimate reserves registered and approved by the Ministry of Finance, Bao Viet Life made a technical reserve for the universal life products as follows:
- Technical reserve for the universal life part is total account value of the universal life policies, loyalty benefit reserve for those retained in universal life fund and other benefits as agreed in insurance contracts.
- Reserve for insurance risk is the maximum of the reserve amount calculated by the unearned premium method or by the cash flow method to cover all expenses in the future during the term of contract.
- Claim reserve is appropriated by the method of specific provision and calculated based on statistics of amount of insurance to be paid for each dossier of compensation requirement from the insurer but unsettled by the end of financial year.
- Reserve for guaranteed interest rate is a provision made in the event of the investment market fluctuations or when the investment yield from insurance premiums is lower than the committed returns given to its customers. The reserve is calculated on the difference between the investment yield from insurance premiums and Bao Viet Life's committed returns given to its customers as agreed insurance policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.15 Technical reserves (continued)
- 4.15.1 Life insurance reserves (continued)
 - c) According to Circular 50, Circular 115 and the methodology and actuarial principles used to estimate reserves registered and approved by the Ministry of Finance, Bao Viet Life made a technical reserve for the pension products as follows:
 - Technical reserve for pension is total policy account value of pension policies at time of appropriation.
 - Reserve for insurance risks is maximum of the reserve amount calculated under unearned premium method and reserve amount calculated by the cash flow method to cover all expenses in the future during the term of contract.
 - · Claim reserve is appropriated by the method of specific provision and calculated on the basis of statistics of amount of insurance to be paid for each dossier of compensation requirement from the insurer but unsettled by the end of the financial year.
 - · Reserve for guaranteed interest rate is a provision made in the event of the investment market fluctuations or when the investment yield from insurance premiums is lower than the committed returns given to its customers. The reserve is calculated on the difference between the investment yield from insurance premiums and Bao Viet Life's committed returns given to its customers as agreed insurance policies.

At company level, and according to Circular 50/2017/TT-BTC, Bao Viet Life has to make equalization reserve which is set at one percent (1%) of profit before tax and is provided for annually until it is equal to five percent (5%) of Bao Viet Life's premium collected in the fiscal year.

4.15.2 General insurance reserves

The technical reserves are calculated based on Official Dispatch 2470/BTC-QLBH, which was approved by the Ministry of Finance on 06 March 2018, effective from 2017 fiscal year, which include (a) technical reserves for non-life insurance and (b) technical reserve of health insurance. The reserve appropriation methodologies are based on Circular 50.

Details of such reserving methodologies are as follows:

- a) Technical reserves for non-life insurance
- (i) Unearned premium reserve

Unearned premium reserve is calculated as a percentage of total premium or in accordance with a coefficient of the insurance contracts' terms specifically:

- For cargo insurance with a term of less than one (01) year, unearned premium reserve is made at 25% of the retained premium.
- · For other insurance lines and insurance and reinsurance contracts of cargo delivered by road, water, inland water, railway and airway with a term of more than one (01) year, unearned premium reserve is calculated based on the 1/8 method. This method assumes that premiums for all insurance contracts issued in a quarter equally spread along the guarter. In other words, all insurance contracts of a particular guarter are assumed to be effective at that mid-guarter. Unearned premium reserve is calculated based on the following formula:

Unearned premium reserve = Premiums X Unearned premium rate

· Gross and assumed unearned premium reserve is presented as liabilities; Unearned premium reserve of outward reinsurance is presented as reinsurance asset

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

- 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 4.15 Technical reserves (continued)
- 4.15.2 General insurance reserves (continued)
 - a) Technical reserves for non-life insurance (continued)
 - (ii) Claim reserve

Claim reserve includes the reserve for outstanding claims and for claims incurred but not reported.

- of the fiscal year after deducting the amount recoverable from reinsurers; and
- of retained premium for each insurance operation.
- presented as reinsurance asset.

(iii) Catastrophe reserve

- year based on retained premiums.
- · Catastrophe reserve is presented as liabilities.

On 28 December 2005, the Ministry of Finance issued Decision No. 100/2005/QD-BTC governing the publication of four new accounting standards, one of which is Vietnamese Accounting Standard ("VAS") 19 - Insurance Contract, Following the issuance of this Standard, starting from January 2006, the provision of catastrophe reserve is no longer required since it represents "possible claims under contracts that are not in existence at the reporting date". However, since the Ministry of Finance has not issued detailed guidance for the implementation of VAS 19 and in accordance with the provision set out in Decree 73 on the details of the implementation of the Law on Insurance Business and amendments to certain articles of the Law on Insurance Business, based on Artical 17, Circular 50 the Group has elected to adopt the policy of providing for the catastrophe reserve in consolidated financial statements at 2% of total retained premiums for each insurance operation.

b) Technical reserve of health insurance

(i) Mathematical reserve

- or total permanent disability, mathematical reserve is calculated based on the 1/8 method.

Mathematical reserve

Mathematical reserve is recorded in unearned premium reserve account in the consolidated balance sheet. In any cases, mathematical reserve must give results not less than those obtained from 1/8 method.

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• Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end

• Reserve for incurred but not reported claims for which the insurer is liable (IBNR) is established at the rate of 3%

Gross and assumed reinsurance claim reserve is presented as liabilities; claim reserve of outward reinsurance is

· Catastrophe reserve is accrued annually until such reserve reaches 100% of the retained premiums of the current

• For health insurance policies with a term of more than one (01) year, except for the policies which only cover death

• For health insurance policies only cover death or total permanent disability, it may set aside as follows:

Premiums x Remaining days of insurance policy

Number of coverage days

as at 31 December 2021 and for the year then ended

- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.
- 4.15 Technical reserves (continued)
- 4.15.2 General insurance reserves (continued)
 - b) Technical reserve of health insurance (continued)

(ii) Unearned premiums reserve

For insurance policies with a term of less than or equal to one (01) year, unearned premiums reserve is calculated based on the 1/8 method.

(iii) Claim reserve

Claim reserves included reserve for incurred but not reported claims and outstanding claim reserve.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the year after deducting the amount recoverable from reinsurers; and
- Reserve for incurred but not reported claims for which the insurer is liable (IBNR) is established at the rate of 3% of retained premium for each insurance operation.
- · Gross and assumed reinsurance claim reserve is presented as liabilities; claim reserve of outward reinsurance is presented as reinsurance asset.

(iv) Equalization reserve

Equalization reserve for health insurance is established at 2% of retained premium and recognized in equalization reserve account on consolidated balance sheet.

4.16 Statutory reserves

The below statutory reserve funds are made in accordance with the regulations applicable to specific industries that the Group and its subsidiaries is operating in:

Insurance operation

The statutory reserve fund is established in order to supplement the contributed capital of Bao Viet Life and Bao Viet General Insurance and ensure solvency. Appropriation to the compulsory reserve fund is made periodically at 5% of profits after tax of Bao Viet Insurance and Bao Viet Life until it reaches 10% of each unit's contributed capital in compliance with Decree 73.

Securities operation and fund management operation

For BVSC and BVF are the Group' subsidiaries operating in securities and fund management businesses, the basis of using annual profit after tax of each unit to create reserves in accordance with Circular No. 146/2014/TT-BTC (*) issued by the Ministry of Finance is as follows:

	Percentage of profit after tax	Maximum level
Capital Supplementary Reserve	5%	10% of charter capital
Financial and Operational risk Reserve	5%	10% of charter capital

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Statutory reserves (continued)

Securities operation and fund management operation (continued)

Other reserves are appropriated in accordance with the Resolution of the Annual General Meeting of Shareholders/Board of Directors Unit.

documents and the Charter of organization and operation of the enterprise.

4.17 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenues are recorded at reasonable value of the amount received or receivable after deducting the discounts, allowances and sale returns. The following specific recognition criteria must also be met before revenue is recognized:

Gross written premium

Life insurance

Gross written premiums are recognized in accordance with Circular 50. Premiums from life insurance contracts are recognized as revenue when policyholders pay the premiums. If Bao Viet Life and its customers mutually agree a method of insurance premium payment on an instalment basis, only the insurance premium which is due in accordance with the instalment contract shall be taken to revenue for the year. Premiums due after the reporting period but received before the end of the financial year are shown as "Premiums received in advance" on the consolidated balance sheet.

Except for the case where the contract includes minimum premium payment term, total premiums received from universal life policyholders are recorded as revenue. Policyholders account value is calculated by Bao Viet Life's actuaries and recorded in "Technical reserve" on the consolidated balance sheet.

General insurance

Gross written premiums are recognized in accordance with Circular 50 on financial regime applicable to insurers, reinsurers, insurance brokers and foreign non-life insurance branches.

Specifically, gross written premium is recognized as revenue at the point of time when the following conditions are met: (1) the insurance contract has been entered into by the insurer and the insured, the policyholder paid in full insurance premium; (2) there is evidence for the insurance policy entered into by the insurer/branch and the policyholder and insurance premiums that are paid in full; (3) when the insurance policy has been concluded, the non-life insurer or foreign branch has come to an agreement with the policyholder on premium payment period (including extension period). The premium payment period must be specified in the insurance policy. In accordance with Circular 50, premium payment period shall not exceed 30 days from policy inception date. For instalment contracts, non-life insurers are required to record revenue from insurance premium of the first instalment as of the insurance contract's effective date and record revenue from premium of the following instalments only when the policy holder makes full premium payment under the agreement of the contract. If policyholder cannot make full premium payment as agreed in the contracts, insurance contract shall be automatically terminated after contractual premium payment date.

Prepaid premium before effective date is recorded as "Short-term unearned revenue" on the consolidated balance sheet.

Premium return and premium reduction are considered as revenue deduction and must be booked separately. At the end of the year, these amounts are net-off to gross written premium to calculate net written premium.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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(*) On 17 December 2021, the Ministry of Finance issued Circular 114/2021/TT-BTC to supersede Circular No. 146/2014/ TT-BTC. Circular 114/2021/TT-BTC is effective from 01 February 2022 and applies from fiscal year 2022. Accordingly, the balance of these reserve fund will be used as prescribed in the Law on Securities No. 54/2019/QH14, the guiding

as at 31 December 2021 and for the year then ended

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.

4.17 Revenue recognition (continued)

Interest

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless recoverability is in doubt.

For bond investment, coupon income comprises the allocated amount of any discount, coupon received in advance or other difference between the initial carrying amount of a bond and its amount at maturity under straight-line method. When unpaid coupon has accrued before the acquisition of the bond, the subsequent receipt of coupon is allocated between pre-acquisition and post-acquisition period. Only post-acquisition bond coupon interest is recognized as income. Pre-acquisition bond coupon is deducted from the cost of the bonds.

Fees from rendering of services

Fees from rendering of services include fund management fees, custodian fees, incentive fees, brokerage, underwriting activities, etc. which are recognized when services are performed and the revenue can be reliably measured.

Where the contract outcome cannot be reliably measured, revenue is recognized only to the extent of the expenses recognized which are recoverable.

Gains from securities trading

Gains from securities trading are the excess of selling prices over the weighted average cost of securities sold.

Dividends and appropriated profits

Income is recognized when the Group's entitlement as an investor to receive the dividend or appropriated profit is established. Stock dividend and bonus shares received are not recognized as income of the Group and the respective increase in number of shares are only updated off balance sheet in accordance with Circular 200.

Gains from property transfer

Gains from property transfer are recognized when significant risks and rewards attached to the ownership of the property are substantially transferred to the buyer.

Rental income

Rental income arising from operating leases is recognized in consolidated income statement on a straight-line basis over the terms of the lease.

Other income

Income from irregular activities is recognized as other incomes according to VAS 14 - "Revenue and other income", other than activities generating revenue including: income from disposal of assets; fines paid by customers for their contract breaches; collected insurance compensation; collected debt which was written off previously; payable debts now recorded as revenue increase as debtors no longer exist; collected tax amounts which now are reduced and reimbursed: and other revenues as stated in VAS 14 - "Revenue and other income".

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.18 Expense recognition

Claim and maturity payments

Claim and maturity payment expenses for life insurance are recognized when the liability to the policyholder under the policy has been determined.

For general insurance, claim expenses are recognized at the point of time when the claim documents are completed and approved by authorized persons. In case that the final claim amount has not been finalized but Bao Viet Insurance is certain that the loss is within its insured liabilities and has paid an advance to the customer as per their request, such advance would also be recognized as claim expenses. Any claim that is not yet approved by authorized persons is considered as an outstanding claim and included in claims reserve.

Commission

For life insurance, commission expenses are calculated as the percentage of gross written premium and are recognized in the consolidated income statement. Commission for each type of products is calculated and paid for in accordance with specific percentages as stated in product approval of the Ministry of Finance and Circular 50.

For general insurance, commission is calculated at percentage of direct premiums for specific line of insurance as stipulated in Circular 50 and only recognizes the portion which matched with earned premium of direct insurance in insurance expense this year. The unallocated commission will be recorded as prepaid expense and expensed in subsequent periods.

Commission and other income from reinsurance ceded is recognized at the point of time when ceded premium is recognized. At the end of the accounting period, the amount of ceded commission corresponding to the unearned direct commission and unearned ceded premium shall be determined, based on the unearned premium reserves methodology, in order to allocate in the next accounting periods. For the health and PA product, the agent reward and support expenses must not exceed 100% of the commissions of the health insurance policies exploited during the financial period as prescribed in Circular 89/2020/TT-BTC ("Circular 89") dated 11 November 2020.

Costs of transferred land use rights

Cost of transferred land use right comprises all costs that are directly attributable to development activities or that can be estimated on a reasonable basis to such activities including:

- All costs incurred for land and land development activities:
- existing and future land development of the project.

Leased assets

Rentals paid under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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Mandatory and non-recoverable costs associated to property development activities that would be incurred for

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.

4.19 Recognition of reinsurance activities of general insurance

(i) Reinsurance ceded

Premium for reinsurance ceded, ceding commission and other amounts receivable from the cession of insurance shall be recorded in the same accounting period in which the direct insurance premium or premium for reinsurance ceded is accounted respectively. Expenses from reinsurance ceded are recorded as per current law with adequate invoices, vouchers, or documentary evidence.

At the end of accounting period, the part of reinsurance commission which is not included in the income of the period corresponding to unearned premium of reinsurance ceded shall be determined and allocated in the subsequent periods based on the method of unearned premium reserve.

(ii) Reinsurance assumed

Premium for reinsurance assumed and other amounts receivable from assumption of reinsurance shall be recorded according to a certified document on payment of reinsurance. Expenses from reinsurance assumed are recorded as per current law with adequate invoices, vouchers, or documentary evidence.

At the end of accounting period, the part of reinsurance commission which is not included in expense of period corresponding to the unearned premium of reinsurance assumed shall be determined and allocated in the subsequent periods based on the method for unearned premium reserve.

4.20 Construction contracts

Where a construction contract stipulates that the contractor is allowed to make payments according to the value of performed work volume, and when the contract performance result is reliably determined and certified by customers, the revenues and costs related to such contract shall be recognized by reference to the completed work volume certified by the customers in the year and reflected in the billed invoices.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred that it is probable to be recoverable. Contract costs are recognized as expenses when they are incurred.

Difference between the cumulative revenue of a construction contract recognized to reporting date and the cumulative amount of progress billings of that contract is presented in "Receivables/payables" accounting on the consolidated balance sheet based on agreed progress.

4.21 Corporate income tax

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the consolidated balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.21 Corporate income tax (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for the consolidated financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- time of the related transaction affects neither the accounting profit nor taxable profit or loss;
- temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profits will be available against which these deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilized, except:

- profit or loss;
- differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Previously unrecognized deferred income tax assets are reassessed at each consolidated balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is withdrawn or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and deferred tax assets and liablities when they relate to income taxes levied by the same taxation authority on:

- · Either the same taxable entity; or
- assets are expected to be settled or recovered.

• Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the

 In respect of taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the

· Where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable

• In respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary

• When the Group intends either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 4.

4.22 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders upon approval by the Shareholders at their Annual General Meeting, after making appropriation to reserve funds in accordance with the Groups' Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from its net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting:

- Investment and development fund: This fund is set aside for use in the Groups' expansion of its operation or of in-depth investment;
- Bonus and welfare fund and bonus for managers: This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improving employees and managers' individual benefits, and presented as a liability on the consolidated balance sheet.

4.23 Transactions in foreign currencies

The Group applies guidance of Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular 200 to record foreign currency transactions.

Transactions in currencies other than the Group's reporting currency (VND) are recorded at the exchange rate that approximates the average of buying and selling transfer exchange rates announced by the commercial bank where the Group most frequently conducts its transactions ("the average transfer exchange rate"). This approximate exchange rate does not exceed +/- 1% of the average transfer exchange rate. The average transfer exchange rate is determined daily based on the average of daily buying transfer rates and selling transfer rates of the commercial bank.

At the end of the year, balances of monetary items denominated in foreign currencies are translated at the transfer exchange rate announced by the commercial bank where the Group most frequently conducts its transactions. This transfer exchange rate is the buying and selling average transfer exchange rate of the commercial bank.

All foreign exchange differences incurred during the year and arising from the revaluation of monetary accounts denominated in foreign currency at the end of the year are taken to the consolidated income statement.

4.24 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.25 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment) that is subject to risks and returns that are different from those of other segments.

The Group's business segment is derived mainly from offering products and services of insurance, investment, finance and other operational activities. The Management defines the Group's segments to be based on the operational businesses of each unit of the Group in terms of products, goods and services provided.

4.26 Off-balance sheet items

In accordance with Vietnamese Enterprise Accounting System for insurance companies, insurance policies that have been signed but for which no obligations have arisen on the part of the insurers are not recorded on the consolidated balance sheet until the premium is collected or the policies become effective.

In addition, the Group has subsidiaries operating in securities and fund management businesses, etc, hence, certain items such as securities under custody and not yet in custody, other commitments and trusted investment portfolio, etc. are also presented off-balance sheet as regulated in each sector that a subsidiary is operating in.

4.27 Related parties

Parties are considered to be related parties of the Group if one party has the ability to control directly or indirectly the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other parties are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

CASH AND CASH EQUIVALENTS 5.

	31 December 2021 VND	31 December 2010 VND
Cash on hand	38,525,584,892	49,506,405,375
Cash at banks	542,653,720,500	449,099,728,375
Cash in transit	164,512,720,473	145,036,230,001
Cash equivalents (*)	4,608,400,000,007	6,137,100,000,005
Total	5,354,092,025,872	6,780,742,363,756

(*) Cash equivalents comprise term deposits at financial institutions having original term of three (03) months or less and earning interest at rates ranging from 2.9% p.a. to 3.6% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

as at 31 December 2021 and for the year then ended

ACCOUNTS RECEIVABLE 6.

6.1 Current accounts receivable

	31 December 2021 VND	31 December 2020 VND
Receivables from insurance activities		
Gross written premium receivables	681,564,752,933	633,787,937,543
Reinsurance assumed receivables	54,371,217,644	65,638,146,690
Reinsurance ceded receivables	250,718,242,631	638,427,889,268
Other receivables from the cedents	88,208,401,121	271,136,799,519
Receivables from co-insurers	140,363,167,090	141,004,900,147
Other receivables from insurance activities	8,651,142,861	4,868,675,465
	1,223,876,924,280	1,754,864,348,632
Receivables from financial investment activities		
Dividend receivables	8,665,558,460	6,269,389,950
Bank deposit interest receivables	2,627,384,296,582	2,955,624,573,146
Bond coupons receivables	1,474,996,161,257	1,231,124,604,145
Accrued interest of outstanding advances on surrender value	350,677,511,617	197,428,548,101
Other receivables from investment activities	7,808,967,868	1,774,685,136
	4,469,532,495,784	4,392,221,800,478
Short-term advances to suppliers	56,638,491,525	63,469,950,921
Short-term loan receivables		
Receivables from margin loans and advances to customer	3,414,299,036,244	2,235,374,993,636
Trusted loans	3,217,453,646	3,217,453,646
	3,417,516,489,890	2,238,592,447,282
Other short-term receivables		
Receivables from securities trading activities	193,702,544,608	21,717,958,132
Receivables from fund management activities	3,744,563,340	3,794,160,924
Receivables from construction, property management and rental fees	19,775,630,820	44,668,607,532
Other advances	25,474,558,848	19,588,793,956
Other short-term receivables	234,798,240,154	1 80,822,257,844
	477,495,537,770	270,591,778,388
Shortage of assets waiting for resolution	170,105,685	170,105,685
Total receivables	9,645,230,044,934	8,719,910,431,386
Provision for doubtful short-term receivables	(414,718,728,147)	(420,627,400,900)
Net receivables	9,230,511,316,787	8,299,283,030,486



- ACCOUNTS RECEIVABLE (continued) 6.
- 6.2 Long-term receivables

7.

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Statutory deposit - Life insurance activities - General insurance activities - Securities trading activities Other long-term receivables - Other long-term receivables TOTAL INVENTORIES Pre-printed certificates Materials and stationery Tools and equipment Inventories of BVInvest (*) Total inventories Provision for obsolete inventories Net realizable value of inventories items are recorded in inventory account until they are sold and recorded in cost of goods sold.

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31 December 2020 VND	31 December 2021 VND
20,000,000,000	20,000,000,000
8,000,000,000	8,000,000,000
21,350,120,520	21,178,821,110
49,350,120,520	49,178,821,110
21,450,944,937	23,182,816,706
21,450,944,937	23,182,816,706
70,801,065,457	72,361,637,816

31 December 2020 VND	31 December 2021 VND	
31,656,766,750	36,039,325,944	
34,430,373,509	34,966,726,707	
2,953,335,423	7,618,522,854	
55,392,611,708	63,028,647,939	
124,433,087,390	141,653,223,444	
	_	
124,433,087,390	141,653,223,444	

(*) Including expenditures relating to the purchase and construction of investment properties of BVInvest. These

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8. UNALLOCATED COMMISSION EXPENSES

	Life insurance VND	General insurance VND	Total VND
As at 31 December 2020	-	600,397,009,237	600,397,009,237
Commission paid during the year	1,887,725,438,646	933,698,858,387	2,821,424,297,033
Allocated to expenses during the year	(1,887,725,438,646)	(1,041,090,115,012)	(2,928,815,553,658)
As at 31 December 2021	-	493,005,752,612	493,005,752,612

9. PREPAID EXPENSES

	31 December 2021 VND	31 December 2020 VND
Short-term prepaid expenses		
Prepaid rental expenses	19,374,672,347	13,111,025,670
Tools, equipment and warranty expenses	12,296,405,314	4,451,974,154
Other expenses	18,258,158,397	16,459,476,649
	49,929,236,058	34,022,476,473
Long-term prepaid expenses		
Prepaid rental expenses	49,556,516,797	128,609,331,984
Interior renovation expenses	14,127,248,746	20,375,607,162
Tools, equipment and warranty expenses	28,960,118,052	30,398,791,031
Other expenses	16,346,260,637	23,309,052,666
	108,990,144,232	202,692,782,843
TOTAL	158,919,380,290	236,715,259,316

as at 31 December 2021 and for the year then ended

	Buildings and structures VND	Machinery VND	transportation and transmission VND	Office tools and equipment VND	Other tangible fixed assets VND	Total VND
Cost:						
As at 31 December 2020	1,160,279,687,713	257,560,267,434	548,216,937,536	347,051,091,083	3,852,218,825	2,316,960,202,591
- Purchased	1	1,892,821,120	37,798,817,438	24,606,319,507	1	64,297,958,065
Transferred from construction in progress	179,602,827,265	1	1	17,739,289,953	1	197,342,117,218
Other (decreases)/ increases	(3,427,708,675)	473,290,196	3,498,000	28,775,000	1	(2,922,145,479)
- Disposed	1	(3,061,275,890)	(6,919,285,377)	(6,172,478,925)	(995,297,700)	(17,148,337,892)
As at 31 December 2021	1,336,454,806,303	256,865,102,860	579,099,967,597	383,252,996,618	2,856,921,125	2,558,529,794,503
Accumulated depreciation:						
As at 31 December 2020	574,289,677,288	168,349,318,953	436,832,428,827	274,466,774,661	3,374,198,009	1,457,312,397,738
- Depreciation for the year	50,951,924,086	26,041,457,964	39,593,343,264	31,020,316,054	413,525,932	148,020,567,300
- Disposed	1	(2,970,687,094)	(6,919,285,377)	(6,172,478,925)	(991,720,529)	(17,054,171,925)
- Other (decrease)/increase	(3,859,305,184)	(218,158,422)	I	63,412,630	1	(4,014,050,976)
As at 31 December 2021	621,382,296,190	191,201,931,401	469,506,486,714	299,378,024,420	2,796,003,412	1,584,264,742,137
Net book value:						
As at 31 December 2020	585,990,010,425	89,210,948,481	111,384,508,709	72,584,316,422	478,020,816	859,647,804,853
As at 31 December 2021	715 072 510 113	65663171459	109 593 480 883	83 87/ 072 108	60 017 713	07/1 JEE DEJ 266

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TANGIBLE FIXED ASSETS

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11. INTANGIBLE FIXED ASSETS

	Land use rights VND	Computer Other intangible software fixed assets VND VND		Total VND
Cost:				
As at 31 December 2020	758,296,631,434	667,953,257,629	4,213,321,739	1,430,463,210,802
- Purchased		8,308,112,375	456,000,000	8,764,112,375
 Transferred from construction in progress 	-	100,734,947,231	-	100,734,947,231
As at 31 December 2021	758,296,631,434	776,996,317,235	4,669,321,739	1,539,962,270,408
Accumulated amortization:				
As at 31 December 2020	102,102,606,421	395,148,782,458	4,204,576,114	501,455,964,993
- Amortization for the year	7,899,913,781	70,381,325,276	9,971,432	78,291,210,489
As at 31 December 2021	110,002,520,202	465,530,107,734	4,214,547,546	579,747,175,482
Net book value:				
As at 31 December 2020	656,194,025,013	272,804,475,171	8,745,625	929,007,245,809
As at 31 December 2021	648,294,111,232	311,466,209,501	454,774,193	960,215,094,926

12. INVESTMENT PROPERTIES

Investment properties comprise investment in Quang Minh Housing Project at Dong Dia, Cua Cuong, Ma Vang areas in Gia Tan, Quang Minh Ward, Me Linh District, Vinh Phuc. This project is held for capital appreciation at the consolidated balance sheet date.

CONSTRUCTION IN PROGRESS 13.

	31 December 2021 VND	31 December 2020 VND
Purchased fixed assets (*)	286,568,382,510	307,562,843,478
Construction in progress (**)	152,927,520,393	253,579,326,598
Major asset overhauls (***)	2,243,072,117	786,329,735
TOTAL	441,738,975,020	561,928,499,811

(*) Details of purchased fixed assets are as follows:

	31 December 2021 VND	31 December 2020 VND
Building at No.8 Le Thai To, Hanoi	242,242,223,019	242,242,223,019
Others	44,326,159,491	65,320,620,459
TOTAL	286,568,382,510	307,562,843,478

13. CONSTRUCTION IN PROGRESS (continued)

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

	31 December 2021 VND	31 December 2020 VND
Thanh Tri building	37,970,371,996	37,677,417,451
Bao Viet Ha Dong office	25,588,694,226	25,588,694,226
No. 7 Ly Thuong Kiet office	45,514,230,822	156,066,506,635
Others	43,854,223,349	34,246,708,286
TOTAL	152,927,520,393	253,579,326,598

(***) Major asset overhauls include repairs and improvements for existing buildings or offices.

14. FINANCIAL INVESTMENTS

	Notes	31 December 2021 VND	31 December 2020 VND
Held-for-trading securities	14.1		
Listed shares		1,915,618,700,833	1,563,799,696,578
Unlisted shares		79,333,223,424	244,398,855,678
Fund certificates		247,371,797,008	275,871,916,465
Bonds		600,125,708,918	365,574,706,629
		2,842,449,430,183	2,449,645,175,350
Provision for held-for-trading securities	14.1	(46,212,778,674)	(156,221,229,549)
		2,796,236,651,509	2,293,423,945,801
Held-to-maturity investments	14.2		
Short-term		79,210,910,835,330	71,424,719,658,593
- Term deposits		74,798,114,071,362	68,099,541,630,509
- Bonds		2,074,978,748,657	1,158,100,608,311
- Advances from surrender value		2,337,818,015,311	2,167,077,419,773
Long-term		63,408,384,302,195	48,071,860,660,529
- Term deposits		12,505,120,574,205	14,119,017,923,547
- Bonds		50,903,263,727,990	33,952,842,736,982
		142,619,295,137,525	119,496,580,319,122
Other long-term financial investments	14.3		
Investments in associates and jointly controlled entity	14.3.1	3,088,258,326,242	2,880,436,188,476
Investments in other entities	14.3.2	929,538,716,123	1,042,701,268,763
Provision for other long-term investments	14.3.2	(42,683,425,929)	(120,753,192,331)
		3,975,113,616,436	3,802,384,264,908
Net value of financial investments		149,390,645,405,470	125,592,388,529,831

	Notes	31 December 2021 VND	31 December 2020 VND
Held-for-trading securities	14.1		
Listed shares		1,915,618,700,833	1,563,799,696,578
Unlisted shares		79,333,223,424	244,398,855,678
Fund certificates	*	247,371,797,008	275,871,916,465
Bonds		600,125,708,918	365,574,706,629
		2,842,449,430,183	2,449,645,175,350
Provision for held-for-trading securities	14.1	(46,212,778,674)	(156,221,229,549)
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		142,619,295,137,525	119,496,580,319,122
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	Notes	31 December 2021 VND	31 December 2020 VND
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Bonds		600,125,708,918	365,574,706,629
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Provision for held-for-trading securities	14.1	(46,212,778,674)	(156,221,229,549)
		2,796,236,651,509	2,293,423,945,801
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- Term deposits		74,798,114,071,362	68,099,541,630,509
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Provision for other long-term investments	14.3.2	(42,683,425,929)	(120,753,192,331)
		3,975,113,616,436	3,802,384,264,908
Net value of financial investments		149,390,645,405,470	125,592,388,529,831

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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FINANCIAL INVESTMENTS (continued) 14.

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Held-for-trading securities 14.1

					-	
		31 December 2021			31 December 2020	4
	Cost	Net carrying value	Provision	Cost	Net carrying value	Provision
Listed shares						
Vietnam National Reinsurance Corporation	265,979,803,260	265,979,803,260		265,979,803,260	209,912,000,000	(56,067,803,260)
Petro Vietnam Power Corporation	170,687,061,328	170,687,061,328	I	310,735,756,074	308,623,506,474	(2,112,249,600)
Vietnam Joint Stock Commercial Bank For Industry and Trade	287,322,747,396	287,322,747,396	1	6,239,137,498	5,873,672,750	(365,464,748)
Military Commercial Joint Stock Bank	163,483,737,210	163,483,737,210	1	318,830,560,512	318,830,560,512	1
Vietnam Dairy Products Joint Stock Company	209,763,212,610	207,395,691,958	(2,367,520,652)	11,780,631,835	11,030,035,200	(750,596,635)
Others	818,382,139,029	812,156,811,964	(6,225,327,065)	650,233,807,399	598,815,799,303	(51,418,008,096)
	1,915,618,700,833	1,907,025,853,116	(8,592,847,717)	1,563,799,696,578	1,453,085,574,239	(110,714,122,339)
Unlisted shares						******
MBLand Holdings JSC	28,800,000,000	5,040,000,000	(23,760,000,000)	28,800,000,000	13,200,000,000	(15,600,000,000)
Ca Mau Joint Stock Seafoods Company	24,000,000,000	24,000,000,000	I	24,000,000,000	13,572,000,000	(10,428,000,000)
Others	26,533,223,424	12,692,018,024	(13,841,205,400)	191,598,855,678	172,119,748,468	(19,479,107,210)
	79,333,223,424	41,732,018,024	(37,601,205,400)	244,398,855,678	198,891,748,468	(45,507,107,210)
Bonds						
Military Commercial Joint Stock Bank	120,026,959,200	120,026,959,200	1	120,026,959,200	120,026,959,200	1
Bao Viet Joint Stock Commercial Bank	93,028,622,222	93,028,622,222	1	97,088,400,000	97,088,400,000	1
Huy Hoang Equipment and Installation Construction Company Limited	100,000,000,000	100,000,000,000	I	1	1	I
Government bond	61,787,000,000	61,787,000,000				
Others	225,283,127,496	225,283,127,496		148,459,347,429	148,459,347,429	1
	600,125,708,918	600,125,708,918	1	365,574,706,629	365,574,706,629	1
Fund certificates						
BVPF	77,000,000,000	77,000,000,000	1	77,000,000,000	77,000,000,000	1
BVBF	60,000,000,000	60,000,000,000		60,000,000,000	60,000,000,000	1
BVFED	55,000,000,000	55,000,000,000	1	55,000,000,000	55,000,000,000	1
EIVEVN30	19,612,419,582	19,612,419,582	1	57,292,853,111	57,292,853,111	1
Others	35,759,377,426	35,740,651,869	(18,725,557)	26,579,063,354	26,579,063,354	
	247,371,797,008	247,353,071,451	(18,725,557)	275,871,916,465	275,871,916,465	
TOTAL	2,842,449,430,183	2.796.236.651.509	(46.212.778.674)	2.449.645.175.350	2.293.423.945.801	(156.221.229.549)

(continued)	
INVESTMENTS (
FINANCIAL	
14.	

HOME

Held-to-maturity investments 14.2

a) I December 2021 a) I December 2021 a) I December 2020 Short-term investments $Cost$ $Carrying value$ $Carrying value$ Short-term investments $75,240,714,071,362$ $74,798,114,071,362$ $68,542,141630,509$ $68,099,541630,509$ Ferm deposits (i) $75,240,714,071,362$ $74,798,114,071,362$ $68,542,141630,509$ $68,099,541630,509$ Bonds $2,924,731,065,160$ $2,074,978,748,657$ $1,832,852,324,813$ $1,163,00,008,311$ Bonds $2,924,731,065,160$ $2,074,978,748,657$ $1,224,395,245,470$ $1,049,642,928,963$ Corporate bonds (iii) $2,924,731,065,160$ $2,074,978,748,657$ $1,724,395,245,470$ $1,049,642,928,963$ Advances from surrender value (v) $2,924,731,065,160$ $2,074,978,748,657$ $1,724,395,245,470$ $1,049,642,928,968$ Advances from surrender value (v) $2,924,731,065,163$ $2,924,731,065,163$ $1,08,457,679,343$ $1,08,457,679,343$ Advances from surrender value (v) $2,924,731,065,163,123$ $2,924,731,910,73$ $2,167,077,419,773$ $2,167,077,419,773$ Advances from surrender value (v) $2,337,818,015,311$ $2,$					
CostCarrying valueCost $75,240,714,071,362$ $74,798,114,071,362$ $68,542,141,630,509$ $68,163,106,160$ $75,240,714,071,362$ $74,798,114,071,362$ $68,542,141,630,509$ $68,163,106,160$ $2,924,731,065,160$ $2,074,978,748,657$ $1,832,852,924,813$ $1,00,163,163,100$ $2,924,731,065,160$ $2,074,978,748,657$ $1,832,852,924,813$ $1,00,16,10,10,10,10,10,10,10,10,10,10,10,10,10,$		31 Decemb	er 2021	31 Decemb	er 2020
75,240,714,071,36274,798,114,071,36268,542,141,630,50968,675,240,714,071,362 $2,074,978,748,657$ $1,832,852,924,813$ $1,008,457,679,343$ 2,924,731,065,160 $2,074,978,748,657$ $1,724,395,245,470$ $1,008,457,679,343$ 2,924,731,065,160 $2,074,978,748,657$ $1,724,395,245,470$ $1,008,457,679,343$ 2,337,818,015,311 $2,074,978,748,657$ $1,724,395,245,470$ $1,008,457,679,343$ 2,337,818,015,311 $2,074,978,748,657$ $1,08,457,679,343$ $2,141,901,792,343$ 2,337,818,015,311 $2,337,818,015,311$ $2,167,077,419,773$ $2,167,077,419,773$ 80,503,263,151,833 $7,9210,910,835,330$ $7,1,49,017,923,547$ $1,4$ 12,505,120,574,205 $12,505,120,574,205$ $12,505,120,574,205$ $14,119,017,923,547$ $1,4$ 50,903,263,727,990 $50,903,263,727,990$ $50,903,263,727,990$ $33,952,842,736,982$ $33,952,842,736,982$ $33,952,842,736,982$ 7,834,881,072,845 $7,834,881,072,845$ $5,365,123,419,000$ $5,365,123,419,000$ $5,365,123,419,000$		Cost	Carrying value	Cost	Carrying value
75,240,714,071,362 $74,798,114,071,362$ $68,542,141,630,509$ $68,160$ $2,924,731,065,160$ $2,074,978,748,657$ $1,832,852,924,813$ $1,033,162,163,163,163$ $2,924,731,065,160$ $2,074,978,748,657$ $1,724,395,245,470$ $1,01,124,1395,245,470$ $2,924,731,065,160$ $2,074,978,748,657$ $1,724,395,245,470$ $1,01,124,139,733,163,133,163,133,163,133,163,133,163,133,163,133,163,133,163,133,163,133,163,133,13$	Short-term investments				
2,924,731,065,160 $2,074,978,748,657$ $1,832,852,924,813$ $1,02,232,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,852,924,813$ $1,02,132,842,733,932$ $1,02,132,842,736,982$ $1,02,132,842,736,982$ $1,02,132,842,736,982$ $1,02,12,132,13,932$ $1,02,12,132,13,932$ $1,02,12,132,13,932$ $1,02,12,132,13,932$ $1,02,12,132,134,132,132,134,132,132,134,132,132,132,132,134,132,132,132,132,132,132,132,132,132,132$	Term deposits (i)	75,240,714,071,362	74,798,114,071,362	68,542,141,630,509	68,099,541,630,509
2,924,731,065,160 $2,074,978,748,657$ $1,724,395,245,470$ $1,0$ $ 108,457,679,343$ $1,08,457,679,343$ $2,337,818,015,311$ $2,337,818,015,311$ $2,167,077,419,773$ 2 $80,503,263,151,833$ $79,210,910,835,330$ $7,167,077,419,773$ 2 $80,503,263,151,833$ $79,210,910,835,330$ $7,167,077,419,773$ 2 $12,505,120,574,205$ $12,505,120,574,205$ $12,10,017,923,547$ $14,119,017,923,547$ $14,119,017,923,547$ $12,505,120,574,205$ $12,505,120,574,205$ $12,505,120,574,205$ $33,952,842,736,982$ $33,952,842,736,982$ $33,952,842,736,982$ $33,952,842,736,982$ $33,952,842,736,982$ $7,834,881,072,845$ $7,834,881,072,845$ $7,834,881,072,845$ $5,365,123,419,000$ $5,365,123,419,000$ $5,365,123,419,000$	Bonds	2,924,731,065,160	2,074,978,748,657	1,832,852,924,813	1,158,100,608,311
- 108,457,679,343 2,337,818,015,311 2,337,818,015,311 2,167,077,419,773 2 80,503,263,151,833 7,337,818,015,311 2,167,077,419,773 2 80,503,263,151,833 79,210,910,835,330 7,167,071,975,095 71,4 12,505,120,574,205 12,505,120,574,205 14,119,017,923,547 14 50,903,263,727,990 50,903,263,727,990 33,952,842,736,982 33,952,842,736,982 33,95 7,834,881,072,845 7,834,881,072,845 7,834,881,072,845 5,365,123,419,000 5,	- Corporate bonds (iii)	2,924,731,065,160	2,074,978,748,657	1,724,395,245,470	1,049,642,928,968
2,337,818,015,311 2,337,818,015,311 2,167,077,419,773 80,503,263,151,833 79,210,910,835,330 2,167,077,419,773 80,503,263,151,833 79,210,910,835,330 72,542,071,975,095 12,505,120,574,205 12,505,120,574,205 14,119,017,923,547 50,903,263,727,990 50,903,263,727,990 33,952,842,736,982 7,834,881,072,845 7,834,881,072,845 5,365,123,419,000	- Government bonds (iv)	1		108,457,679,343	108,457,679,343
B0,503,263,151,833 79,210,910,835,330 72,542,071,975,095 ninvestments 12,505,120,574,205 14,119,017,923,547 sits (ii) 12,505,120,574,205 50,903,263,727,990 stb onds 7,834,881,072,845 7,834,881,072,845	Advances from surrender value (v)	2,337,818,015,311	2,337,818,015,311	2,167,077,419,773	2,167,077,419,773
investments 12,505,120,574,205 12,505,120,574,205 14,119,017,923,547 sits (ii) 50,903,263,727,990 50,903,263,727,990 33,952,842,736,982 ate bonds 7,834,881,072,845 7,834,881,072,845 5,365,123,419,000		80,503,263,151,833	79,210,910,835,330	72,542,071,975,095	71,424,719,658,593
sits (ii) 12,505,120,574,205 12,505,120,574,205 14,119,017,923,547 50,903,263,727,990 50,903,263,727,990 33,952,842,736,982 ate bonds 7,834,881,072,845 7,834,881,072,845 5,365,123,419,000	Long-term investments				
50,903,263,727,990 50,903,263,727,990 33,952,842,736,982 ate bonds 7,834,881,072,845 7,834,881,072,845 5,365,123,419,000	Term deposits (ii)	12,505,120,574,205	12,505,120,574,205	14,119,017,923,547	14,119,017,923,547
7,834,881,072,845 7,834,881,072,845 5,365,123,419,000	Bonds (iv)	50,903,263,727,990	50,903,263,727,990	33,952,842,736,982	33,952,842,736,982
	- Corporate bonds	7,834,881,072,845	7,834,881,072,845	5,365,123,419,000	5,365,123,419,000

as at 31 December 2021 and for the year then ended

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						Y									
	s at 3		ecer								ENTS (cont ended	inu	ed)		B09-DN/HN
1,158,100,608,311	1,049,642,928,968	108,457,679,343	2,167,077,419,773	71,424,719,658,593	14,119,017,923,547	33,952,842,736,982	5,365,123,419,000	28,587,719,317,982	48,071,860,660,529	119,496,580,319,122	from three (03) months	est at rates ranging from 4.70% p.a. to 10.50% p.a.	10.83% p.a.	p.a, while corporate bonds have terms	l at cost. Policyholders who have fulfilled their advance amount at a maximum of 80% of the
1,832,852,924,813	1,724,395,245,470	108,457,679,343	2,167,077,419,773	72,542,071,975,095	14,119,017,923,547	33,952,842,736,982	5,365,123,419,000	28,587,719,317,982	48,071,860,660,529	20,613,932,635,624	ns have original terms from three	est at rates ranging fror	anging from 7.05% to 10.83% p.a	8.90% p.a, while corp	l at cost. Policyholders advance amount at a I

-	Corporate bonds	7,834,881,072,845	7,834,881,072,845	5,365,123,419,000	5,365,123,419,000
-	Government bonds	43,068,382,655,145	43,068,382,655,145	28,587,719,317,982	28,587,719,317,982
		63,408,384,302,195	63,408,384,302,195	48,071,860,660,529	48,071,860,660,529
TOTAL	JT	143,911,647,454,028	142,619,295,137,525	120,613,932,635,624	119,496,580,319,122
(i)	Apart from overdue term deposits at ALCII and VFC, other short-term deposit contracts in VND at financial institutions have original terms from three (03) months	nort-term deposit contract	ts in VND at financial institu	utions have original terms fr	om three (03) months
	and remaining terms of no more than one (01) year and earn interest at rates ranging from 3.30% p.a to 7.30% p.a.	n interest at rates ranging	l from 3.30% p.a to 7.30% p	.a.	
(ii)	Long-term deposit contracts in VND at financial institutions have remaining terms of more than one (01) year and earn interest at rates ranging from 4.70% p.a. to 10.50% p.a.	e remaining terms of more	than one (01) year and earn i	nterest at rates ranging from ²	.70% p.a. to 10.50% p.a.
(iii)	Apart from Vinashin bonds, corporate bonds have term from five (05) to seven (07) years and earn interest at rate ranging from 7.05% to 10.83% p.a.	m five (05) to seven (07) y	ears and earn interest at ra	ate ranging from 7.05% to 10	83% p.a.
(iv)	(iv) Government bonds have terms from ten (10) to thirty (30) years and earn interest at rates ranging from 2.90% p.a to 8.90% p.a, while corporate bonds have terms from five (05) to ten (10) years and earn interest at rates ranging from 6.40% p.a to 7.78% p.a.	ears and earn interest at raiging from 6.40% p.a to 7.7	ates ranging from 2.90% p '8% p.a.	.a to 8.90% p.a, while corpor	ate bonds have terms
(>)	This represents the advances from surrender valu premium payment obligations for at least 24 mo surrender value and accumulated un-withdrawn	Le in accordance with life insurance nths are entitled to an advance on t dividend for the relevant policy.	policies, which are recogn the surrender value, with t	Le in accordance with life insurance policies, which are recognized at cost. Policyholders who have fulfilled their nths are entitled to an advance on the surrender value, with the advance amount at a maximum of 80% of the dividend for the relevant policy.	ho have fulfilled their ximum of 80% of the

as at 31 December 2021 and for the year then ended

15. SHORT-TERM TRADE PAYABLES

Insurance payables Life insurance

Claim payables

Commission payables

Dividends payables to policyholders

Life reinsurance premium ceded payables

General insurance

Commission payables

Payables relating to direct insurance activities

Reinsurance assumed payables

Reinsurance ceded payables

Payable to Co-insurers

Payables for financial activities

Payables for investment transfer deposit

Payables for purchase of securities

Payables to suppliers and service providers

Payables to suppliers

Other payables

TOTAL

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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					Profit/(loss) during	
Investees	Capital contributed	As at 1 January 2020	the period	Dividend income	the year attributed to the Group	31 December 2021
Long Viet	29,269,440,000	29,853,609,771	1		201,313,724	30,054,923,495
Tokio Marine Vietnam	147,000,000,000	270,411,757,057	I	(52,811,609,061)	68,098,083,132	285,698,231,128
Bao Viet SCIC	70,000,000,000	75,836,926,119	I	I	(1,913,501,441)	73,923,424,678
Bao Viet Bank	1,560,000,000,000	1,786,553,260,773	I	I	46,736,696,818	1,833,289,957,591
Trung Nam Phu Quoc	431,200,000,000	431,184,692,577	1	1	(1,663,743)	431,183,028,834
Hon Tam Bien Nha Trang	196,000,000,000	174,026,372,823	I	1	(37,997,001,668)	136,029,371,155
Nam Mu Hydropower	178,860,000,000	1	178,860,000,000	(11,220,000,000)	11,327,354,055	178,967,354,055
PLT	97,650,000,000	112,569,569,356	I	1	6,542,465,950	119,112,035,306
TOTAL	2,709,979,440,000	2,880,436,188,476	178,860,000,000	(64,031,609,061)	92,993,746,827	3,088,258,326,242

2 14.3.2

						Currency: VN
		31 December 2021			31 December 2020	
	Cost	Provision	Net carrying value	Cost	Provision	Net carrying valu
SSG Group JSC	225,000,000,000	1	225,000,000,000	225,000,000,000	1	225,000,000,00
CMC Corporation	144,000,000,000	I	144,000,000,000	163,921,040,000	(443,182,000)	163,477,858,00
Hai Phong Thermal Power JSC	125,000,000,000		125,000,000,000	125,000,000,000		125,000,000,00
International Financial Tower (IFT)	168,386,311,194	I	168,386,311,194	168,163,853,956	I	168,163,853,95
Others	267,152,404,929	(42,683,425,929)	224,468,979,000	360,616,374,807	(120,310,010,331)	240,306,364,47
TOTAL	929,538,716,123	(42,683,425,929)	886,855,290,194	1,042,701,268,763	(120,753,192,331)	921,948,076,43

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were as follows:

the year

method during

investments recognized under equity

ese

Movements of th

14.3.1

14.3

FINANCIAL INVESTMENTS (continued)

4

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Investments in associates and jointly controlled entity

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31 December 2020 VND

930,520,293,775 117,710,801,390 807,201,230,097

5,608,262,288

_

1,721,324,654,521

148,734,773,104 167,185,228,324 66,043,470,030 1,272,249,697,974 67,111,485,089

2,651,844,948,296

4,024,930,000 4,024,930,000

54,206,035,291

54,805,530,110

2,710,675,408,406

599,494,819

108,918,365,682 810,203,143,467 15,728,100

922,888,682,961

31 December 2021

VND

3,751,445,712

1,416,715,251,677

91,953,917,624 228,328,537,296 81,231,857,247

908,508,679,072

106,692,260,438

2,339,603,934,638

20,000,000,000 4,042,025,826

24,042,025,826

63,494,247,268 720,493,393

64,214,740,661

2,427,860,701,125

as at 31 December 2021 and for the year then ended

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16. STATUTORY OBLIGATIONS

	As at 31 December 2020 VND	Incurred during the year VND	Paid during the year VND	As at 31 December 2021 VND
Tax receivables				
Corporate income tax	(2,125,067,026)	6,960,219,697	(6,624,645,283)	(1,789,492,612)
Personal income tax	(87,680,982)	87,680,982	-	_
Other taxes	(1,299,914,027)	1,299,914,027	(57,578,642)	(57,578,642)
TOTAL	(3,512,662,035)	8,347,814,706	(6,682,223,925)	(1,847,071,254)
Tax payables				
Value added tax	16,819,765,061	410,132,155,136	(390,021,265,555)	36,930,654,642
Corporate income tax	74,825,261,835	373,608,690,608	(332,110,108,153)	116,323,844,290
Personal income tax	30,668,733,043	569,545,928,809	(546,535,133,812)	53,679,528,040
Land use tax	(365,984,079)	9,635,919,011	(9,675,713,451)	(405,778,519)
Other taxes	229,579,752	19,925,017,346	(19,214,201,856)	940,395,242
TOTAL	122,177,355,612	1,382,847,710,910	(1,297,556,422,827)	207,468,643,695

In 2021, the tax rates levied for members of the Group were as follows:

Entities	Tax rate
Bao Viet - Au Lac	10%
BVIF	Not subject to CIT
The Holdings and other subsidiaries	20%

Tax returns of the Group are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Current CIT expenses	380,484,124,137	267,396,475,068
Deferred CIT (income)/expenses	(7,414,599,023)	36,042,360,066
TOTAL	373,069,525,114	303,438,835,134

16.1 Current Corporate Income Tax

16. STATUTORY OBLIGATIONS (continued)

A reconciliation between the profit before tax and taxable profit is presented below:

Accounting profit before tax Adjustments to accounting profit Increases - Accrued commission expenses of current year - Reversal of gains on foreign exchange revaluation of - Losses on foreign exchange revaluation of current ye - Non-deductible expenses Decreases Non-taxable income from dividends and distributed _ Reversal of accrued commission of prior year -Reversal of temporary differences of financial provision but not yet deductible of prior year Gains on foreign exchange revaluation of current year -Reversal of non-deductible expenses of prior year -Non-taxable amounts arising from consolidation adjustn Other non-taxable income Total adjustment to profit before tax Estimated current taxable profit - Profit taxed at 10% - Profit taxed at 20% Estimated CIT for current year Adjust the tax payable amount of the previous years acco decision of the tax authority Adjust to decrease 30% CIT according to the Decree No. ND-CP and the Decree No. 92/2021/ND-CP issued by the Assembly of its subsidiaries Estimated corporate income tax during the year CIT payable at the beginning of the year Adjust the tax payable amount of the previous years account decision of the tax office

CIT paid during the year

CIT payable at the end of the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

The current tax payable is based on taxable profit for the current year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

	For the year ended	For the year ended 31
	31 December 2021 VND	December 2020 VND
	2,376,488,714,496	1,953,285,808,059
	37,475,252,532	23,221,445,863
f prior year	25,506,325,369	554,636,910
ear	3,709,422	
	10,771,686,567	31,936,967,895
profits	(96,492,323,447)	(173,768,233,230)
	(23,221,445,863)	(35,218,162,708)
ion expenses	-	(222,371,446,511)
ar	(19,818,693,075)	(25,504,985,854)
	(2,519,264,161)	-
ments	(62,266,325,878)	(93,471,131,562)
	(328,301,004,188)	(106,388,428,190)
	(458,862,082,722)	(601,009,337,387)
	1,917,626,631,774	1,352,276,470,672
	582,509,183	516,551,497
	1,917,044,122,591	1,351,759,919,175
	383,467,075,436	270,403,638,984
ording to the	-	1,600,000
114/2020/ e National	(2,982,951,299)	(3,008,763,916)
	380,484,124,137	267,396,475,068
	72,700,194,809	43,010,561,525
ording to the	84,786,168	69,098,549
	(338,734,753,436)	(237,775,940,333)
	114,534,351,678	72,700,194,809

as at 31 December 2021 and for the year then ended

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16. STATUTORY OBLIGATIONS (continued)

16.2 Deferred tax

The followings are deferred tax assets and deferred tax liabilities recognized by the Group, and their movements thereon, during the current and prior reporting years:

	Consoli balance		Consoli income st	
	31 December 2021 VND	31 December 2020 VND	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Deferred tax assets	18,414,546,814	12,137,474,250	6,277,072,564	(31,052,022,374)
Deferred tax liabilities	(3,963,738,615)	(5,101,265,074)	1,137,526,459	(4,990,337,692)
Net deferred tax income/(expense) charge recognized			7,414,599,023	(36,042,360,066)

16.2.1 Deferred tax assets

in the consolidated financial statements

	31 December 2021 VND	31 December 2020 VND
Tax rate	20%	20%
Deductible temporary differences	92,072,734,072	60,687,371,248
In which:		
 Accrued commission expense on premium receivables 	42,828,607,130	28,574,800,461
 Provision for recovery of commission expense 	32,112,570,787	32,112,570,787
- Other	17,131,556,155	-
Deferred tax assets	18,414,546,814	12,137,474,250

16.2.2 Deferred tax liabilities

	Ngày 31 tháng 12 năm 2021 VND	Ngày 31 tháng 12 năm 2020 VND
Tax rate	20%	20%
Taxable temporary differences	19,818,693,075	25,506,325,368
In which:		
- Gains on foreign exchange	19,818,693,075	25,506,325,368
Deferred tax liabilities	3,963,738,615	5,101,265,074

17. SHORT-TERM UNEARNED REVENUE

Insurance activities Life insurance General insurance **Financial activities** Prepaid deposit interest Other activities Unearned revenue from real estate management activitie Unearned revenue from training activities TOTAL 18. COMMISSIONS ON REINSURANCE CEDED General insurance Life insurance TOTAL 18.1 Unearned commission revenue Reginning balance

Er	nding balance
Сс	ommission on reinsurance ceded - Allocated to revenue during the y
In	curred during the year
Be	eginning balance

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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31 December 2020 VND	31 December 2021 VND	
118,953,832,507	43,476,331,242	
105,363,731,909	91,480,295,750	
224,317,564,416	134,956,626,992	
1,185,176,203	1,185,176,202	
1,185,176,203	1,185,176,202	
5,037,544,216	28,733,787,627	ies
51,772,783	77,409,082	-
5,089,316,999	28,811,196,709	
230,592,057,618	164,952,999,903	

Note	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
18.1	522,610,802,337	519,549,787,848
	4,434,198,587	8,656,033,413
	527,045,000,924	528,205,821,261

General insurance
VND

	87,737,943,073
	602,801,643,831
year	(522,610,802,337)
	167,928,784,567

as at 31 December 2021 and for the year then ended

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167,266,088,776 100,000,000,000 267,266,088,776 2,773,596,242,726

167,266,088,776 100,000,000,000 267,266,088,776

> (100,000,000,000) (174,848,328,343) (11,908,651,415,109)

> > 125,572,000,000 13,470,070,777,001

(74,848,328,343)

25,572,000,000 100,000,000,000

216,542,417,119 100,000,000,000 316,542,417,119 1,212,176,880,834

216,542,417,119 100,000,000,000 316,542,417,119 ,212,176,880,834

Long-term borrowings

VND

Payable amount

Balance VND

Decrease VND

Increase VND

Payable amount VND

Balance VND

2020

As at 31 Dec

As at 31 December 2021

547,695,690,235 1,958,634,463,715 2,506,330,153,950

547,695,690,235 1,958,634,463,715 2,506,330,153,950

(5,408,172,096,977) (6,325,630,989,789) (11,733,803,086,766)

5,955,867,787,212 7,388,630,989,789 13,344,498,777,001

895,634,463,715

895,634,463,715

895,634,463,715

895,634,463,715

as at 31 December 2021 and for the year then ended

2,773,596,242,726

19. OTHER SHORT-TERM PAYABLES

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	31 December 2021 VND	31 December 2020 VND
Surplus asset awaiting resolution	2,854,403	2,854,403
Social insurance, health insurance, trade union fees	10,088,612,113	9,101,405,291
Payables relating to securities operation (i)	634,295,398,856	425,247,261,328
Payables related to Social Security Fund (ii)	16,179,020,961	20,783,479,912
Payables to business partner according to the commitment of capital contribution to Trung Nam Phu Quoc (iii)	34,320,000,000	34,320,000,000
Deposit from tenants	15,419,201,081	12,876,859,548
Others (iv)	389,087,861,307	437,534,054,890
TOTAL	1,099,392,948,721	939,865,915,372

(i) Included payables to suppliers for securities operation of Bao Viet Securities Joint Stock Company.

- (ii) This payable relates to social security expenses in the Government's 30A Program and other social security programs which is subject to disbursements in accordance with construction progress.
- (iii) According to the terms of the Share Transfer Contract, the Holdings will transfer money to Thang Long Housing Investment and Development Joint Stock Company according to the committed schedule and conditions to complete the capital contribution to Trung Nam Phu Quoc Joint Stock Company.
- (iv) Mostly included payables to suppliers for insurance operation of subsidiaries.

BORROWINGS

20.

Short-term borrowings

Bank overdrafts

Bank loans

Issued bonds (*)

TOTAL

Bank loans

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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		In which: Short-term and long-term bank loans at commercial banks have terms of under one (01) to five (05) years and bear interest rates from 3.70% p.a. to 7.50% p.a.	
		(*) Long-term bonds included 1,000,000 BVSH2123001 with par value of each bond of VND 100,000 (total par value of VND 100,000,000,000,000). These non-convertible bonds were issued by BVSC under Resolution No. 30/2021/NQ-HĐQT of BVSC's Board of Director dated 01 December 2021. Bonds with a term of two (02) years are issued with the interest rate specified in BVSC's bonds private plac.	ole
	21.	BONUS AND WELFARE FUND	
			ND
1		As at 31 December 2020	948
		103,781,664,576	576
		Utilized during the year (58,336,039,784)	84)
		As at 31 December 2021 199,699,495,740	740

PAYABLES UNDER BOND REPO CONTRACTS 22.

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Repo contracts (*)	As at 31 December 2020 VND	Sold during the year VND	Repurchased during the year VND	Allocated repo expenses during the year VND	As at 31 December 2021 VND	Carrying value of repo bonds VND
Bao Viet Joint Stock Commercial Bank	4,137,884,187,808	2,681,087,600,000	(4,206,240,300,000)	73,806,135,380	2,686,537,623,188	1,446,094,958,600
Southeast Asia Commercial Joint Stock Bank	6,535,166,107,966	14,125,867,380,000	(13,404,734,560,000)	76,760,926,090	7,333,059,854,056	3,706,376,991,777
Vietnam International Joint Stock Bank	1,914,621,046,483	6,374,855,950,000	(8,310,511,260,000)	21,034,263,517	I	Ι
Technological and Commercial Joint Stock Bank	1	4,684,985,000,000	(4,691,628,336,466)	6,643,336,466	I	Ι
Vietnam Maritime Commercial Joint Stock Bank	1,096,278,273,811	7,762,407,070,000	(5,741,415,160,000)	23,548,732,372	3,140,818,916,183	1,984,018,172,930
Other		61,739,000,000		172,582,873	61,911,582,873	61,787,000,000
TOTAL	13,683,949,616,068	35,690,942,000,000	(36,354,529,616,466)	201,965,976,698	13,222,327,976,300	7,198,277,123,307
(*) Represent pavables under reporcontracts for Government bonds and Corporate bonds which the Group sold and is committed to repurchasing in less than 12	reno contracts for Go	John Ponds and (Cornorate honds which	the Groun sold and is	committed to repurch.	asing in less than 12

 \sim Represent payables under repo contracts for Government bonds and Corporate months. These payables bear interest at rates ranging from 0.9% p.a. to 4.10% p.a. *

OTHER LONG-TERM PAYABLES 23.

	31 December 2021 VND	31 December 2020 VND
Cash deposits from insurance agents	258,702,744,077	228,758,495,113
Others	11,716,216,724	22,833,292,378
TOTAL	270,418,960,801	251,591,787,491

STATUTORY INSURANCE RESERVES 24.

HOME

	Mathematical	Unearned premium			Reserve for guaranteed	Equalization	Catastrophe	
	Reserve	Reserve	Claims reserve	Dividend reserve	interest rate	Reserve	Reserve	Total
	NND	ND	UND	UND	VND	VND	VND	UN
Life insurance								
As at 31 December 2020	93,090,719,199,763	201,174,810,274	65,908,852,003	1,935,346,562,096	2,547,998,489,076	106,535,697,100	1	97,947,683,610,312
Net movement during the year	18,980,254,654,676	9,971,272,379	20,321,562,720	222,092,183,901	1,140,336,820,587	10,961,612,349	1	20,383,938,106,612
As at 31 December 2021	112,070,973,854,439	211,146,082,653	86,230,414,723	2,157,438,745,997	3,688,335,309,663	117,497,309,449		118,331,621,716,924
General insurance (*)								
As at 31 December 2020	1	4,769,440,601,933	2,509,844,747,126	1	1	27,185,006,695	16,207,748,985	7,322,678,104,739
Net movement during the year	1	(338,228,740,131)	(188,425,890,727)	1	1	62,618,510,394	38,428,347,377	(425,607,773,087)
As at 31 December 2021	1	4,431,211,861,802	2,321,418,856,399	1	1	89,803,517,089	54,636,096,362	6,897,070,331,652
As at 31 December 2020	93,090,719,199,763	4,970,615,412,207	2,575,753,599,129	1,935,346,562,096	2,547,998,489,076	133,720,703,795	16,207,748,985	105,270,361,715,051
Net movement during the year	18,980,254,654,676	(328,257,467,752)	(168,104,328,007)	222,092,183,901	1,140,336,820,587	73,580,122,743	38,428,347,377	19,958,330,333,525
As at 31 December 2021	112,070,973,854,439	4,642,357,944,455	2,407,649,271,122	2,157,438,745,997	3,688,335,309,663	207,300,826,538	54,636,096,362	125,228,692,048,576

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

nd for the year then ended

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	Reserve for direct insurance	Reserve for outward reinsurance	
	and inward reinsurance	(reinsurance assets)	Net reserve
	VND	VND	VND
As at 31 December 2020			
Unearned premium reserve	4,769,440,601,933	(1,059,460,785,355)	3,709,979,816,578
Claims reserve	2,509,844,747,126	(1,187,235,382,389)	1,322,609,364,737
Catastrophe reserve	16,207,748,985		16,207,748,985
Equalization reserve	27/185,006,695		27,185,006,695
TOTAL	7,322,678,104,739	(2,246,696,167,744)	5,075,981,936,995
As at 31 December 2021			
Unearned premium reserve	4,431,211,861,802	(1,033,169,851,481)	3,398,042,010,321
Claims reserve	2,321,418,856,399	(1,115,812,326,778)	1,205,606,529,621
Catastrophe reserve	54,636,096,362		54,636,096,362
Equalization reserve	89,803,517,089		89,803,517,089
TOTAL	6,897,070,331,652	(2,148,982,178,259)	4,748,088,153,393

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as

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Changes in owners' equity 25.1

INTEGRATED REPORT 2021 PROACTIVELY ADAPTING

				Investment and					
	Contributed		Foreign exchange differences	development fund and financial		Undistributed	Statutory reserves for insurance	Non-controlling	
	capital VND	Share premium VND	reserve (*) VND	reserves	Other reserves (**) VND	earnings VND	operation VND	interests VND	Total VND
As at 01 January 2021	7,423,227,640,000	7,310,458,742,807	15,445,192,000	967,358,385,620	103,568,802,818	3,723,310,113,726	523,523,906,834	754,873,257,039	20,821,766,040,844
Dividends paid to shareholders					1	(666,977,003,454)			(666,977,003,454)
Appropriation to Bonus and Welfare Fund	1	I	1	I	1	(101,508,383,562)	1	(2,273,281,014)	(103,781,664,576)
The Holdings (***)				1		(41,190,589,002)			(41,190,589,002)
Subsidiaries	I		I	I	I	(60,317,794,560)	I	(2,273,281,014)	(62,591,075,574)
Appropriation to Investment and Development Fund	1	I	I	303,514,675,133	1	(303,514,675,133)	I	l	1
The Holdings (***)	1	I	I	303,514,675,133	Ι	(303,514,675,133)	I	1	I
Profit of the year				1	I	1,896,699,438,352	I	106,719,751,030	2,003,419,189,382
Remuneration to the Members and Supervisory Board	I	I	I	I	I	(1,289,450,004)	I	I	(1,289,450,004)
Appropriation to other reserves	I		1	13,913,079,542	I	(68,008,094,081)	54,095,014,539		I
Dividends paid to non-controlling interest	1	I	1	l		1		(23,135,161,600)	(23,135,161,600)
Other decreases						(3,271,586,207)			(3,271,586,207)
As at 31 December 2021	7,423,227,640,000	7,423,227,640,000 7,310,458,742,807	15,445,192,000	1,284,786,140,295	103,568,802,818	4,475,440,359,637	577,618,921,373	836,184,565,455	22,026,730,364,385

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ents. solidation of the financial state cons the from arised f est in the share premium of BVSC aining inter rem Holdings' Other reserves represents the

P VD 303,514,675,133) 9 gs. the tax after riate 30% of 2020 Holdings will app held on 29 June 2021, Bao Viet ND 41,190, ing of Sh 2 Me tax of the 2021 4.07 rding to the l Acc (***) (**) (*)

OWNERS' EQUITY (continued) 25.

HOME

Changes in owners' equity (continued) 25.1

	Contributed capital VND	Share premium VND	Foreign exchange differences reserve (*) VND	investment and development fund and financial reserves VND	Other reserves VND	Undistributed earnings VND	Statutory reserves for insurance operation VND	Non-controlling interests VND	Total VND
As at 01 January 2020	7,423,227,640,000	7,423,227,640,000 7,310,458,742,807	15,445,192,000	801,321,408,999	103,568,802,818	3,037,187,232,453	476,227,833,633	735,171,665,904	19,902,608,518,614
Dividends paid	-				Terrer 100 100 100 100 100 100 100 100 100 10	(593,858,211,200)			(593,858,211,200)
Appropriation to Bonus and Welfare Fund	1	1			1	(89,588,815,986)	1	(3,638,144,521)	(93,226,960,507)
The Holdings	-			-		(33,203,549,136)		-	(33,203,549,136)
Subsidiaries	1					(56,385,266,850)	1	(3,638,144,521)	(60,023,411,371)
Appropriation to Social Welfare Fund	1		1			(10,843,169,505)	1		(10,843,169,505)
The Holdings	1		I	I	I	(10,843,169,505)	1	1	(10,843,169,505)
Appropriation to Investment and Development Fund	1	1	I	157,888,424,020	I	(157,888,424,020)	1	1	1
The Holdings	1			162,648,000,000		(162,648,000,000)	1		
Subsidiaries	1		1	(4,759,575,980)	1	4,759,575,980	1	1	
Profit of the year	1	1	1	1	1	1,597,588,285,269	1	52,258,687,656	1,649,846,972,925
Remuneration to the Board of Directors and Supervisory Board	I	I	I	I	I	(3,036,636,015)	1	I	(3,036,636,015)
Appropriation to other reserves	1	1	1	8,148,552,601		(55,444,625,802)	47,296,073,201	1	1
Dividend paid to non-controlling interests	1	I	Ι	I	I	1	1	(28,918,952,000)	(28,918,952,000)
Other decreases	-	Transmission (1997)	1	I	1	(805,521,468)			(805,521,468)
Ac at 31 December 2020									



as at 31 December 2021 and for the year then ended

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as at 31 December 2021 and for the year then ended

25. OWNERS' EQUITY (continued)

25.2 Contributed capital

	31 Decem	ber 2021	31 Decem	ber 2020
	Ordinary shares VND	Total VND	Ordinary shares VND	Total VND
Charter capital contributed by shareholders	7,423,227,640,000	7,423,227,640,000	7,423,227,640,000	7,423,227,640,000
Share premium	7,310,458,742,807	7,310,458,742,807	7,310,458,742,807	7,310,458,742,807
TOTAL	14,733,686,382,807	14,733,686,382,807	14,733,686,382,807	14,733,686,382,807

25.3 Capital transactions with owners and distribution of dividends, profits

	2021 VND	2020 VND
Contributed capital		
As at 01 January	7,423,227,640,000	7,423,227,640,000
Increase		-
As at 31 December	7,423,227,640,000	7,423,227,640,000
Dividends, profits paid	666,977,003,454	593,858,211,200

25.4 Dividends

	Current year VND	Previous year VND
Dividends declared and paid during the year	666,977,003,454	593,858,211,200
Dividend on ordinary shares (dividends for 2020: VND 898.5 per share, dividends for 2019: VND 800 per share)	666,977,003,454	593,858,211,200

Implementing the Resolution of the 2021 Annual General Meeting of Shareholders held on 29 June 2021, Bao Viet Holdings approved the dividend payout ratio for fiscal year 2020 of 8.985% (VND 898.5 per share) on the charter capital of VND 7,423,227,640,000, equivalent to VND 666,977,003,454. The dividend payment was made in November 2021.

25.5 Shares

	31 Decem	ber 2021	31 Decemb	per 2020
	Shares VND	Amount VND	Shares VND	Amount VND
Authorized shares	742,322,764	7,423,227,640,000	742,322,764	7,423,227,640,000
Issued shares	742,322,764	7,423,227,640,000	742,322,764	7,423,227,640,000
Ordinary shares	742,322,764	7,423,227,640,000	742,322,764	7,423,227,640,00
Shares in circulation	742,322,764	7,423,227,640,000	742,322,764	7,423,227,640,000
Ordinary shares	742,322,764	7,423,227,640,000	742,322,764	7,423,227,640,000

26. REVENUE

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26.1 Direct written premium

Endowment i	nsurance	
Universal life		
Others		
Total life insu	irance premium	
General Insu	rance	
Indemnity ins	surance	
Property insu	rance	
Health & pers	onal accident insurance	
Total general	insurance premium	

Indemnity insurance

26.2 Reinsurance premium assumed

Property insurance

Health & personal accident insurance

TOTAL

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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For the year ended 31 December 2020 VND

7,905,465,382,063 18,709,816,640,956 1,422,365,215,821

28,037,647,238,840

1,046,875,784,644 4,251,635,290,776 4,390,842,096,726

9,689,353,172,146

37,727,000,410,986

30,557,561,345,615

For the year ended

31 December 2021

7,352,960,463,594

21,858,697,627,025

1,345,903,254,996

VND

955,331,731,670 3,885,994,748,915

4,104,720,313,670

8,946,046,794,255

39,503,608,139,870

For the year ended 31 December 2020 VND VND 15,227,092,347 157,054,577,545 6,938,972,094 179,220,641,986

For the year ended 31 December 2021

15,279,136,573

148,224,978,297

1,134,870,633

164,638,985,503

as at 31 December 2021 and for the year then ended

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27. REINSURANCE PREMIUM CEDED

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Reinsurance premium of life insurance ceded		
Endowment insurance	274,064,391	358,178,035
Universal life	11,287,500,734	10,690,831,445
Others	4,843,547,304	4,381,770,078
	16,405,112,429	15,430,779,558
Reinsurance premium of general insurance ceded		
Indemnity insurance	369,610,631,443	336,370,029,771
Property insurance	2,716,961,100,202	3,063,674,809,756
Health & personal accident insurance	974,929,664,621	703,875,205,005
	4,061,501,396,266	4,103,920,044,532
TOTAL	4,077,906,508,695	4,119,350,824,090

28. DIRECT EXPENSES OF INSURANCE ACTIVITIES

28.1 Claim and maturity payment expenses

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Life Insurance		
Maturity payment	2,271,480,012,204	1,952,395,201,219
Surrender value payment	4,606,142,065,759	3,913,649,673,687
Claim payment and other insurance benefit payments	1,957,500,616,094	1,629,710,259,893
	8,835,122,694,057	7,495,755,134,799
General Insurance		
Indemnity insurance	212,068,718,291	327,072,625,688
Property insurance	1,811,032,556,817	2,712,609,157,063
Health & personal accident insurance	1,889,620,453,303	2,265,387,016,799
	3,912,721,728,411	5,305,068,799,550
TOTAL	12,747,844,422,468	12,800,823,934,349

28.2	Claim expenses for reinsurance assumed
	General Insurance

Indemnity insurance

Property insurance

Health & personal accident insurance

TOTAL

28.3 Recoveries from reinsurance ceded

Life insurance

Recoveries from reinsurance ceded

Indemnity insurance

Property insurance

Health & personal accident insurance

TOTAL

29. OTHER INSURANCE OPERATING EXPENSES

Risk minimization expenses
Loss adjusting fee, risk assessment and others
Other reinsurance assumed expenses
Insurance agency expenses and other expenses
Other insurance operating expenses allocated from administrative expenses
Policyholders' protection fund
TOTAL

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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as at 31 December 2021 and for the year then ended

28. DIRECT EXPENSES OF INSURANCE ACTIVITIES (continued)

For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
8,500,355,382	12,289,741,960
105,307,020,424	105,418,417,038
5,603,510,611	14,944,971,241
119,410,886,417	132,653,130,239

For the year ended
31 December 2020
VND

For the year ended 31 December 2021 VND

3,475,909,265 5,323,422,286

5,323,422,286 3,475,909,265

2,152,685,248,433
409,391,852,151
1,677,101,052,170
66,192,344,112

For the year ended 31 December 2020 VND	For the year ended 31 December 2021 VND
71,498,861,679	49,955,854,638
142,241,201,876	128,776,282,732
3,245,813,421	3,132,992,403
279,280,204,786	291,928,876,894
873,424,503,908	1,308,922,664,894
12,718,928,949	14,011,108,230
1,382,409,514,619	1,796,727,779,791

as at 31 December 2021 and for the year then ended

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30. NET OPERATING INCOME FROM OTHER ACTIVITIES

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Operating income from other activities		
Brokerage and issuance underwriting services	495,658,607,854	165,982,093,674
Investment consultancy service	12,696,040,438	8,499,895,454
Custody services	9,002,018,858	5,470,747,111
Investment portfolio management	5,671,469,523	4,200,494,321
Rental and real estate management services	53,236,216,032	55,505,332,365
Training services	24,895,269,543	32,815,153,234
Construction and trading activities	108,592,733,507	146,478,451,722
Others	40,546,320,042	14,334,984,770
	750,298,675,797	433,287,152,651
Operating expenses from other activities		
Brokerage and issuance underwriting services	(370,390,484,719)	(117,933,887,676)
Investment consultancy service	(17,810,044,411)	(15,947,095,197)
Custody services	(22,241,457,522)	(16,078,708,610)
Investment portfolio management	(3,481,954,950)	(1,922,383,360)
Real estate management service	(48,149,445,325)	(72,402,808,894)
Construction and trading activities	(144,287,364,815)	(147,910,744,550)
Others	(70,511,399,280)	(45,738,640,199)
	(676,872,151,022)	(417,934,268,486)
TOTAL	73,426,524,775	15,352,884,165

31. FINANCIAL ACTIVITIES

31.1 Financial income

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Interest from term deposits	4,742,324,964,852	5,718,119,483,622
Interest from bonds	2,851,722,219,325	2,494,064,231,788
Income from advances from surrender value	244,768,821,632	212,234,336,424
Dividend income	136,813,671,447	216,172,780,230
Gain from foreign exchange difference	19,159,625,947	19,541,571,046
Gain from securities trading	552,428,758,106	661,437,392,467
Other financial income	364,394,181,615	174,088,891,756
TOTAL	8,911,612,242,924	9,495,658,687,333

31. FINANCIAL ACTIVITIES (continued)

31.2 Financial expenses

32.	SELLING EXPENSES
	TOTAL
	Other financial expenses
	Reversal of provision expenses
	Loss from securities trading
	Dividend paid to policyholders
	Repo and loan interest expenses
	Loss from foreign exchange difference

TOTAL
Recruitment expenses
Training expenses
Bonus to agents & Agent allowances

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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For the year ended 31 December 2020 VND

15,709,408,008

702,373,401,785

295,764,143,348

97,575,840,347

(196,734,887,759)

927,224,696,878

1,841,912,602,607

For the year ended 31 December 2021 VND

11,546,967,936

321,201,678,885

318,137,497,296

78,590,114,284

(13,162,217,277)

343,408,077,709

1,059,722,118,833

For the year ended 31 December 2020 VND

2,313,037,126,835

48,311,504,149

4,809,311,811

2,366,157,942,795

For the year ended 31 December 2021 VND

2,222,915,382,891

40,376,185,103

2,723,506,434

2,266,015,074,428

as at 31 December 2021 and for the year then ended

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33. GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
General and administrative expenses related to insurance operation		
Staff costs	2,188,965,577,062	1,821,319,917,044
Materials and office supplies	171,763,887,540	230,251,922,035
Depreciation and amortization expenses	69,211,684,900	66,870,434,546
Taxes and fees expenses	25,217,653,522	20,281,754,340
Expenses for external services	526,819,743,054	657,232,125,145
Provision expenses	12,976,357,399	23,414,810,127
Other expenses	333,645,524,106	358,000,582,404
	3,328,600,427,583	3,177,371,545,641
General and administrative expenses related to other operations		
Staff costs	314,081,082,760	227,941,153,988
Depreciation and amortization expenses	121,011,745,918	109,655,787,532
Taxes and fees expenses	19,230,090,887	15,322,486,862
Expenses for external services	152,994,110,371	155,977,704,145
(Reversal)/Additional of provision expenses	(18,801,030,152)	456,733,500
Other expenses	80,882,249,994	69,792,062,940
	669,398,249,778	579,145,928,967
TOTAL	3,997,998,677,361	3,756,517,474,608

34. OTHER PROFIT

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Other income		
Proceeds from disposal of assets	1,865,167,433	1,181,349,087
Others	19,229,699,194	12,336,408,565
	21,094,866,627	13,517,757,652
Other expenses		
Expenses from disposal of assets	(128,156,543)	(50,757,567)
Others	(1,951,702,686)	(1,860,178,054)
	(2,079,859,229)	(1,910,935,621)
Other profit	19,015,007,398	11,606,822,031

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

35. RELATED PARTIES TRANSACTIONS

Related parties of the Group as at and for the year ended 31 December 2021 include:

Related parties	
Ministry of Finance	
SCIC	
Sumitomo Life	
Tokio Marine Vietnam	
Bao Viet Bank	
Bao Viet SCIC	
Long Viet	
Trung Nam Phu Quoc	
PLT	
Hon Tam Bien Nha Trang	
Nam Mu Hydropower	

Significant related parties' transactions during the year ended 31 December 2021 are given below:

Related parties	Transactions	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Founding shareholders			
Ministry of Finance	Dividend paid	(433,535,055,300)	(386,007,840,000)
SCIC	Dividend paid	(19,905,728,400)	(17,723,520,000)
Strategic shareholder			
Sumitomo Life	Dividend paid	(147,304,960,768)	(131,156,336,800)
	Office rental income	583,244,408	577,039,680
	Expenses related to Technical Support and Capability Transfer Agreement	_	(2,028,308,286)
Associates and Joint ventures	;		
Tokio Marine Vietnam	Dividend received	52,811,609,061	38,098,894,254
	Management fee	463,189,321	410,270,277
Bao Viet Bank	IT service revenue	3,467,610,120	3,504,469,437
	Deposit interest income	407,058,328,113	972,548,380,432
	Bond coupon income	98,009,999,998	110,617,012,004
	Rental and parking income	6,528,815,205	9,492,719,625
	Repo and borrowing expenses	(73,806,135,379)	(203,943,551,484)

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as at 31 December 2021 and for the year then ended

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Rela	ationship	
Fou	nding Shareholder	
Fou	nding Shareholder	
Stra	ategic Shareholder	
Join	nt Venture	
Ass	ociate	

as at 31 December 2021 and for the year then ended

35. RELATED PARTIES TRANSACTIONS (continued)

Significant balances with related parties at 31 December 2021 are given below:

		Receivables/(F	Payables)
Related parties	Transactions	31 December 2021 VND	31 December 2020 VND
Associate			
Bao Viet Bank	Demand deposits and other deposits	122,481,048,556	158,768,384,872
	Cash in transit	115,661,324,730	80,453,716,295
	Term deposits and accrued interest receivables	10,776,980,019,265	8,187,911,121,581
	Bonds and coupon receivables	1,312,787,909,891	1,316,600,746,871
	Payables in relation to repo contracts of Government bonds	(2,686,537,623,188)	(4,137,884,187,807)
	IT services and training services fee receivables	929,687,858	940,364,220
Strategic Shareho	lder		
Sumitomo Life	Rental deposit payables and prepayment for office rent	(158,685,912)	(317,371,824)

Transactions with other related parties

Remuneration to the Board of Directors, salary after personal income tax deduction of Chief Executive Officer and other executives, in the year 2021, are as below:

	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
Remuneration to the Board of Management		
Mr. Kenji Yoneda	69,333,333	228,000,000
Mr. Teruo Shimmen	240,000,000	228,000,000
Mr. Arai Kazuhiko	170,666,667	_
Mr. Nguyen Dinh An	240,000,000	114,000,000
Ms. Than Hien Anh	240,000,000	228,000,000
Mr. Do Truong Minh	240,000,000	228,000,000
Ms. Tran Thi Dieu Hang	240,000,000	228,000,000
Mr. Nguyen Xuan Viet	240,000,000	228,000,000
Mr. Nguyen Minh Hoang	-	32,413,793
Salary of Chief Executive Officer and other executives		
Mr. Dao Dinh Thi	1,228,757,948	1,188,203,387
Mr. Do Truong Minh	1,102,092,191	1,037,109,208
Mr. Ong Tien Hung	825,196,450	778,413,905
Mr. Nguyen Xuan Hoa	990,628,204	939,102,524

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

36. EARNINGS PER SHARE

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The following reflects data used in the earnings per share computation.

Net profit after tax attributable to ordinary shareholde

Adjusted for Funds deduction (*)

Net profit after tax attributable to ordinary equity hold for basic earnings per share calculation

Weighted average number of ordinary shares for basic earnings per share calculation

Basic earnings per share

Diluted earnings per share (**)

- date and the date of these consolidated financial statements.

37. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services rendered. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit offering different products and serves different markets. Accordingly, the Group's management monitors the operating results of its business units separately for making decisions, resource allocation and performance assessment.

Geographical segments

These consolidated financial statements do not include information on geographical segments as the Group is engaged in providing products or services within Vietnam as well as at areas having the same economic environment and that is subject to similar risks and returns.

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	For the year ended 31 December 2021 VND	For the year ended 31 December 2020 VND
ers	1,896,699,438,352	1,597,588,285,269
	-	(41,190,589,002)
ders	1,896,699,438,352	1,556,397,696,267
	742,322,764	742,322,764
	2,555	2,097
	2,555	2,097

(*) Profits used to calculate earnings per share for the year ended 31 December 2021 have not been adjusted for the allocation to Bonus and welfare fund from profit of the year ended 31 December 2021 as the Resolution at the Annual General Meeting of Shareholders on such distribution of profit for the current year is not yet available.

(**) There have been no other transactions involving ordinary shares or potential ordinary between the reporting

as at 31 December 2021 and for the year then ended

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37. SEGMENT INFORMATION (continued)

Business segments

For management purposes, the Group is organized into business units based on their products produced and services, and has four reportable business segments as follows:

- The life insurance services offer a wide range of Whole Life; Pure Endowment; Term Life; Endowment; Bancassurance; Annuity; Universal life; Healthcare and personal accident riders; other types of life insurance; reinsurance assumed and ceded in life, healthcare insurance and personal accident.
- General insurance services offer health and personal accident insurance; property insurance; cargo insurance; hull -P&I insurance; general indemnity insurance; aviation insurance; automobile insurance; fire & special risk insurance; agriculture insurance and others; assuming and ceding reinsurance for all types of non-life insurance.
- Financial services include fund management, investment portfolio management, securities brokerage and trading, investment consulting, etc. BVF provides the investment management services to policyholders. BVSC provides the securities brokerage, securities underwriting and issuance agency, securities trading, custody, investment and financial consulting services.
- · Real estate operation and other activities include the provision of rental and related services at the Bao Viet's buildings. In addition, the Group is in the progress of developing other real estate projects such as Bao Viet Insurance Building in Hanoi, projects in Ho Chi Minh City and other domestic real estate projects around the country.

Transfer prices between business segments are set on an arm's length basis in a similar manner to transactions with third parties. Segment revenue, segment expenses and segment result include transfers between business segments. Those transfers are eliminated fully in the preparation of the consolidated financial statements.

The following tables present financial position as at 31 December 2021 and 31 December 2020, revenue and profit information regarding the Group's business segments for the year ended 31 December 2021 and 31 December 2020, respectively:

OVERVIEW DEVELOPMENT STRATEGY BUSINESS PERFORMANCE CORPORATE GOVERNANCE SUSTAINABLE DEVELOPMENT FINANCIAL STATEMENTS

SEGMENT INFORMATION (continued)

37.

segments (continued)

Business :

For the year ended 31 December 2021	Life insurance	General insurance
Direct written premium	30,547,590	9,452,073
Reinsurance premium ceded	(16,405)	(4,087,792)
Commission on reinsurance ceded and other insurance income	4,434	931,220
Total net operating revenues	30,535,619	6,295,501
Claim and maturity payment expenses	(8,835,123)	(3,912,721)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(4,104,197) 935,654

eliminations ω,

activ

other

nts

Con

estate

Real

36,827,962 (12,747,844) (119,411)

(3,158)

as at 31 December 2021 and for the year then ended

2,758

2,758



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Recoveries from reinsurance ceded	3,476	1,719,791	1		1	1,723,267
Increase in insurance reserves	(20,353,645)	(62,619)				(20,416,264)
(Increase)/Decrease in claim reserves for direct insurance and reinsurance assumed	(20,322)	188,426				168,104
Increase in claim reserve related to reinsurance ceded	I	(71,423)	I	1	I	(71,423)
Provision for catastrophe reserve		(38,428)				(38,428)
Claim expenses using catastrophe reserve	1		1			1
Other insurance operating expenses	(1,939,526)	(2,878,273)			92,256	(4,725,543)
Total direct expenses for insurance activities	(31,145,140)	(5,171,900)	•	T	92,256	(36,224,784)
Net operating income from other activities	1	1	525,811	21,316	(473,700)	73,427
Selling expenses	(2,266,316)				301	(2,266,015)
General and administration expenses	(2,278,235)	(1,337,324)	(669,838)	(19,560)	306,958	(3,997,999)
Profit from financial activities	6,205,203	457,518	2,019,945	6,275	(837,051)	7,851,890
Other profit	34,069	8,707	(279)	2,479	(25,962)	19,014
Share of profit in associates and joint ventures					92,994	92,994
Profit before tax	1,085,200	252,502	1,875,639	10,510	(847,362)	2,376,489

SEGMENT INFORMATION (continued) 37.

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Business segments (continued)

2020: Э

					CUI	Currency: VND million
For the year ended 31 December 2020	Life insurance	General insurance	Financial services	Real estate operations and other activities	Consolidated adjustments and eliminations	Total
Direct written premium	28,017,816	10,189,932			(2,857)	38,204,891
Reinsurance premium ceded	(15,431)	(4,745,784)				(4,761,215)
Commission on reinsurance ceded and other insurance income	8,656	1,071,712	I	I	I	1,080,368
Total net operating revenues	28,011,041	6,515,860			(2,857)	34,524,044
Claim and maturity payment expenses	(7,495,755)	(5,305,069)	I	I	I	(12,800,824)
Claim expenses for reinsurance assumed	d 	(132,653)				(132,653)
Deductions		3,180				3,180
Recoveries from reinsurance ceded	5,323	2,152,686	I	1	I	2,158,009
Increase in insurance reserves	(19,096,016)	1	I	1	(27,185)	(19,123,201)
Decrease in claim reserves for direct insurance and reinsurance assumed	33,269	309,659				342,928
Increase in claim reserve related to reinsurance ceded	1	(152,814)	I	1	I	(152,814)
Provision for catastrophe reserve	I	(115,350)	I	1	73,878	(41,472)
Claim expenses using catastrophe reserve	I	72,000	I	1	(46,693)	25,307
Other insurance operating expenses	(1,998,176)	(2,569,358)	I	1	90,273	(4,477,261)
Total direct expenses for insurance activities	(28,551,355)	(5,737,719)	•		90,273	(34,198,801)
Net operating income from other activities	I	1	461,762	20,842	(467,251)	15,353
Selling expenses	(2,366,263)				105	(2,366,158)
General and administration expenses	(2,307,985)	(1,153,870)	(578,627)	(19,455)	303,420	(3,756,517)
Profit from financial activities	6,265,488	453,260	1,514,315	7,956	(587,273)	7,653,746
Other profit	26,915	10,248	894	707	(27,157)	11,607
Share of profit in associates and joint ventures					70,012	70,012
Profit before tax	1,077,841	87,779	1,398,344	10,050	(620,728)	1,953,286

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37. SEGMENT INFORMATION (continued)

Business segments (continued)

The following table presents financial position of the Group's business segments as at 31 December 2021:

					Current	y: VND IIIIIIOII
As at 31 December 2021	Life insurance	General insurance	Financial services	Real estate operations and other activities	Consolidated adjustments and eliminations	Total
ASSETS						
Cash and cash equivalents	438,524	105,737	250,549	34,559	4,524,723	5,354,092
Receivables from reinsurance	2,554	302,536	-	-	-	305,090
Receivables from insurance	190,101	728,686	-	-	-	918,787
Reinsurance assets	_	2,148,982	_	_	_	2,148,982
Other receivables	4,197,569	157,068	1,124,036	85,614	(902,807)	4,661,480
Financial investments	135,887,459	8,144,832	20,638,240	100,800	(15,380,686)	149,390,645
Loan receivables	-	_	3,395,803	_	20,603	3,416,406
Tangible fixed assets	230,259	360,106	335,422	23,664	24,814	974,265
Intangible fixed assets	254,844	359,216	331,515	14,640	_	960,215
Other assets	220,695	722,363	330,150	125,767	(24,814)	1,374,161
TOTAL ASSETS	141,422,005	13,029,526	26,405,715	385,044	(11,738,167)	169,504,123
LIABILITIES						
Short-term liabilities	15,281,825	2,827,473	3,674,424	84,722	(161,392)	21,707,052
Long-term liabilities	118,590,324	6,903,431	305,314	21,512	(50,240)	125,770,341
TOTAL LIABILITIES	133,872,149	9,730,904	3,979,738	106,234	(211,632)	147,477,393
OWNERS' EQUITY	7,549,856	3,298,622	22,425,977	278,810	(11,526,535)	22,026,730
TOTAL LIABILITIES AND OWNERS' EQUITY	141,422,005	13,029,526	26,405,715	385,044	(11,738,167)	169,504,123

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37. SEGMENT INFORMATION (continued)

Business segments (continued)

The following table presents financial position of the Group's business segments as at 31 December 2020:

					Curren	cy: VND million
As at 31 December 2020	Life insurance	General insurance	Financial services	Real estate operations and other activities	Consolidated adjustments and eliminations	Total
ASSETS						
Cash and cash equivalents	384,396	142,711	493,393	24,017	5,736,225	6,780,742
Receivables from reinsurance	2,608	701,458	-	_	-	704,066
Receivables from insurance	119,416	931,662	-	-	(280)	1,050,798
Reinsurance assets	-	2,246,696	-	-	-	2,246,696
Other receivables	3,935,086	241,394	927,835	79,185	(806,873)	4,376,627
Financial investments	115,015,974	7,191,133	18,764,545	106,138	(15,485,401)	125,592,389
Loan receivables	_	-	2,216,794	-	20,687	2,237,481
Tangible fixed assets	234,768	205,394	361,651	32,469	25,366	859,648
Intangible fixed assets	251,973	375,976	286,419	14,639	-	929,007
Other assets	229,261	941,655	401,746	100,080	(37,395)	1,635,347
TOTAL ASSETS	120,173,482	12,978,079	23,452,383	356,528	(10,547,671)	146,412,801
LIABILITIES						
Short-term liabilities	15,753,058	2,496,715	1,626,742	47,931	(177,008)	19,747,438
Long-term liabilities	98,176,442	7,329,914	331,800	24,304	(18,863)	105,843,597
TOTAL LIABILITIES	113,929,500	9,826,629	1,958,542	72,235	(195,871)	125,591,035
OWNERS' EQUITY	6,243,982	3,151,450	21,493,841	284,293	(10,351,800)	20,821,766
TOTAL LIABILITIES AND OWNERS'	120,173,482	12,978,079	23,452,383	356,528	(10,547,671)	146,412,801

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38. COMMITMENTS AND CONTINGENCIES

38.1 Commitment under operating leases

The total lease commitments in the future under other non-cancellable lease agreements including the assets such as offices, working places are as follows:

	31 December 2021 VND	31 December 2020 VND
- Less than 1 year	84,185,634,810	78,302,512,182
- From 1-5 years	161,615,146,009	113,038,054,387
More than 5 years	58,987,221,774	70,062,124,605
	304,788,002,593	261,402,691,174

38.2 Outstanding disputes, litigations

During the years 2008 and 2009, the Group entered in term deposit contracts with Agribank Leasing Company No. II ("ALCII"), with the deposits' original maturities ranging from six (06) months to one (01) year and interest rates ranging from 10.5% to 17.5% per annum. Starting from 2009, due to financial difficulties, ALCII has failed to repay the principals and related interests of some deposit contracts to the Group. Therefore, in 2016, the Group filed a lawsuit against ALCII following the regulations of Civil Laws regarding ALCII's failure to perform the obligations regulated in the signed contracts. According to the decision of the Verdict No. 1009/2016/KDTM-PT dated 05 September 2016 and Verdict No. 1158/2016/HDTM-PT dated 30 September 2016 issued by the Court Appeal - Ho Chi Minh City People's Court, ALCII is obliged to settle all outstanding debts owed to the Holdings as at 31 May 2016 comprising: unpaid principals of VND 326,600,000,000, unpaid due interest of VND 52,990,388,887, unpaid overdue interest of VND 421,212,752,500 and the overdue interests calculated on the overdue unpaid interests of VND 69,068,967,356 and interests arising during the year from 01 June 2016 until the full settlement of all outstanding debts calculated on the outstanding principals and remaining due interests at the rates set forth in the signed contracts. On 31 July 2018, the People's Court of Ho Chi Minh City issued the decision 1009/2018/QD-TBPS on declaring bankruptcy for ALCII. The Group is currently continuing to coordinate with related parties to collect the debts from ALCII.

As at 31 December 2021, Bao Viet Insurance was in litigation with policy holders of several loss cases in which Bao Viet Insurance refused to pay the claims in full or only accepted to pay a part of the claims. Total claim amount of mentioned above cases as at 31 December 2021 was VND 143.4 billion, in which the residual liability due to Bao Viet Insurance was VND 128 billion. The ultimate impact of those litigation cases can only be determined based on the final decision made by the Court or the Conciliation Commission and therefore, Bao Viet Insurance has not yet set up claim reserves for those cases.

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OFF-BALANCE SHEET ITEMS 39.

ITEMS	31 December 2021	31 December 2020
1. Insurance policies signed but not yet effective (VND)	236,054,619,347	215,722,244,159
2. Bad debt written off (VND)	7,436,521,813	7,436,521,813
3. Foreign currency (USD)	1,171,625	941,499
4. Securities under custody (VND)	34,102,970,363,000	29,420,061,882,810
5. Securities not in custody (VND)	2,706,091,656,767	2,767,950,787,600
6. Cash at bank of trusted sources (VND)	1,516,974,651,605	1,175,873,185,276
7. Trusted investment portfolios (VND)	251,490,246,497	247,873,383,596
8. Receivables of trusted sources (VND)	6,799,606,027	7,034,397,261
9. Payables to trusted sources (VND)	(1,520,185,203,590)	(1,176,118,011,151)
10. Interest receivables from term deposits, bonds and trusted loans (VND)	2,769,739,252,317	2,424,552,722,009

40. RISK MANAGEMENT FRAMEWORK

The primary objective of the Groups' risk management framework is to take preventive actions and minimize possible inherent risks in order to sustain the Groups' business operation in a stable, safe and efficient manner; help to create a transparent management environment as well as to safeguard the Groups' assets and reputation.

Risk Management activities are uniformly implemented from the Holding's management to each relevant unit or staff of the Group using the same principle to actively identify, evaluate and control the impact of different types of risks on business operation of the Group.

The Holding's Board of Directors ("BOD") takes responsibility for approving the structure, function and duty of the Group's risk management system; issuing strategy, risk management policies of the Group as well as supervising risk management activities of the entire Group.

The Chief Executive Officer ("CEO") of the Group shall be entitled to issue regulated documents and guidelines on internal risk management and implement risk management strategies and policies which have been approved by the BOD. Policies and risk management system are periodically reviewed to timely reflect all market's movements as well as the Group's business operations.

Risk Management Council ("RMC") of the Group is a supporting agency for the Group's CEO to implement risk management practices. RMC's meetings are conducted on a periodic basis to assess the level of risk exposure for the Group, identify emerging risks and their preventative actions; approve models, risk measurement tools, limits of different risk types and supervise the execution/application of those approved risk limits.

In this note, the Group would like to present basic understanding of risk management activities in general as well as objectives, policies, procedures of risk management and assessment methods in relevance with the use of financial instruments particularly.

Capital management

The primary capital management objectives of the Group and its subsidiaries is to maintain an adequate capital base to support business development and cover the inherent risks. Besides, capital management should comply with solvency margin requirements and strategic requirements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

40. RISK MANAGEMENT FRAMEWORK (continued)

Capital management (continued)

The Group and its subsidiaries are aware of the impact on shareholders' returns of the level of equity capital employed. The subsidiaries manage their own capital with an aim to develop their business, fulfils legal requirements and conform to the Group's capital plans as well. The Group have met all the capital requirements on fulfilling obligations and solvency position as at 31 December 2021 in Vietnam.

Regulators are primarily interested in protecting the rights of policyholders and monitoring the insurance companies closely to ensure that they are operating effectively for the policyholders' benefit. At the same time, regulators are also interested in ensuring that the insurers maintain appropriate solvency position to meet unforeseen liabilities arising from economic downturn or natural disasters.

The table below summarizes solvency margin for the Bao Viet Insurance and Bao Viet Life:

	Solvency margin (million VND)	Minimum solvency margin (million VND)	Solvency margin ratio (%)
Bao Viet Insurance			
As at 31/12/2021	2,534,908	1,263,086	200
As at 31/12/2020	2,069,190	1,441,877	144
Bao Viet Life			
As at 31/12/2021	6,935,414	6,223,146	111
As at 31/12/2020	5,656,346	5,287,750	107

The solvency margin ratio of the Bao Viet Life and Bao Viet Insurance is an indicator of the overall solvency position for insurance business and is calculated based on the relevant regulations promulgated in Circular No. 50 /2017/TT-BTC dated 15 May 2017 and Circular No.01/2019/TT-BTC dated 02 January 2019 by the Ministry of Finance.

In 2021, the situation of the Covid-19 pandemic in Vietnam and around the world is still complicated, but Vietnam has well controlled. Insurance losses of Bao Viet Insurance due to COVID-19 pandemic are not significant. Bao Viet Insurance meets the requirements of solvency margin as prescribed.

The decrease in government bond interest rates has increased the provision for life insurance operations, affecting the profit and equity of Bao Viet Life. Bao Viet Life guarantees solvency margin as prescribed.

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

The Group has exposure to the following risks from its operating activities:

- Insurance risk:
- Financial risks including credit risk, liquidity risk and market risk.

Risk management is integral to the whole business of the Group. Management continually monitors the Group's risk management process to ensure an appropriate balance between the cost of risks occurring and the cost of managing the risks. The management reviews and agrees policies for managing each of the above summarized risks as below:

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41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

41.1 Management of insurance risk

Insurance risk is the risk related to the possibility that an insurance company incurs losses due to premium income being insufficient to cover insurance events. The insurance activities are carried out by Bao Viet Insurance and Bao Viet Life - two subsidiaries of Bao Viet Holdings.

41.1.1 Objectives and policies for insurance risk management

Risk management objectives of Bao Viet Insurance and Bao Viet Life are to control the scope and level of losses incurred, keeping these within the risk acceptance level.

Insurance risk management policies in Bao Viet Life

Bao Viet Life promulgates a Risk Management Policy that stipulates a management mechanism for material risks, including insurance risks. Risk appetite and risk limits provide limits and warning thresholds to control material risks. In particular, insurance risk is considered on a number of aspects such as product risk, pricing risk, legal issues, cost control, investment, underwriting, anti-selection, insurance profiteering, reinsurance... Insurance risks are identified and evaluated quarterly to promptly provide appropriate solutions, ensuring compliance to limits.

Bao Viet Life fully applies risk management methods in designing new insurance products/ adjusting existing products design, sales and underwriting, design policy wording, experience monitoring, verification inspection contract and claim to meet the benefit payment under the insurance contract and achieve the target insurance business profits. Bao Viet Life regularly reviews the key assumptions (for example mortality tables, technical interest rates, expenses loss ratio, dividend/bonus scale), properly review the insurance risks and the insured; verify the principle compliance of sales underwriting, verification inspection and claim procedures; focuses on review and management potential insurance risks and frauds; regularly reassesses accumulated risks and provisioning adequately for all insurance reserves and reinsurance arrangement.

Insurance risk management is emphasized in all relevant stages of the business process. Firstly, insurance risks are closely monitored through the development of appropriate assumptions for expected losses related to the insured under insurance policies. Bao Viet Life may be exposed to the risk of uncertain timing, frequency and amount of compensation payments related to the accidental loss, health, insurance frauds or other risks that may arise from the insured event. Therefore, Bao Viet Life has issued and implemented relevant regulations and strictly managed processes of: product design and management; monitoring implementation; periodically assessment of product profitability and sales revenue; scenario analysis; timely completion of products and revaluation especially when the reality occurs against assumptions.

Bao Viet Life manages insurance risk by setting insurance underwriting limits, the approval procedures for transactions related to new contracts or transactions that breach the limits, diversifying risk portfolios, providing valuation principles, principles of reinsurance and monitoring of other affairs.

Bao Viet Life has used several methods to assess and monitor insurance risk exposures. These methods include internal risk measurement models, sensitivity analyses, scenario analyses and stress testing. The theory of probability is applied to the pricing and establishment of insurance products portfolios. For life insurance products, the significant risk is that the frequency of occurrence of insured events is greater than expected. Insurance events are random, and the actual number of insured events occurred during any one-year time period may vary from estimated figures using practical statistical techniques.

The process applied by Bao Viet Life to determine the assumptions is intended to result in stable and prudent estimates of future outcomes. This is achieved by adopting relatively conservative assumptions, which can withstand a reasonable range of fluctuation of actual experience. Annual review of the relevant experiences is performed to ensure the margin exists between the assumptions adopted and the most likely estimates of future outcome are acceptable.

- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.1 Management of insurance risk (continued)
- 41.1.1 Objectives and policies for insurance risk management (continued)

Insurance risk management policies in Bao Viet Life (continued)

Bao Viet Life calculates and appropriates Technical resevers for life insurance products according to the principles as set out in Note 4.15 - Technical reserves.

The principal assumptions underlying the calculation of the long-term business provisions are:

(i) Table of mortality rates

The table of mortality rates used in reserve calculation are based on the approved actuarial basis, which is consistent with the local statutory requirement. Bao Viet Life use the mortality table CSO 1980 for reference and comparison.

For the life annuity products, a separate rate table is used to ensure prudent and complete provision.

(ii) Morbidity, disability, hospitalization incidences rates

The morbidity, disability, hospitalization incidences rates used in reserving are based on the filed actuarial basis. The morbidity, disability incidence rates, which mainly cover major illness and disability, are generally derived from total paid benefit payment and average annualized premium.

In additions, for insurance policy where the insured has a greater risk exposure than standard cases (which means there is an additional premium), the additional reserve amounts will be established accordingly with the increased risks.

(iii) Valuation interest rate

Bao Viet Life used the different valuation interest rates for different groups of traditional products under participating and non-participating traditional funds. At the same time, to ensure the compliance with regulation on the minimum statutory reserve approved by Ministry of Finance, the result according to the published reserve method, which were declared, will be compared with the minimum statutory reserve to ensure that published reserve is not less than the minimum statutory reserve. Specifically, if the result lower than the minimum statutory reserve, the minimum statutory reserve will be used.

Bao Viet Life has issued strict regulations, especially in product design, pricing activities and excluding rules in order to minimize the possibility of insurance fraud and adverse selection. Simultaneously, the Bao Viet Life provides rules on underwriting process such as specification of acceptable insurance subjects, risk assessment and insurance acceptance, maximum/minimum sum insured, accepted insurance products, eligible hospitals for insurance benefit payment, full implementation of premium pricing, ensuring reasonable profitability and solvency positions in situations whereby the actual compensation differs from assumptions to the extent of a certain limit. The methods and tools used by the Bao Viet Life to assess and monitor insurance risks are risk measurement models, sensitivity analysis, and scenario analysis. Advanced actuary methods are applied to premium pricing and determination of insurance products portfolio and insurance coverage that can be provided.

The assessment of risk, insurance approval process, inspections and resolving insurance claim requests have been enhanced through the improvement of regulations, operation procedures, staff training and building good business relationships and effective cooperation with relevant parties... In particular, this work has been centrally managed consistently throughout Bao Viet Life.

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.1 Management of insurance risk (continued)
- 41.1.1 Objectives and policies for insurance risk management (continued)

Insurance risk management policies at Bao Viet Insurance

Bao Viet Insurance assessed the situation, analyzed the impact and made adjustments such as adjusting products, adjusting the policy of decentralization of exploitation, compensation, etc. fixing insurance premiums according to the level of loss of each contract; continue to control risks to achieve the targets of performance.

For underwriting operation, Bao Viet Insurance has diversified the insurance risks through individual customers and retail channels, Bao Viet Insurance also applies risk selective criteria which except the insurance risks with high probability of claims or potential fraud. Bao Viet Insurance also has enhanced cumulative risk evaluation and established regulations on insurance acceptance for different product categories, for each location in order to diversify risks and avoid cumulative risk.

In 2021, Bao Viet Insurance has revised the premium rate for each risk categories based on analysis of the loss experience and trends of risks, inflation, competition and change in regulations. With the high loss rate and expense categories, Bao Viet Insurance only accepts to enter the insurance contracts with higher premium or limited insurance coverage or increased deductible amount. For the risk categories with loss rate still ensuring insurance profit, Bao Viet Insurance advocates to increase the insurance acceptance rate to increase market share and increase cash inflows to profit from finance activities.

For in-force insurance contracts, if they incur additional credit risk (the insured is unable to pay premiums), Bao Viet Insurance actively terminates the contracts to avoid obligations on reinsurance premiums, taxes, or compensation for occurred loss.

Bao Viet Insurance also applied all risk transfer solutions to share risks with other insurance companies and the policyholders such as co-insurance, reinsurance and deductible amount application for insurance operations are indirectly purchase the reinsurance. For other business lines, Bao Viet Insurance has also required reinsurance arrangements before issuing an insurance policy or entering excess of loss reinsurance contracts.

Loss assessment and claim settlement have been executed at two levels. The large and complicated losses are handled and centralized claim settlement at Bao Viet Insurance. Small and less complicated ones which the member companies have experience in receiving and settling are handled at branch level. Bao Viet Insurance has also enhanced claims processing and compensation procedure to avoid the additional risks that may arise such as exchange rate, additional claim cost, inflation, ethics risks, etc.

Bao Viet Insurance has successfully developed and implemented Customer service Center to improve underwriting especially loss notification, loss adjustment and claim settlement processes. Bao Viet Insurance has initially implemented InsureJ software and developed underwriting and claim settlement center model to assess risk and handle claim at branch level. The software supports the timely and accurate recording of policyholder information, insurance contract information, loss information for analysis, evaluation and risk management decisions.

41.1.2 Cash flow management from insurance activities

Traditional life products

Insurance business strategy of the Bao Viet Life is to seek diversity to ensure a balanced mix of business portfolio and based on a large portfolio of similar risks over a number of years and, as such, reduces the variability of the outcome. Detailed description of main insurance products of the Bao Viet Life and the management of their related risks are presented as below:

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

- 41.1 Management of insurance risk (continued)
- 41.1.2 Cash flow management from insurance activities (continued)

Traditional life products (continued)

Product features - The basic feature of long-term traditional insurance products is to provide guaranteed death benefit determined at the time of policy commenced. The benefits of insurance products with a savings component are guaranteed with surrender value and maturity benefits, reduced sum insured when stopping premium payments and periodic benefits (for specific products). For specific products (such as juvenile products), the waiver of premium (WP) benefit is provided when the policyholder dies or is in Total and Permanent Disability ("TPD") status, or when the insured is in TPD status. The TPD benefit is also paid in case the insured is in TPD status for juvenile and other products. In addition, in some products, insurance benefits for serious injury caused by accident or serious are provided in the event that the respective insured event occurs to the insured.

Traditional products, which include discretionary participating features, allow policyholder to receive a distribution of the profits of the life insurance fund. These plans offer a discretionary annual bonus in the form of an accumulated cash dividend at the end of financial year and payable to the policyholder at the policy anniversary date for each five (05) years. With participating product in the form of bonus, bonus for policyholders including reversionary bonus and terminal bonus.

- The basis of the distribution of profits to the policyholders are:
- (i) To reflect the financial position of the Bao Viet Life;
- (ii) To take into consideration the reasonable expectation of policyholders;
- (iii) To balance the interests between the shareholders and policyholders; and
- (iv) To comply with regulations.

Risk management - Bao Viet Life has complete discretion over the decision of declared bonuses subjects to fully compliance with current regulations. In practice, Bao Viet Life considers policyholders' reasonable expectations when setting bonus levels. It is Bao Viet Life's intention to maintain a stable dividend rates based on the long-term rate of return. Annual review is performed to confirm the appropriateness of the current dividend rate taking into account the overall experience on investments, claims, operating expenses and cancellations.

Investment risks are managed through matching of assets and liabilities. Investment strategies are developed to satisfy policy holders' reasonable expectations on the basis of fully compliance with current regulations. Risks of death, injury and illness are managed through proper implementation of underwriting, issuing contracts, survey and claim settlement procedures and experience monitoring.

Universal life products

Product features - Bao Viet Life issues universal life insurance contracts, which provide policyholders with life insurance protection and investment opportunity in the universal life fund including endowment universal life product which has insurance term of fifteen (15), twenty (20) or twenty-five (25) years, universal life product for children and whole life universal life product.

The universal life products provide guaranteed death benefit, which is either the greater of the Policy Account Value ("PAV") and the Increasing Sum Insured or the sum of Policy Account Value and Increasing Sum Insured and Maturity benefit to be the Policy Account Value according to the choice of policyholders. In addition, policyholder can choose the level of Financial support benefit at the time of joining insurance (with universal life products for juvenile) or advanced insurance benefits including medical care, cancer, stroke (with An Phat Cat Tuong products).

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.1 Management of insurance risk (continued)
- 41.1.2 Cash flow management from insurance activities (continued)
 - Universal life products (continued)

The universal life contracts provide a minimum committed investment interest rate under a "soft" commitment mechanism (a guaranteed minimum investment interest rate in the event of death, contract cancellation and contract matured) or under a "hard" commitment mechanism (a guaranteed minimum investment interest committed under each contract year or each group of contract years)

The universal life products also provide Loyalty benefit, Fund size benefit and and benefits Special Bonuses in order to increase the value for policies which have large fund size and/or adequate premium payments.

Premiums received are deposited into Bao Viet Life's universal life fund after the deduction of initial charges. Other fees and charges including the cost of insurance, policy administration and investment fund management fee are deducted from the policy's PAV.

Voluntary pension products

Product features - Bao Viet Life has 02 voluntary pension products, including group of pension products and individual pension products, which provide retirement plan and protection for different types of customers. The policyholder may choose retirement age for the life insured and the contribution type (single contribution or regular contributions until retirement age). For group pension product, the contributions may come from both policyholder and the life insured (member).

The main benefits of pension products including Pension benefit, Death benefit, TPD benefit, Funeral allowance benefit, Loyalty benefit, Withdrawal benefit. From retirement age of the life insured, Pension benefit will be paid out from PAV regularly by a frequency and in a predetermined period or until the life insured died (depending on the choice and the Sum Insured or the sum of PAV and Sum Insured. Funeral allowance benefit is paid immediately when the life insured dies and will be deducted from death benefit or any later payment(s). Up to policy wordings of each product, the Life insured can transfer or withdraw the PAV in some specific situations. Pension products also provide Loyalty benefit in order to increase the PAV for Pension accounts which have large fund size and/or adequate contributions.

Minimum investment return for pension products is guaranteed for each Pension account year (hard guarantee).

Contributions received are deposited into the Company's Voluntary pension fund after the deduction of Initial charges. Other fees and charges including the cost of insurance, policy administration and investment fund management fee are deducted from the PAV. For group pension product the fees and charges may be applied differently depending on features of each group

Health Insurance products

Product features - Health insurance products are guaranteed benefit in the insured events without maturity benefits and surrender value. Health insurance products are non-participating products.

For insurance period, Bao Viet Life is providing two types: annual re-enforce (insurance period is 01 year) and long term (insurance period is more than 01 year).

Risk management - Risks of injury, illness and hospitalization, etc... are managed through product design, pricing, strict compliance with sale processes, insurance contract issuance, survey and claim settlement procedures, experience monitoring.

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

- 41.1 Management of insurance risk (continued)
- 41.1.2 Cash flow management from insurance activities (continued)

Non-life insurance products

Bao Viet Insurance fully complies with regulations of the Ministry of Finance on premium debt and premium debt settlement, implements management policies to avoid misappropriation of cash flow.

Bao Viet Insurance continued to maintain its cash flow management policy, ensuring liquidity and responding the needs of claim payment and maximizing of using free cash flow in 2021.

41.1.3 Additional information on insurance risk

Claim development table

The table below presents estimates of cumulative claim incurred and cumulative payment to date:

	-		_		Currency	: VND millior
			Accide	ent year		
ITEMS	2017	2018	2019	2020	2021	Total
Accident year	1	2	3	4	5	6
I. Estimate of cumulative claims incurred						
1	2,954,365	4,034,625	3,751,268	2,116,986	3,113,602	-
2	3,718,676	4,210,835	4,435,773	2,634,198	-	-
3	3,532,364	4,086,371	4,341,429	_	-	-
4	3,379,411	4,051,678	_	_	_	-
5	3,501,057	_	_	_	_	_
Current estimate of cumulative claims incurred (1)	3,501,057	4,051,678	4,341,429	2,634,198	3,113,602	17,641,964
II. Cumulative claim payment						
1	2,424,100	2,757,013	3,146,324	1,407,772	1,745,976	-
2	3,294,708	3,811,575	3,720,755	2,004,568	_	-
3	3,415,379	3,929,080	3,908,577	_	_	_
4	3,491,930	3,969,766	_	_	_	_
5	3,498,231	-	_	_	_	_
Cumulative claim payment to date (2)	3,498,231	3,969,766	3,908,577	2,004,568	1,745,976	15,127,118
III. Net outstanding claim reserve (3) = (1) – (2)	2,826	81,912	432,852	629,630	1,367,626	2,514,846
IV. Current estimate of surplus or deficit (4)	(546,692)	(17,053)	(590,161)	(517,212)	-	
V. Percentage of current estimate of surplus/ (deficit) over current estimate of cumulative claims incurred (5) = (4)/(1)*100%	-16%	0%	-14%	-20%	0%	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.1 Management of insurance risk (continued)
- 41.1.3 Additional information on insurance risk (continued)

Impacts on reported profits and equity

Insurance and investment activities are two main sources of income of Bao Viet Insurance, in which, insurance profit is less significant to the Bao Viet Insurance's profits.

Profit from insurance operation of Bao Viet Life depends heavily on factors such as discount rate, investment rate, mortality rate, operating expenses. Bao Viet Life has run valuation/pricing models based on a variety of assumptions. A sensitivity analysis in various scenarios provides an insight into the key risks to which Bao Viet Life is exposed to. The following table demonstrates the sensitivity of estimates of insurance liabilities to particular movements in assumptions used in the estimation process. Certain variables are expected to impact more significantly on insurance liabilities than others, and consequently have a greater degree of sensitivity.

Impacts on reported profits to changes from key variables are:

			Currency: VND million
	Change in variable (%)	Change in insurance liability	Impact on equity
31 December 2021			
Valuation rate	+0,25	(1,021,279)	817,023
Valuation rate	-0,25	1,141,236	(912,989)
Mortality rate	+10	165,007	(132,006)
Mortality rate	-10	(162,760)	130,208
Mortality rate	+20	335,192	(268,154)
Mortality rate	-20	(321,925)	257,540
31 December 2020			
Valuation rate	+0,25	(1,110,687)	888,550
Valuation rate	-0,25	1,230,826	(984,661)
Mortality rate	+10	201,596	(161,277)
Mortality rate	-10	(198,934)	159,147
Mortality rate	+20	409,519	(327,615)
Mortality rate	-20	(393,475)	314,780

The analysis above has been prepared with assumption that when one variable changes all other assumptions remain constant and ignores the changes in values of the related assets.

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

- 41.1 Management of insurance risk (continued)
- 41.1.3 Additional information on insurance risk (continued)

Concentration of insurance risk

Insurance risks of Bao Viet Insurance include most types of non-life insurance risks such as cargo, marine, aviation, oil and gas, property, personal and accident, engineering risk, etc. Aside from concentration risk in the same insurance risk category, Bao Viet Insurance also faces concentration of related insurance risks e.g. combination of vessel and cargo insurance, asset and human insurance, etc. In 2021, Bao Viet Insurance continues implementing policies and procedures to manage concentration risks and to maintain reinsurance protection contracts to limit liability when concentration risk events or disaster occur.

There are no significant differences of Bao Viet Life's primary risks including mortality risk, morbidity risk, longevity risk, investment risk, expense risk, or risk from the insured's decision making, among various regions, product types, or sectors.

Bao Viet Life's underwriting strategies in life insurance are designed to ensure insurance risks are diversified in both product lines and the degree of insurance benefits. This is achieved mostly by underwriting in almost all sectors and geographical areas; utilizing healthcare facility in order to guarantee that the product pricing process has already included the current health status, family medical history or career characteristics of the insured; periodically reviewing practical claim cases and product pricing along with claim settlement procedures. Underwriting limits are set to assure that risk criteria are properly chosen.

For instance, Bao Viet Life has the right to refuse re-enforcement of separate insurance contracts, deny claim payment in fraud cases. Bao Viet Life The Company further improved the active management and claim recovery to reduce unpredicted risks in the future, which might have an adverse impact on Bao Viet Life.

Reinsurance

Reinsurance is an important and effective risk management solution in Bao Viet Insurance, including one-year treaty arrangements and facultative reinsurance agreement for each single risk. The reinsurers contracted with Bao Viet Insurance are insurers/reinsurers with highly credit ratings and have been cooperating with Bao Viet Insurance for many years, such as Munich Re, Swiss Re. The reinsurance program built and applied in Bao Viet Insurance up to now has increased insurance capacity of Bao Viet Insurance, protected Bao Viet from high risks and big losses, as well as supported Bao Viet Insurance meeting solvency requirement.

Bao Viet Life also manages insurance risks by implementing reinsurance policy, transfers a portion of the insurance policy risks to reinsurer companies through treaty reinsurance arrangements. The retained amount depends on financial capability and risk level of the insured. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the loss events occurred. In any case, Bao Viet Life remains liable to its policyholders with respect to full amount of sum insured whether or not the reinsurers meet their assumed obligations. Reinsurance contracts contain credit risks, and to minimize such risk, Bao Viet Life only enters into reinsurance contracts with those who meet the rating standards in accordance with the current regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.1 Management of insurance risk (continued)
- 41.1.3 Additional information on insurance risk (continued)

Estimates of insurance benefits

The following table sets out the concentration of life insurance contract liabilities by type of contract:

			Currency: VND million
	Insurance contract liabilities with DPF	Insurance contract liabilities without DPF	Total insurance contract liabilities
31 December 2021			
Rider insurance	355	610,578	610,933
Whole Life insurance	90,309	-	90,309
Term Life insurance	-	11,271	11,271
Endowment insurance	22,282,886	25,678,384	47,961,270
Universal life insurance	-	67,300,818	67,300,818
Annuity insurance	1,374,269	-	1,374,269
Voluntary pension insurance	-	861,435	861,435
Health insurance	-	3,818	3,818
Total	23,747,819	94,466,304	118,214,123
31 December 2020			
Rider insurance	439	535,593	536,032
Whole Life insurance	89,177	-	89,177
Term Life insurance	-	11,177	11,177
Endowment insurance	19,089,556	23,879,914	42,969,470
Universal life insurance	-	52,312,900	52,312,900
Annuity insurance	1,180,743	_	1,180,743
Voluntary pension insurance	_	738,757	738,757
Others	_	2,892	2,892
Total	20,359,915	77,481,233	97,841,148

Claim estimation

In order to effectively manage insurance risk, Bao Viet Life and Bao Viet Insurance have paid significant attention on the process from loss notification, estimation, statistics to loss data management.

For year ended 31 December 2021, Bao Viet Insurance has continued to improve the statistical processes and claim management to estimate and record the payments to the correct expense period. In 2021, Bao Viet Insurance applied centralized management in surveying, claiming of automobile insurance, health insurance in the key areas in Hanoi, Da Nang and Ho Chi Minh City in order to improve the surveying quality.

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

- 41.1 Management of insurance risk (continued)
- 41.1.3 Additional information on insurance risk (continued)

Claim estimation (continued)

Claim reserves include outstanding claim reserve is established for claims submitted but still in the course of settlement as at the balance sheet date and reserve for incurred but not reported claims. Loss information will be input into the system when insurance companies receives claim notice from customers. There is normally not much difference between claim estimation and claim paid since claim reserve was estimated based on loss information and compensation rate applied to each insurance product.

The Covid-19 pandemic has caused a decline in insurance revenue due to social isolation orders and decline in customer income. However, the Government is subsidizing all costs related to disease testing and treatment, therefore the disease has not increased compensation costs of insurance companies. In the long term, insurance companies will continue to monitor disease developments closely and analyze the impact of the Covid-19 pandemic on mortality and morbidity rates on insured customers. In the event of a material effect, the Group will consider adjusting the calculation assumptions during the design of new products as well as making additional provisions for existing products to ensure responsibility to customers.

41.2 Management of financial risk

Financial instruments of the Group and its subsidiaries are exposed to financial risks. Such risks include credit risk, liquidity risk and market risk. The management reviews and agrees policies for managing each of these above summarized risks as below:

4121Credit risk

Credit risk is defined as the risk of loss resulting from adverse changes in borrowers/ counterparties' ability to repay their debts on time as committed to the Group and its subsidiaries.

The Group is exposed to credit risk from insurance credit risk, financial investment activities (including term deposits, bonds and other financial instruments), and from other business activities. The Board of Management has issued credit risk management framework in order to manage credit quality and concentration of credit risk.

Insurance credit

Insurance credit risk is defined as probability that policyholders do not make premium payment sufficiently and timely according to insurance policy. This risk emerges mainly at Bao Viet Insurance. Although the premium payment is not made, since the policies are effective, Bao Viet Insurance has obligations to pay VAT, policy issuance and management fees, ceded premium as well as to make claim payment in case of claim incurred, if any.

In order to mitigate this risk, Bao Viet Insurance has issued regulations and required related parties to strictly comply with the Law and regulations on premium debt.

Regarding ceded contracts, after allocating insured liabilities to reinsurers, Bao Viet Insurance and Bao Viet Life faces credit risk of being unable to recover claim liability from reinsurers. To minimize these risks, the Group and its subsidiaries only contracted with reinsurers who have been highly credit rated by international rating firms and can meet requirements of the MOF of Viet Nam and periodically evaluate the capacity and rank annually for the reinsurance company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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- 41.2 Management of financial risk (continued)
- 41.2.1 Credit risk (continued)

Term deposits

Credit risk related to term deposits is defined as the probability that the deposits' principal and interest are not collected at pre-determined time as credit institutions go bankrupt, lose credit rating or are insolvency.

On 03 August 2020, the Holdings issued Decision 1018/2020/QĐ-TĐBV accompanied by Regulation on evaluating, categorizing of and setting up the credit limit for commercial banks and financial companies. This regulation is developed based on Circular 52/2018/TT-NHNN dated 31 December 2018 of State Bank of Vietnam in order to standardize the internal credit rating model applied at the Holdings and its subsidiaries. RMC of the Holdings has set up the credit limit at each financial institution where the Holdings could place deposits and these limits shall be periodically reviewed. The Holdings also establishes investment monitoring measures to timely respond to any signal of downgrading in credit quality of counter party. RMC of the Holdings shall review risk exposure and recommend corrective actions.

Bond investments

Credit risk related to bond investments is defined as probability that issuers are unable to pay principal and coupon on time. In order to manage credit risk arising from bond investments, the Group has established plan, approved limit to match with investment strategy and asset - liability structure issued Regulations on risk management of corporate bond investment accompanied by the Decision No. 1129/2020/QD-TDBV dated on 27 August 2020 (replaced the Regulation on risk management in corporate bond investment accompanied by the Decision No. 1762/2019/QD-TDBV dated 26 December 2019) in order to manage tightly financial and non-financial positions and movements of collateral assets.

In the case where the bond issuer losses its liquidity capability, the Group and subsidiaries will set a council to manage irrecoverable debts and dispose the secured assets (if any).

Government bonds are less risky than corporate bonds and currently account for significant part of total bond investment portfolios, therefore, the risk in bond investments is considered relatively low. Currently, there is no recognition of Covid-19 pandemic's impacts to the credit risk of the bond portfolio of the Group.

Margin transactions

Margin activities create credit risk when customers are unable to fully pay principal and interest of the loan even when all of their stocks which serve as collateral assets have been sold. BVSC continues to maintain governance policies that have been proven effectiveness as follows:

- Perform customer's credit rating and classification to grant proper credit limits in accordance with customers' financial capacity and collateral assets. Perform periodically reviews on customers with accumulated risk for compliance with risk limitation issued by BVSC;
- Select stock portfolios qualified for margin transactions in accordance with regulations of State Securities Commission and Stock Exchanges. Regularly update stock information in the market to identify and provide early warnings of stocks with signs of illiquidity or market price downtrend;
- Set up a set of safe margin ratios, accordingly, early alert customers about the status of their loan and request for additional margin; handle collateral assets to preserve capital safety of BVSC during margin transactions.

Credit risk of margin activities during this year is rated at medium.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

41.2 Management of financial risk (continued)

41.2.1 Credit risk (continued)

Trade and other receivables

Outstanding customer receivables are regularly monitored to mitigate credit risk. The impairment is analyzed at each reporting date on an individual basis for major clients. The Group's trade receivables relate to a large number of diversified customers, hence there is no significant concentration credit risk. The Group makes provisions for the receivables that have evidence of default based on their estimated credit losses.

Details of credit risk for each group of assets as at 31 December 2021 are as follows:

As at 31 December 2021	Not yet due not imp
ASSETS	
Cash and cash equivalents	5,354
Receivables from insurance operations	594
Reinsurance receivables	273
Reinsurance assets	2,148
Other receivables	86
- Deposits, mortgages or collaterals	7
- Dividend receivables	ł
Held-to-maturity investment	144,53
- Term deposits	89,90
- Bonds	54,628
Trading securities	60
- Bonds	60
Loans and advances to customers	6,130
Other assets	42
TOTAL	160,152

(*) Provision is included.

Currency: VND million Past-due but Individually ue and not individually Total paired impaired (*) impaired 54,092 5,354,092 _ 60,837 94,968 4.096 659,901 16,409 3,596 73,992 293,997 48,982 _ -2,148,982 36,438 86,438 _ 77,772 _ 77,772 -8,666 8.666 -_ 538,181 (175,000) _ 144,363,181)9,942 _ 89,909,942 28,239 (175,000) _ 54,453,239 00,126 _ 600,126 _ 600,126 -600,126 _ 30.245 1.073 1,167 6,132,485 25,781 2,160 3,327 431,268 2,805 80,479 (162,814) 160,070,470

as at 31 December 2021 and for the year then ended

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.2 Management of financial risk (continued)
- 41.2.1 Credit risk (continued)

Details of credit risk for each group of assets as at 31 December 2020 are as follows:

			Currei	ncy: VND million
As at 31 December 2020	Not yet due and not impaired	Past-due but not individually impaired	Individually impaired (*)	Total
ASSETS				
Cash and cash equivalents	6,780,742	-	-	6,780,742
Receivables from insurance operations	732,123	41,409	15,784	789,316
Reinsurance receivables	704,066	-	-	704,066
Reinsurance assets	2,246,696		-	2,246,696
Other receivables	77,855	-	_	77,855
- Deposits, mortgages or collaterals	71,586	-	_	71,586
- Dividend receivables	6,269	-	_	6,269
Held-to-maturity investment	121,507,403	-	_	121,507,403
- Term deposits	85,165,335	-	-	85,165,335
- Bonds	36,342,068	-	-	36,342,068
Trading securities	365,575	_	_	365,575
- Bonds	365,575	-	_	365,575
Loans and advances to customers	4,608,567	802	1,286	4,610,655
Other assets	173,831	3,053	3,136	180,020
TOTAL	137,196,858	45,264	20,206	137,262,328

(*) Provision is included

The Group's assets that are neither past due nor impaired include investment in securities, other receivables and other financial assets which are not overdue nor impaired under Circular 48.

41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

- 41.2 Management of financial risk (continued)
- 41.2.1 Credit risk (continued)

In which:

- evidence of decline in value.
- customers' credibility and other credit security measures.
- the interest and principal under the terms of the contract.

The Group has made an adequate amount of provision for impairment of receivables in accordance with Circular 48. Out of the total overdue assets, the Holdings is in the process of writing off default debts which have sufficiently supporting basis for the writing off. For default debts that have insufficient basis to be written off, the Group is conducting court procedures against them. For overdue debts whose debtors still have an ability to pay, the Group conducted debt confirmation and collection procedures.

41.2.2 Liquidity risk

Liquidity risk is defined as the potential inability to fulfill financial obligations on time because of a mismatch between short term liabilities and cash/liquid assets or is able to fulfill its financial obligations with substantial loss.

The Group's targets are to maintain the balance between cash inflows and outflows, and to ensure that financial commitments are fulfilled when due. To avoid and mitigate this risk, the Group continuously analyzes the remaining maturity based on liability contracts, and estimated cash flows. Past liquidity demand analysis is also performed to understand the movement in these demands and the impacting factors. The Group's liquidity position is regularly monitored and is reported to the Asset-Liability Committee ("ALCO"). The ALCO reviews the liquidity position and the investment performance and then determines suitable course of actions.

The liquidity of the Group has remained stable due to the impacts of the Covid-19 pandemic to slightly reduce revenue from non-life insurance and to diminish claim expense during the social-distancing period almost offset each other.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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• Not yet due and not impaired: the assets or loans with interest and principal are not yet due and there is no

• Past-due but not individually impaired: the assets with overdue interest and principal but the Group believes that these assets will not be devalued because they are secured by the collaterals and the Group has trust in the

• Individually impaired: debt instruments and loans to customers that the Group assessed that they cannot repay

MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued) 41.

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Management of financial risk (continued) 41.2

41.2.2 Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial assets as at 31 December 2021 based on their undiscounted contractual cash flows:

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As at 31 December 2021	Overdue	On demand	Up to 1 year	1-5 years	Over 5 years	Total
FINANCIAL ASSETS						
Cash and cash equivalents		II.	5,354,092			5,354,092
Receivables from insurance operations	64,933		594,968		Terrary 10, 10, 10, 10, 10, 10, 10, 10, 10, 10,	659,901
Reinsurance receivables			293,997		Terrary 1000	293,997
Reinsurance assets			2,148,982		Terrary 100 (1997)	2,148,982
Other receivables		I	86,438		I	86,438
- Deposits, mortgages or collaterals			77,772			77,772
- Dividend receivable	1	Ι	8,666		1	8,666
Financial investments		2,914,580	84,447,202	28,913,664	83,683,337	199,958,783
Held-to-maturity investments			83,991,775	28,913,664	83,683,337	196,588,776
- Term deposit contracts			78,886,612	13,552,428		92,439,040
- Bonds		Ι	5,105,163	15,361,236	83,683,337	104,149,736
Held-for-trading securities		2,196,111	455,427			2,651,538
- Listed shares	1	1,907,026	I	1	1	1,907,026
- Unlisted shares	1	41,732	I	1	1	41,732
- Fund certificates	1	247,353	I	1	1	247,353
- Bonds	1	I	455,427	1	1	455,427
Other financial investments	1	718,469	I	1	1	718,469
Loans and advances to customers	2,240		6,130,245	1	1	6,132,485
Other assets	5,487	1	425,781	1	1	431,268
TOTAL	72.660	2.914.580	99.481.705	28.913.664	83.683.337	215.065.946

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued) 4.

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Management of financial risk (continued) 41.2

41.2.2 Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial liabilities as at 31 December 2021 based on undiscounted contractual cash flows:

					Currei	Currency: VND million
As at 31 December 2021	Overdue	On demand	Up to 1 year	1-5 years	Over 5 years	Total
FINANCIAL LIABILITIES						
Insurance contract liabilities	14,234	1	(12,198,890)	(25,035,309)	197,111,714	159,891,749
Insurance payables	1	1	1,346,112	1	1	1,346,112
Reinsurance payables	1	1	993,492	1	1	993,492
Other financial liabilities	1	1	16,439,558	1	1	16,439,558
- Deposits received		1	263,474	1	1	263,474

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued) 41.

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Management of financial risk (continued) 41.2

41.2.2 Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial assets as at 31 December 2020 based on their contractual undiscounted cash flows:

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As at 31 December 2020	Overdue	On demand	Up to 1 year	1-5 years	Over 5 years	Total
FINANCIAL ASSETS						
Cash and cash equivalents			6,780,742		The second	6,780,742
Receivables from insurance operations	57,193		732,123	I	Terra 1	789,316
Reinsurance receivables			704,066	I	1	704,066
Reinsurance assets			2,246,696	I	1111 1111	2,246,696
Other receivables			77,855			77,855
- Deposits, mortgages or collaterals			71,586	I		71,586
- Dividend receivable		Ι	6,269	1	1	6,269
Financial investments		2,681,635	76,817,790	27,691,448	57,506,110	164,696,983
Held-to-maturity investments		Ι	76,444,345	27,691,448	57,506,110	161,641,903
- Term deposit contracts			72,911,395	15,191,301		88,102,696
- Bonds		I	3,532,950	12,500,147	57,506,110	73,539,207
Held-for-trading securities		1,927,850	373,445	I		2,301,295
- Listed shares		1,453,086		1		1,453,086
- Unlisted shares		198,892	I	I	1	198,892
- Fund certificates		275,872	I	I	1	275,872
- Bonds		I	373,445	I	1	373,445
Other financial investments		753,785	1	I	1	753,785
Loans and advances to customers	2,088	I	4,608,567	I	1	4,610,655
Other assets	6,189	1	173,831	I	1	180,020
TOTAL	65.470	2,681,635	92.141.670	27,691,448	57.506.110	180.086.333

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued) 41.

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Management of financial risk (continued) 41.2

41.2.2 Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial liabilities as at 31 December 2020 based on their contractual undiscounted cash flows:

As at 31 December 2020	Overdue	On demand	Up to 1 year	1-5 years	Over 5 years	Total
FINANCIAL LIABILITIES						
Insurance contract liabilities	13,778	1	(11,514,011)	(33,239,317)	168,262,091	123,522,541
Insurance payables		1	1,328,277	1		1,328,277
Reinsurance payables		1	1,338,293	1		1,338,293
Other financial liabilities		1	15,292,402	1	I	15,292,402
- Deposits received	I	ı	246,647	I	I	246,647



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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- Others	I	I	15,045,755	I	1	15,045,755
TOTAL	13,778	1	6,444,961	(33,239,317)	168,262,091	141,481,513
41.2.3 Market risk						
Market risk is the risk of changes in fair value of a financial	ancial instrument due to changes in key drivers such as interest rates, equity prices, exchange rates and commodity prices.	key drivers	such as interest ra	ites, equity prices, ex	change rates and cor	mmodity prices.
The Group's objective is to manage and control market risk exposures in order to optimize return on risk while maintaining a market risk profile consistent with its investment strateov.	market risk exposures in order to c	optimize re	eturn on risk whil	e maintaining a ma	rket risk profile con	sistent with its

as at 31 December 2021 and for the year then ended

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.2 Management of financial risk (continued)
- 41.2.3 Market risk (continued)

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in exchange rates. Fluctuations in exchange rates between VND and other currencies in which the Group conducts business may affect its financial condition and results of operations. Subsidiary which is affected by foreign currency risk is Bao Viet Insurance; however, the total exposure is insignificant.

The table below indicates the effect of a reasonably possible movement of the USD rate against the VND, with all other variables held constantly, on the consolidated income statement.

	Currency: VND million
Variation	Impact on profit before tax
Current year	
+10%	20,493
- 10%	(20,493)
Prior year	
+10%	6,002
- 10%	(6,002)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The fixed interest of bond and deposit investments account for a significant portion of the Group's investment portfolio which is principally managed to match forecasted liabilities. The average deposit interest rates of the Group's portfolio in 2021 decreased compared to 2020, affected the Group's reinvestment income of the fixed interest portfolio. The Group balanced cash flows, investment portfolio, and appropriated investment terms to ensure investment profit.

Interest rate risks related to traditional products of Bao Viet Life can be minimized by sharing income with the insured under the policy of discretionary participating features.

Equity price risk

Equity price risk is the risk of losses when price of listed and unlisted equities fluctuated significantly in the stock market. Equity price risk occurs when investing materially in one industry, one company or group of co-owner companies. The Group manages this risk by setting limits for investing in one industry, one company or a group of companies; analyzing systematic risk to investment portfolios when the market fluctuates significantly.

The Covid-19 pandemic had an impact on the stock market, however, the stock market upward trend was maintained well in 2021. The Group adopts a prudent strategy in equity investment and maintained equity investment proportion at a reasonable level in its investment portfolio.

The Group uses Value at risk ("VaR") tool to monitor and limit listed equity price risk. VaR is a technique that estimates the maximum losses that could result from movements in market rates and prices over a specified time, and to a given level of confidence.



41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

41.2 Management of financial risk (continued)

41.2.3 Market risk (continued)

Equity price risk (continued)

Value at Risk (VaR) as at 31 December 2021	HOSE	HNX	Total
Book value	1,790,147	369,850	2,159,997
Market value	3,222,352	878,582	4,100,934
VaR (95%, 1 day)	(81,600)	(38,279)	(119,879)
Diversified VaR (95%)	35,810	2,301	38,111
Weekly VaR (95%, 1 week)	(182,464)	(85,594)	(268,058)
Monthly VaR (95%, 1 month)	(382,739)	(179,544)	(562,283)
Annually VaR (95%, 1 year)	(1,295,365)	(607,659)	(1,903,024)
Value at Risk (VaR) as at 31 December 2020	HOSE	HNX	Total
Book value	1,511,560	476,298	1,987,858
		., 0,200	1,307,030
Market value	2,255,994	565,152	2,821,146
Market value VaR (95%, 1 day)			
	2,255,994	565,152	2,821,146
VaR (95%, 1 day)	2,255,994 (52,015)	565,152 (19,736)	2,821,146 (71,751)
VaR (95%, 1 day) Diversified VaR (95%)	2,255,994 (52,015) 51,162	565,152 (19,736) 4,658	2,821,146 (71,751) 55,820

VaR (95%, 1 day) of listed equity portfolio as at 31 December 2021 was VND 119.879 billion. This implies that with confidence level of 95%, the estimated potential loss of the listed share portfolio is no more than VND 119.879 billion within 1 day.

VaR (95%, 1 day) of listed equity portfolio as at 31 December 2021 is higher than VaR (95%, 1 day) as at 31 December 2020; VaR (95%, 1 day) as a proportion market value as at 31 December 2021 (2.92%) is lower than this proportion as at 31 December 2020 (3.45%).

The Group also uses stress testing method to evaluate the potential impact on investment portfolio under certain scenarios. The analysis below shows impact on profit before tax when there are reasonably possible movements in market indexes (VNI Index or HNX Index) where all other variables are held constant. The correlation of variables will have a significant effect in mitigating price risk:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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Currency: VND million

as at 31 December 2021 and for the year then ended

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- 41. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)
- 41.2 Management of financial risk (continued)
- 41.2.3 Market risk (continued)

Equity price risk (continued)

Currency: VND million

	Change in indexes	Impact on profit before tax of listed equity portfolio (*)
31 December 2021		
Scenario 1	+10%	8,534
Scenario 2	-10%	(74,650)
31 December 2020		
Scenario 1	+10%	16,347
Scenario 2	-10%	(36,168)

(*) The impacts are calculated based on the accounting policy applied for the provision of impairment of shares in accordance with Circular 48. Therefore, we only consider listed shares which have fair value below the cost when calculating impact on profit before tax.

Fund certificate price risk

The Holdings and BVF have reviewed, controlled and assessed regularly the volatility of the price of fund certificates which the Group and its subsidiaries have invested. The Net Asset Value ("NAV") per Fund Unit may increase or decrease, depending on the total assets and the total liabilities during the Fund's operating period. This risk stems from the price reduction of securities, such as bonds, listed and unlisted securities in the investment portfolio. Consequently, a Fund's NAV will decrease and has a direct impact on market price of fund certificates.

A Fund's investment is carried out through a rigorous appraisal process, based on the fund's objectives to grab the opportunities in high-vield, high-growth investment at the acceptable risk. Moreover, BVF has monitored closely the changes and trends of the economic factors as well as performance and future prospects to design appropriate investment strategies.

42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES

On 06 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") which is effective from financial years beginning on or after 01 January 2011. Circular 210 provides definitions of financial instruments which include financial assets and financial liabilities, derivative instruments, equity instruments as well as prescribes the classification, presentation and disclosures of these instruments.

As Circular 210 only prescribes the presentation of the financial statements and the disclosures of financial instruments, definitions of financial assets and financial liabilities and definitions of related items as disclosed as following are only applicable in this Note. The financial assets and liabilities of the Group are still recognized and accounted for in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and relevant regulatory requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Financial assets

Financial assets of the Group, within the scope of Circular 210, include cash and cash equivalents, fixed term investments, listed and unlisted equity instruments, loans and receivables and other financial receivables. According to Circular 210, for the purpose of disclosure in the notes to the financial statements, financial assets are classified as appropriate into either of the following categories:

Financial assets at fair value through profit or loss:

Financial asset at fair value through profit and loss is a financial asset that meets either of the following conditions:

- a) It is classified as held-for-trading. A financial asset is classified as held for trading if:

(ii) there is evidence of a recent actual pattern of short-term profit-taking; or

(iii) it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).

b) Upon initial recognition, it is designated by the entity as at fair value through profit or loss.

Held-to-maturity investments:

Held-to-maturity investments are non-derivative financial assets with determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity other than:

a) those that the entity upon initial recognition designates as at fair value through Income Statement;

- b) those that the entity designates as available-for-sale; and
- c) those meet the definition of loans and receivables.

Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than:

- and those that the entity upon initial recognition designates as at fair value through profit and loss;
- b) those that the entity upon initial recognition designates as available for sale; or
- deterioration, which shall be classified as available for sale.

as at 31 December 2021 and for the year then ended

(i) it is acquired or incurred principally for the purpose of reselling or repurchasing it in the short-term;

a) those that the entity intends to sell immediately or in the near term, which shall be classified as held for trading,

c) those for which the holder may not recover substantially all of its initial investment, other than because of credit

as at 31 December 2021 and for the year then ended

42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Financial assets (continued)

Available-for-sale financial assets:

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as:

- a) loans and receivables;
- b) held-to-maturity investments; or
- c) financial assets at fair value through Income Statement.

Financial liabilities

According to the Circular 210, financial liabilities of the Group include trade payables, other payables and borrowings. Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the financial statements, are classified into either of the followings:

• Financial liabilities at fair value through profit or loss:

Financial liability at fair value through profit and loss is a financial liability that meets either of the following conditions:

- a) It is classified as held for trading. A financial liability is classified as held for trading if:
- (i) it is acquired or incurred principally for the purpose of selling or repurchasing it in the short-term;
- (ii) there is evidence of a recent actual pattern of short-term profit-taking; or
- (iii) it is a derivative (except derivative that is a financial guarantee contract or effective hedging instrument).
- b) Upon initial recognition, it is designated by the entity as at fair value through profit or loss.

• Financial liabilities at amortized cost:

Financial liabilities that are not classified as at fair value through profit or loss are measured at amortized cost.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are off-set and the net amount reported in the consolidated balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

		Carrying amount		
As at 31 December 2021	Book value	Provision for impairment	Net carrying amount	Fair value
FINANCIAL ASSETS				
Held-to-maturity investments	145,655,534	(1,292,352)	144,363,182	162,051,614
- Term deposits	90,352,543	(442,600)	89,909,943	90,287,953
- Bonds	55,302,991	(849,752)	54,453,239	71,763,661
Held-for-trading securities	2,842,450	(46,213)	2,796,237	4,302,085
- Listed shares	1,915,619	(8,593)	1,907,026	3,312,266
- Unlisted shares	79,333	(37,601)	41,732	42,868
- Fund certificates	247,372	(19)	247,353	491,524
- Bonds	600,126	_	600,126	455,427
Other financial investments	761,152	(42,683)	718,469	1,647,415
Loans and advances to customers	6,106,012	(55,640)	6,050,372	6,050,372
Receivables from insurance operations	918,787	(258,887)	659,900	673,711
Reinsurance receivables	305,090	(11,092)	293,998	293,996
Reinsurance assets	2,148,982	_	2,148,982	2,148,982
Other receivables	606,806	(89,100)	517,706	517,706
- Deposits, mortgages or collaterals	77,772	-	77,772	77,772
- Dividend receivables	8,666	-	8,666	8,666
- Other receivables	520,368	(89,100)	431,268	431,268
Cash and cash equivalents	5,354,092	_	5,354,092	5,354,092
TOTAL	164,698,905	(1,795,967)	162,902,938	183,039,973



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Set out below is a comparison between the carrying value and fair value of the Group's financial instruments that are carried in the consolidated financial statements as at 31 December 2021:

Currency: VND million

as at 31 December 2021 and for the year then ended

B09-DN/HN

42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

Set out below is a comparison between the carrying value and fair value of the Group's financial instruments that are carried in the consolidated financial statements as at 31 December 2020:

			Curre	ency: VND million
	С	arrying amount		
As at 31 December 2020	Book value	Provision for impairment	Net carrying amount	Fair value
FINANCIAL ASSETS				
Held-to-maturity investments	122,624,756	(1,117,352)	121,507,404	142,103,925
- Term deposits	85,607,936	(442,600)	85,165,336	88,102,697
- Bonds	37,016,820	(674,752)	36,342,068	54,001,228
Held-for-trading securities	2,449,646	(156,221)	2,293,425	3,191,633
- Listed shares	1,563,800	(110,714)	1,453,086	2,180,487
- Unlisted shares	244,399	(45,507)	198,892	221,054
- Fund certificates	275,872	_	275,872	416,647
- Bonds	365,575	-	365,575	373,445
Other financial investments	874,538	(120,753)	753,785	1,218,309
Loans and advances to customers	4,603,098	(75,402)	4,527,696	4,527,696
Receivables from insurance operations	1,050,798	(261,483)	789,315	799,790
Reinsurance receivables	704,066	-	704,066	700,958
Reinsurance assets	2,246,696	_	2,246,696	2,246,696
Other receivables	341,618	(83,743)	257,875	257,875
- Deposits, mortgages or collaterals	71,586	-	71,586	71,586
- Dividend receivables	6,269	-	6,269	6,269
- Other receivables	263,763	(83,743)	180,020	180,020
Cash and cash equivalents	6,780,742	-	6,780,742	6,780,742
TOTAL	141,675,958	(1,814,954)	139,861,004	161,827,624

Set out below is a comparison between the carrying value and fair value of Group's financial liabilities that are carried in the consolidated financial statements:

		Currency: VND million
	Carrying value	Fair value
31 December 2021		
Financial liabilities		
Insurance contract liabilities	120,379,033	120,379,033
Insurance payables	1,346,112	1,346,112
Reinsurance payables	993,492	993,492
Other financial liabilities	16,439,558	16,439,558
- Deposits received	263,474	263,474
- Others	16,176,084	16,176,084
Total	139,158,195	139,158,195
31 December 2020		
Financial liabilities		
Insurance contract liabilities	100,166,026	100,166,026
Insurance payables	1,313,552	1,313,552
Reinsurance payables	1,338,293	1,338,293
Other financial liabilities	15,292,402	15,292,402
- Deposits received	246,647	246,647
- Others	15,045,755	15,045,755
Total	118,110,273	118,110,273

42. SUPPLEMENTARY NOTE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair value of the financial assets and liabilities are reflected at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate fair values:

- interest rate.
- published rates, if any, at the reporting date.
- prices, net asset values and other relevant valuation models.
- their book values because these instruments have short term in nature.
- assets in the case of individual decline is negligible.
- effective interest rate.
- reporting date, their book values are presented instead of fair values.

43. OTHER INFORMATION

The Covid-19 pandemic is adversely impacting most businesses and industries. The Holdings is continuously monitoring ongoing developments and assessing the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this consolidated financial statements.

44. SUBSEQUENT EVENTS

Other than disclosed elsewhere in the consolidated financial statements, there is no other matter or circumstance that has arisen since 31 December 2021 that requires adjustment or disclosure in the consolidated financial statements of the Group.

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Mrs. Nguyen Thi Thanh Van Preparer

Mr. Nguyen Xuan Hoa Chief Accountant

Hanoi, Vietnam 31 March 2022



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

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· Fair value of fixed maturity investments with fixed rate or floating are evaluated on the basis of information such as interest rates, the country-specific risk, risk of the project which are funded and loan repayment capacity of each customer by the Group. The Group estimates present value of future cash flows by discounting at the market

· Fair value of capital investments which are actively traded in organized financial market are determined by the

• For capital investments without an active market, fair value is determined by using appropriate valuation methods. These methods include discounting cash flow, comparing with similar financial instruments which have market

• The fair values of cash and cash equivalents, receivables, payables and other short-term accounts approximate

· At the reporting date, the Group assesses whether there exists objective evidence of the decline in the value of individual financial assets in case that individual decline is significant, or general assessment of the financial

· For assets which are individually impaired, impairment losses are determined as the difference between their carrying value and present value calculated by discounting the estimated future cash flows at the original

· For collective assessment, the assets are grouped on the basis of the credit risk characteristics. Losses due to decrease in value are assessed collectively on the basis of past loss experience of assets with similar characteristics.

· For financial assets and financial liabilities without sufficient market information to determine fair value at



Mr. Do Truong Minh Chief Executive Officer



INDEPENDENT AUDITORS' REPORT ON THE SUMMARY SEPARATE FINANCIAL STATEMENTS





Ernst & Young Vietnam Limited 20th Floor, Bitexco Financial Tower 2 Hai Trieu Street, District 1 to Chi Minh City, S.R. of Vietnam

Reference: 60780870/22679888-SMY

INDEPENDENT AUDITORS' REPORT ON THE SUMMARY SEPARATE FINANCIAL STATEMENTS

To: The Shareholders of Bao Viet Holdings

The accompanying summary separate financial statements of Bao Viet Holdings ("the Holdings") prepared on 31 March 2022 and set out on pages 402 to 405, which comprise the summary separate balance sheet as at 31 December 2021, the summary separate income statement and the summary separate cash flow statement for the year then ended, are derived from the audited separate financial statements of Bao Viet Holdings ("the Holdings") for the year ended 31 December 2021. We expressed an unmodified audit opinion on those separate financial statements in our report dated 31 March 2022. Those separate financial statements and the summary separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those separate financial statements.

The summary separate financial statements do not contain all the disclosures required by the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of separate financial statements. Reading the summary separate financial statements, therefore, is not a substitute for reading the audited separate financial statements of the Holdings.

Management's responsibility

Management of the Holdings is responsible for the preparation and presentation of the summary separate financial statements for the purpose of information disclosure and preparing its annual report in accordance with statutory requirements.

Auditors' responsibility

Our responsibility is to express an opinion on the summary separate financial statements based on our procedures, which were conducted in accordance with Vietnamese Standards on Auditing 810 -Engagements to Report on Summary Financial Statements.

Opinion

In our opinion, the summary separate financial statements - derived from the audited separate financial statements of the Holdings for the year ended 31 December 2021 - are consistent, in all material respects, with those audited separate financial statements, in accordance with Circular No. 96/2020/TT-BTC issued by the Ministry of Finance regarding information disclosure on securities markets and Law on Enterprises No. 59/2020/QH14.

Ernst & Young Vietnam Limited

CÔNG TY wich Hoarig Anh Deputy General Director Audit Practising Registration Certificate No. 2071-2018-004-1

Hanoi, Vietnam

31 March 2022

& member from of Drinkl & Wearsh Chilled Limited

SUMMARY SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2021

- 401 Independent auditors' report on the summary separate financial statements
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Huynh Nhat Hung Auditor Audit Practising Registration Certificate No. 5040-2019-004-1

SUMMARY SEPARATE BALANCE SHEET

as at 31 December 2021

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SUMMARY	SEPARATE BALANCE SHE as at 31 December 2021

				Currency: VND
Code	ASS	ETS	31 December 2021	31 December 2020
100	Α.	CURRENT ASSETS	4,995,798,020,224	4,646,200,813,579
110	Ι.	Cash and cash equivalents	65,595,878,785	284,719,971,015
111	1.	Cash	65,595,878,785	34,719,971,015
112	2.	Cash equivalents	-	250,000,000,000
120	II.	Short-term investments	4,006,104,986,164	3,439,334,361,164
121	1.	Held-for-trading securities	73,104,986,164	55,334,361,164
123	2.	Held-to-maturity investments	3,933,000,000,000	3,384,000,000,000
130	III.	Current accounts receivable	885,176,842,577	883,262,938,147
131	1.	Short-term trade receivables	865,090,218,064	873,006,663,712
132	2.	Short-term advances to suppliers	10,023,104,980	198,791,000
136	3.	Other short-term receivables	10,063,519,533	10,057,483,435
150	IV.	Other current assets	38,920,312,698	38,883,543,253
151	1.	Short-term prepaid expenses	14,868,623,717	13,531,940,245
152	2.	Value-added tax deductible	24,051,688,981	24,051,688,981
153	3.	Tax and other receivables from the State	-	1,299,914,027
200	В.	NON-CURRENT ASSETS	13,911,860,237,999	13,953,916,461,231
220	I.	Fixed assets	650,696,812,018	628,630,158,436
221	1.	Tangible fixed assets	323,412,915,539	347,514,355,365
222		Cost	856,183,201,721	819,944,770,140
223		Accumulated depreciation	(532,770,286,182)	(472,430,414,775)
227	2.	Intangible fixed assets	327,283,896,479	281,115,803,071
228		Cost	533,776,323,732	435,221,676,501
229		Accumulated amortization	(206,492,427,253)	(154,105,873,430)
240	II.	Long-term assets in progress	271,136,347,373	308,693,071,956
242	1.	Construction in progress	271,136,347,373	308,693,071,956
250	III.	Long-term investments	12,984,419,283,079	12,986,897,174,058
251	1.	Investments in subsidiaries and BVIF	10,352,286,148,720	9,352,286,148,720
252	2.	Investments in associates and jointly controlled entity	2,138,200,000,000	2,138,200,000,000
253	3.	Investments in other entities	527,895,480,716	616,781,114,000
254	4.	Provision for long-term investments	(34,962,346,357)	(89,940,967,187)
254 255	4. 5.	Provision for long-term investments Held-to-maturity investments	(34,962,346,357) 1,000,000,000	(89,940,967,187) 969,570,878,525
255	5.	Held-to-maturity investments	1,000,000,000	969,570,878,525

Code	RES	SOURCES
300	С.	LIABILITIES
310	I.	Current liabilities
311	1.	Short-term trade payables
312	2.	Short-term advances from customers
313	3.	Statutory obligations
314	4.	Payables to employees
315	5.	Short-term accrued expenses
319	6.	Other short-term payables
322	7.	Bonus and welfare fund
330	II.	Non-current liabilities
338	1.	Long-term loans and finance lease obligations
400	D.	OWNERS' EQUITY
410	I.	Owners' equity
411	1.	Contributed capital
411a		- Common shares with voting rights
412	2.	Share premium
418	3.	Investment and development fund
421	4.	Undistributed earnings
421a		- Undistributed earnings by the end of prior year
421b		- Undistributed earnings of current year
		TAL LIABILITIES AND OWNERS' EQUITY

Mrs. Nguyen Thi Thanh Van Preparer

Hanoi, Vietnam 31 March 2022

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Mr. Nguyen Xuan Hoa Chief Accountant

NCE SHEET (continued)

_		Currency: VND
	31 December 2021	31 December 2020
	388,194,559,803	404,803,491,483
	221,481,365,827	189,735,656,269
	13,249,934,085	4,922,606,612
	_	158,685,912
	25,095,889,373	18,423,969,606
	66,512,398,550	62,902,494,416
	4,596,468,691	6,426,007,236
	79,073,849,662	79,533,349,539
	32,952,825,466	17,368,542,948
	166,713,193,976	215,067,835,214
	166,713,193,976	215,067,835,214
	18,519,463,698,420	18,195,313,783,327
	18,519,463,698,420	18,195,313,783,327
	7,423,227,640,000	7,423,227,640,000
	7,423,227,640,000	7,423,227,640,000
	7,310,458,742,807	7,310,458,742,807
	1,193,628,491,611	890,113,816,478
	2,592,148,824,002	2,571,513,584,042
	1,561,585,730,246	1,561,552,414,060
	1,030,563,093,756	1,009,961,169,982
	18,907,658,258,223	18,600,117,274,810



Mr. Do Truong Minh Chief Executive Officer

SUMMARY SEPARATE INCOME STATEMENT

for the year ended 31 December 2021

		Currency: VND
Code ITEMS	For the year ended 31 December 2021	For the year ended 31 December 2020
01 1. Revenues from operating activities	1,489,512,537,506	1,408,926,396,582
11 2. Expenses from operating activities	(224,810,366,431)	(164,130,649,518)
20 3. Gross operating profit	1,264,702,171,075	1,244,795,747,064
26 4. General and administration expenses	(181,134,125,603)	(178,818,005,528)
30 5. Operating profit	1,083,568,045,472	1,065,977,741,536
31 6. Other income	354,162,876	1,011,348,941
32 7. Other expenses	(72,208,958)	(72,345,516)
40 8. Other profit	281,953,918	939,003,425
50 9. Profit before tax	1,083,849,999,390	1,066,916,744,961
51 10. Current corporate income tax expense	(53,286,905,634)	(49,518,591,186)
52 11. Deferred income tax expense	-	(5,682,570,000)
60 12. Net profit after tax	1,030,563,093,756	1,011,715,583,775

Mrs. Nguyen Thi Thanh Van Preparer

Hanoi, Vietnam 31 March 2022



Mr. Nguyen Xuan Hoa Chief Accountant

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Mr. Do Truong Minh Chief Executive Officer

				Currency: VND
Code	ITE	MS	For the year ended 31 December 2021	For the year ended 31 December 2020
١.	CAS	SH FLOWS FROM OPERATING ACTIVITIES		010000110012020
01	1.	Cash receipts from sales, rendering of services and other revenues	1,431,961,952,683	1,372,549,631,597
		 Proceeds from deposits interest, bonds coupons, dividends, gain from securities trading and distributed profit 	1,082,405,868,594	1,065,847,991,080
		- Proceeds from other operating activities	349,556,084,089	306,701,640,517
02	2.	Payments to suppliers	(191,245,047,453)	(140,172,291,446)
03	3.	Payments to employees	(120,787,027,772)	(117,618,794,051)
04	4.	Interest expenses	(11,086,774,448)	(12,508,071,470)
05	5.	Payments of corporate income tax	(44,800,000,000)	(32,001,600,000)
06	6.	Other cash inflows from operating activities	47,936,231,948	25,191,578,523
07	7.	Other cash outflows for operating activities	(136,155,960,717)	(136,493,245,768)
20	Net	t cash flows from operating activities	975,823,374,241	958,947,207,385
II.	CAS	SH FLOWS FROM INVESTING ACTIVITIES		
21	1.	Purchase and construction of fixed assets and other long-term assets	(83,719,852,665)	(59,641,462,036)
22	2.	Proceeds from disposals of fixed assets and other long-term assets	37,550,000	15,850,000
23	3.	Loans to other entities and payments for purchase of debt instruments of other entities	(2,714,000,000,000)	(2,735,000,000,000)
24	4.	Collections from borrowers and proceeds from sale of debt instruments of other entities	3,135,000,000,000	1,043,000,000,000
25	5.	Payments for investments in other entities	(1,004,292,501,500)	(850,000,000,000)
26	6.	Proceeds from sale of investments in other entities	185,658,005,000	-
30	Net	t cash flows used in investing activities	(481,316,799,165)	(2,601,625,612,036)
Ш.	CAS	SH FLOWS FROM FINANCING ACTIVITIES		
33	1.	Drawdown of borrowings	25,572,000,000	43,572,470,000
34	2.	Repayments of borrowings	(73,926,641,238)	(59,535,873,286)
36	3.	Dividend paid to shareholders and non-controlling interest	(665,272,316,646)	(592,843,450,920)
40	Net	t cash flows used in financing activities	(713,626,957,884)	(608,806,854,206)
50	Net	t change in cash for the year (50 = 20 + 30 + 40)	(219,120,382,808)	(2,251,485,258,857)
60	Cas	sh and cash equivalents at the beginning of the year	284,719,971,015	2,536,206,569,386
61	Imp	bact of exchange rate fluctuation	(3,709,422)	(1,339,514)
70	Cas	sh and cash equivalents at the end of the year	65,595,878,785	284,719,971,015
			AND TÂP	DOANAR

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Mrs. Nguyen Thi Thanh Van Preparer

Mr. Nguyen Xuan Hoa Chief Accountant

Hanoi, Vietnam 31 March 2022





INTEGRATED REPORT 2021 PROACTIVELY ADAPTING 404

SUMMARY SEPARATE CASH FLOW STATEMENT

for the year ended 31 December 2021

Mr. Do Truong Minh

Chief Executive Officer

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SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2021

Gross premiums Reinsurance premium ceded Net written premiums Changes in unearned premium reserves Net earned premium Commission income on reinsurance ceded Other insurance income Total revenue from insurance business Interest revenue calculated using the effective interest method Net fair value losses on financial assets at fair value through profit or loss Net gains on derecognition of AFS financial assets Net gains on derecognition of financial assets measured at amortised cost Other interest and similar income Impairment losses on financial investments Net foreign exchange income/(expense) Investment income Other operating income Total other income

TOTAL OPERATING INCOME

Gross benefit and claim paid

Claims ceded to reinsurers

Gross change in insurance contract liabilities

Gross change in deferred liabilities for policyholders

Change in insurance contract liabilities ceded to reinsurers

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS 31 December 2021

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0000	0001
2020 VND	2021 VND
37,906,221,052,972	39,668,247,125,373
(4,119,350,824,090)	(4,077,906,508,695)
33,786,870,228,882	35,590,340,616,678
(343,193,769,736)	301,966,533,878
33,443,676,459,146	35,892,307,150,556
528,205,821,261	527,045,000,924
552,162,004,137	408,609,348,728
34,524,044,284,544	36,827,961,500,208
8,333,981,726,140	7,929,264,180,678
(7,749,037,968)	92,651,153,188
765,906,281,040	613,728,930,962
-	387,364,343
428,407,116,654	384,988,380,861
(438,112,821,303)	9,120,766,851
3,832,163,038	7,612,658,011
9,086,265,427,601	9,037,753,434,894
446,804,910,303	771,393,542,424
9,533,070,337,904	9,809,146,977,318
44,057,114,622,448	46,637,108,477,526
(13,226,061,313,097)	(13,182,635,006,184)
2,158,008,670,719	1,723,267,262,211
(19,429,615,675,728)	(21,235,186,227,380)
(66,997,189,645)	(24,663,808,241)
340,200,305,422	576,553,542,365

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SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

for the year ended 31 December 2021

	2021 VND	2020 VND
Net claim and benefits	(32,142,664,237,229)	(30,224,465,202,329)
Commission and underwriting expenses of insurance operations	(3,107,547,691,028)	(3,308,590,281,409)
Other reinsurance assumed expenses	(3,132,992,403)	(3,245,813,421)
Selling expenses	(2,266,015,074,428)	(2,366,157,942,795)
General and administrative expenses	(5,681,065,606,043)	(5,023,226,869,450)
Financial expenses	(616,138,291,981)	(1,568,725,315,182)
Other operating expenses	(678,952,010,251)	(419,845,204,107)
Total commission and expenses	(12,352,851,666,134)	(12,689,791,426,364)
TOTAL BENEFITS, CLAIM AND OTHER EXPENSES	(44,495,515,903,363)	(42,914,256,628,693)
PROFIT BEFORE SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURES	2,141,592,574,163	1,142,857,993,755
Share of (loss)/profit of associates and joint ventures	(186,367,203,218)	(22,121,633,439)
PROFIT BEFORE TAX	1,955,225,370,945	1,120,736,360,316
Corporate income tax expense	(309,252,218,597)	(174,712,944,462)
PROFIT AFTER TAX	1,645,973,152,348	946,023,415,854
Net profit attributable to:		
Equity holders of the parent	1,522,657,360,880	889,758,833,452
Non-controlling interests	123,315,791,468	56,264,582,402
EARNINGS PER SHARE		
Basic earnings per share	2,051	1,143

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2021

	2021 VND	2020 VND
PROFIT AFTER TAX	1,645,973,152,348	946,023,415,854
Other comprehensive income for the year		
Other comprehensive income to be reclassified to profit or loss in subsequent periods		
Net movement in the fair value reserve for available for sale assets	609,927,810,527	1,667,707,414,380
Income tax relating to other comprehensive income	(97,932,355,570)	(319,434,348,660)
	511,995,454,957	1,348,273,065,720
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		
Difference from revaluation of severance allowances	10,243,551,688	(379,339,617)
Income tax relating to other comprehensive income	(2,048,710,337)	75,867,924
	8,194,841,351	(303,471,693)
Other comprehensive income for the year, net of tax	520,190,296,308	1,347,969,594,027
Total comprehensive income for the year, net of tax	2,166,163,448,656	2,293,993,009,881
Total comprehensive income attributable to:		
Equity holders of the parent	2,028,884,797,043	2,233,777,917,754
Non-controlling interests	137,278,651,613	60,215,092,127

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Ms. Le Thanh Thuy Preparer Accountant

Hanoi, Vietnam 27 April 2022



Mr. Nguyen Xuan Hoa Chief Accountant



Mr. Do Truong Minh Chief Executive Officer

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Ms. Le Thanh Thuy Preparer

Accountant

Mr. Nguyen Xuan Hoa Chief Accountant

Hanoi, Vietnam 27 April 2022



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)





Mr. Do Truong Minh Chief Executive Officer

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

	31 December 2021 VND	31 December 2020 VND
Assets		
Property and equipment	1,321,194,378,726	1,281,267,848,302
Investment properties	81,649,181,953	90,600,592,940
Intangible assets	758,046,516,922	757,389,593,561
Right-of-use assets	441,445,506,145	524,598,523,387
Deferred expenses	493,005,752,612	600,397,009,237
Investments in associates and joint ventures	1,835,771,022,283	1,907,309,834,562
Fixed maturity investments		
- Available-for-sale	61,099,877,670,842	46,608,691,410,270
- Fair value through profit or loss	455,426,657,132	377,096,872,863
- Loans and receivables	103,269,556,328,531	93,442,489,853,248
Equity investments		
- Available-for-sale	5,206,603,004,943	3,800,358,450,686
- Fair value through profit or loss	287,469,199,709	328,557,176,377
Deferred tax assets	294,240,907,999	245,618,211,202
Insurance receivables	966,779,961,838	1,499,538,678,134
Reinsurance assets	3,629,324,159,707	3,079,061,551,216
Other assets and prepayments	3,601,293,517,332	3,024,258,279,632
Tax receivables from the Government	1,847,071,254	3,512,662,035
Cash and cash equivalents	5,354,092,025,872	6,780,742,363,756
TOTAL ASSETS	189,097,622,863,800	164,351,488,911,408
Shareholders' Equity		
Share capital	7,423,227,640,000	7,423,227,640,000
Share premium reserve	8,764,403,107,607	7,310,458,742,807
Retained earnings	647,695,965,448	261,419,632,324
Revaluation reserve for available-for-sale assets	5,154,753,734,804	4,656,714,463,326
Foreign currency translation reserve	15,445,192,000	15,445,192,000
Investment and development fund	1,284,786,140,295	967,358,385,620
Statutory reserve	577,618,921,373	523,523,906,834
Other reserves	103,568,802,818	103,568,802,818
ESOP reserve	_	1,373,788,449,854
Shareholders' Equity	23,971,499,504,345	22,635,505,215,583
Non-controlling interests	890,032,007,346	778,161,798,347
TOTAL EQUITY	24,861,531,511,691	23,413,667,013,930



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

as at 31 December 2021

	31 December 2021 VND	31 December 2020 VND
Liabilities		
Insurance contract liabilities	127,777,646,062,634	106,870,717,303,006
Deferred policyholder liabilities	13,062,928,318,502	12,664,558,021,353
Severance allowance	51,639,097,230	62,982,294,563
Deferred revenue	167,928,784,567	87,737,943,073
Bank overdraft	547,695,690,235	-
Payables under repo contracts and other financial payables	15,454,950,385,227	14,896,377,919,118
Advances from customers	17,372,000,000	14,895,367,272
Tax and statutory obligations	207,468,643,695	122,177,355,612
Deferred tax liabilities	915,010,619,851	837,638,762,687
Insurance payables	2,339,603,934,638	2,651,844,948,296
Lease liabilities	182,845,716,148	185,003,401,291
Trade and other liabilities	3,511,002,099,382	2,543,888,581,207
TOTAL LIABILITIES	164,236,091,352,109	140,937,821,897,478
TOTAL EQUITY AND LIABILITIES	189,097,622,863,800	164,351,488,911,408



Ms. Le Thanh Thuy Preparer Accountant

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Mr. Nguyen Xuan Hoa Chief Accountant

Hanoi, Vietnam 27 April 2022





Mr. Do Truong Minh Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2021

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	Share capital VND	Share premium reserve VND	Retained earnings VND	Revaluation reserve for available-for-sale assets VND	Foreign currency translation reserve (*) VND	Investment and development fund VND	Statutory reserve VND	Other reserves (**) VND	ESOP reserve VND	Total ordinary shareholder's equity VND	Non-controlling interests VND	Total equityg VND
As at 31 December 2020	7,423,227,640,000	7,310,458,742,807	261,419,632,324	4,656,714,463,326	15,445,192,000	967,358,385,620	523,523,906,834	103,568,802,818	1,373,788,449,854	22,635,505,215,583	778,161,798,347	23,413,667,013,930
Charter capital increase under the Employee Stock Ownership Plan (ESOP)	1	1,453,944,364,800	1			- I	L I		(1,373,788,449,854)	80,155,914,946	· · · · · · · · · · · · · · · · · · ·	80,155,914,946
Dividend paid to shareholders			(666,977,003,454)	1. 	I		1 	· ·	8	(666,977,003,454)		(666,977,003,454)
Appropriation to Bonus and welfare fund	1		(101,508,383,562)	5. 	I		1. I			(101,508,383,562)	(2,273,281,014)	(103,781,664,576)
The Holdings (***)	-		(41,190,589,002)	1			1. 		1	(41,190,589,002)		(41,190,589,002)
Subsidiaries			(60,317,794,560)		I	I	I		1	(60,317,794,560)	(2,273,281,014)	(62,591,075,574)
Appropriation to Investment and development fund	1	1	(303,514,675,133)	1	1	303,514,675,133	1	1	1	1		I
The Holdings (***)	1	I	(303,514,675,133)	1	1	303,514,675,133	I	I	I	I	I	1
Profit of the year		1	1,522,657,360,880		I	I	I	1	1	1,522,657,360,880	123,315,791,468	1,645,973,152,348
Remuneration to the Board of Directors and Supervisory Board	1	I	(1,289,450,004)	I	I	1	I	I	I	(1,289,450,004)	1	(1,289,450,004)
Other comprehensive income	I	1	8,188,164,685	498,039,271,478	I	I	1	I	1	506,227,436,163	13,962,860,145	520,190,296,308
Appropriation to other reserves	I	1	(68,008,094,081)	1	I	13,913,079,542	54,095,014,539	1		1		I
Dividend paid to non- controlling interest	I	1		I	I	1	1	I	1	I	(23,135,161,600)	(23,135,161,600)
Other decrease		1	(3,271,586,207)		1			I	I	(3,271,586,207)		(3,271,586,207)
As at 31 December 2021	7,423,227,640,000	8,764,403,107,607	647,695,965,448	5,154,753,734,804	15,445,192,000	15,445,192,000 1,284,786,140,295	577,618,921,373	103,568,802,818	•	23,971,499,504,345	890,032,007,346	24,861,531,511,691

Foreign exchange differences reserve presents the difference due to revaluation of Tokio Marine Vietnam's presentation currency from USD into VND from 1 January 2008.

nts. solidation of the financial stat ves represents the Holdings' remaining interest in the share premium of BVSC arised from the cor reser ē đ (**) (*)

of 2020 profit after tax ance with Resolution dated 30% appropriated .⊆ Shareholders held on 29 June 2021, Bao Viet Holdings appropriat e appropriated provided appropriation for Investment & Development and Welfare Funds is made 021 Annual General Meeting of Shareholders held estment and Development Fund. The appropriation for Inv According to the Resolution of the 2021 (equivalent to VND 303,514,675,133) to Investm 13 July 2021 of the Board of Directors. (***)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

OVERVIEW

Changes in equity in the year 2020 are as follows: for the year ended 31 December 2021

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL **FINANCIAL REPORTING STANDARDS (continued)**

INTEGRATED REPORT 2021 PROACTIVELY ADAPTING

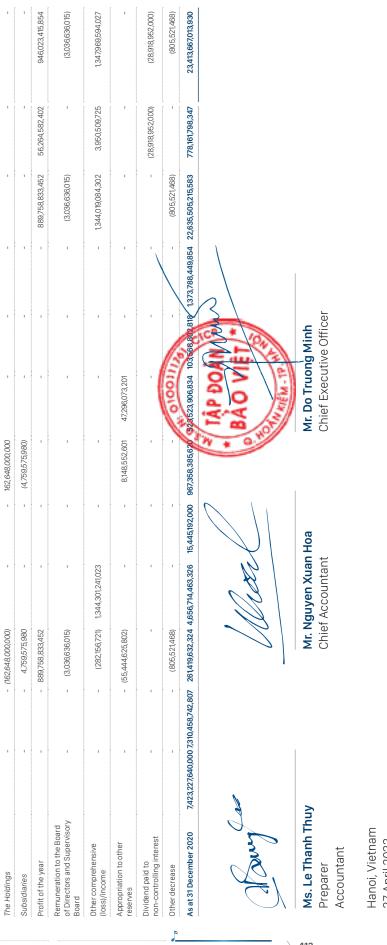
(93,226,960,507) (33,203,549,136) (60,023,411,371) (10,843,169,505)

10,843,169,505

(593,858,211,200

138,424,002,48

21,711,939,452,25



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SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2021

	2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES		
Premiums and interests received	39,209,259,900,458	37,343,392,124,681
Payments to suppliers	(20,843,152,926,096)	(20,748,822,639,371)
Payments to employees	(2,196,397,930,273)	(1,930,109,263,520)
Interests paid	(420,996,995,370)	(757,788,609,663)
Corporate income tax paid	(338,734,753,436)	(237,775,940,333)
Other cash inflows from operating activities	49,096,196,399,733	25,790,638,185,712
Other cash outflows from operating activities	(52,077,383,030,944)	(27,578,873,538,145)
Net cash flows from operating activities	12,428,790,664,072	11,880,660,319,361
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Purchase and construction of property and equipment, intangible assets and other long-term assets	(237,768,613,970)	(231,433,491,623)
Proceeds from disposals of property and equipment, intangible assets and other long-term assets	1,585,989,110	1,026,440,364
Loans to other entities and payments for purchase of debt instruments	(94,785,369,046,052)	(87,906,743,938,242)
Collection from borrowers and proceeds from sales of debt instruments	72,177,863,032,366	71,688,969,281,693
Payments for purchase of equity investments	(4,425,975,843)	(29,535,895,500)
Proceeds from sales of investments in other entities	207,297,671,249	-
Dividends received	134,417,502,937	213,871,279,780
Interests received	8,219,702,416,792	8,503,866,449,366
Net cash flows used in investing activities	(14,286,697,023,411)	(7,759,979,874,162)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contribution and issuance of shares		-
Drawdown of borrowings (including repo activities)	42,107,283,502,684	17,451,796,200,000
Repayment of borrowings (including repo activities)	(41,428,632,657,388)	(18,829,087,539,287)
Dividends payment	(687,434,838,726)	(621,510,028,457)
Repayment of lease liabilities	(107,138,639,360)	(84,520,039,397)
Net cash flows used in financing activities	(115,922,632,790)	(2,083,321,407,141)
Net cash flows during the year	(1,973,828,992,129)	2,037,359,038,058
Cash and cash equivalent at the beginning of the year	6,780,742,363,756	4,742,602,123,821
Impact of exchange rate fluctuation	(517,035,990)	781,201,877
Cash and cash equivalent at the end of the year	4,806,396,335,637	6,780,742,363,756

Ms. Le Thanh Thuy Preparer Accountant

Hanoi, Vietnam



Mr. Nguyen Xuan Hoa Chief Accountant

Mr. Do Truong Minh

Chief Executive Officer

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL **FINANCIAL REPORTING STANDARDS (continued)**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 1

1.1 Product classification

Insurance contracts are those contracts when the insurance subsidiaries of the Group accept significant insurance risk from another party ("the policyholder") by agreeing to compensate the policyholder if a specified uncertain future event ("the insured event") adversely affects the policyholder. As a general guideline, the insurance subsidiaries determine whether they have significant insurance risk, by comparing benefits paid after an insured event with benefits payable if the insured event did not occur. Insurance contracts may also transfer some financial risk.

Investment contracts are those contracts that transfer significant financial risk, but not significant insurance risk. Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of price or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

Once a contract has been classified as an insurance contract, it remains as an insurance contract for the remaining of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired. Investment contracts can however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

Contracts with discretionary participation features ("DPF")

Insurance and investment contracts are further classified as being either with or without DPF. DPF is contractual right to receive, as a supplement to guaranteed benefits, additional benefits that meet the following conditions:

- Likely to be a significant portion of the total contractual benefits
- The amount or timing of which is contractually at the discretion of the issuer
- That are contractually based on:
- The performance of a specified pool of contracts or as specified type of contract
- · Realized and/or unrealized investment returns on a specified pool of assets held by the issuer
- The profit or loss of Bao Viet Life, fund or other entity that issues the contract

Derivatives embedded in an insurance contract or an investment contract with DPF are separated and fair valued through the statement of profit or loss unless the embedded derivative is itself an insurance contract or investment contract with DPF. The derivatives are also not separated if the host insurance contract or investment contract with DPF is measured at fair value through profit or loss.

1.2 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IAS 39. Other contingent consideration that is not within the scope of IAS 39 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

27 April 2022





- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1
- 1.2 Business combination and goodwill (continued)

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

1.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the consolidated income statement in the year in which the expenditure is incurred.

The useful life of intangible assets is assessed as either finite or indefinite.

Intangible assets with finite live are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of profit or loss.

Amortization of intangible assets are calculated on a straight-line basis over the estimated useful life of the asset as follows:

Software	3 - 8 years
Others	2 - 20 years

The cost of land use rights is not amortized in the case where the land use rights have indefinite term. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis. Gains or losses arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated income statement when the asset is de-recognized.

Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognized in the consolidated statement of profit or loss as expenses.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

1.4 Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the properties and equipment, major inspection costs, and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings Machinery Means of transportation and communication Office equipment Others

The assets' residual values useful lives and method of depreciation and amortization are reviewed and adjusted if appropriate at each financial year end and adjusted prospectively, if appropriate. Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognized in the consolidated statement of profit or loss as expenses.

1.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Subsequent to initial recognition, investment properties are also stated at cost.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss in the year of retirement or disposal.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings	6 - 50 ye
Land use rights	Accordir
Others	5 - 10 ye

The cost of land use rights is not amortized in the case where the land use rights have indefinite term.

- 5 50 năm
- 3 20 năm
- 6 30 năm
- 3 10 năm
- 4 25 năm

ears

ng to the term specified on the land use right certificate ears

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

Impairment of non-financial assets 1.6

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of: (1) an asset's or cash-generating units (CGU) fair value less costs to sell and (2) its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs, to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognized in the consolidated statement of profit or loss.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case, the carrying amount of the asset increases to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation/amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as a revaluation increase.

1.7 Investment in joint ventures and associates

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the financial and operation policies require the unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in joint ventures and associates are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost and is subsequently adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL **FINANCIAL REPORTING STANDARDS (continued)**

- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1
- 1.7 Investment in joint ventures and associates (continued)
 - associate's net identifiable assets at the acquisition date is accounted for as follows:
 - subsequently neither amortized nor tested annually for individual impairment.
 - cost of the investment is included as income in the period in which the investment is acquired.

The consolidated statement of profit or loss reflects the share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, where there has been a change recognized directly in the equity of the associate or joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The share of profit of associates and joint ventures is shown on the face of the consolidated statement of profit or loss. This is the profit attributable to equity holders of an associate and a joint venture and therefore is profit after tax and non-controlling interests in the subsidiaries of an associate or a joint venture.

The financial statements of associates and joint ventures are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates and joint ventures. The Group determines at each reporting date whether there is any objective evidence that the investment in an associate or a joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of an associate or a joint venture and its carrying value and recognizes the amount in the consolidated statement of profit or loss.

Upon loss of significant influence over an associate or the joint control of a joint arrangement, the Group measures and recognises any retaining investment at its fair value. Any differences between the carrying amount of an associate/joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of profit or loss.

1.8 Property inventories

Properties acquired or being constructed for sale in the ordinary course of business of BVInvest, rather than to be held for rental or capital appreciation, are held as property inventories and are measured at the lower of cost and net realizable value.

Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money of material, less costs to completion and the estimated costs of sale.



Any difference between the cost of the investment and the Group's share of the fair value of the joint venture/

- Goodwill relating to a joint venture/ associate is included in the carrying amount of the investment. That goodwill is

- Any excess of the Group's share of the fair value of the joint venture/associate's net identifiable assets over the

- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

1.8 Property inventories (continued)

The cost of property inventories recognised in the consolidated statement of profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

The Group applied perpetual method to record property inventories:

Inventories	Valuation method	
Raw materials, tools, goods and construction equipment	cost of purchase on a weighted average basis.	
Finished goods and work-in process	cost of direct materials and labor plus attributable production overheads based on the normal operating capacity on a specific identification basis.	

Provision for obsolete property inventories

A provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of property inventories owned by the Group, based on appropriate evidence of impairment available at the date of consolidated statement of financial position. Increases and decreases to the provision balance are recorded into the operating expenses in the consolidated statement of profit or loss.

1.9 Financial assets

1.9.1 Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss (FVTPL), loans and receivables, held-to-maturity financial investments and available-for-sale financial assets. The Group determines the classification of its financial assets at initial recognition.

Financial assets at FVTPL is initially recognized at fair value. Financial assets not at FVTPL are recognized initially at fair value plus directly attributable transaction costs.

The classification depends on the purpose for which the investments were acquired or originated. Financial assets are classified as at FVTPL where the Group's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis. The available-for-sale and heldto-maturity categories are used when the relevant liability (including shareholders' funds) is passively managed and/or carried at amortized cost.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, guoted and unguoted financial instruments.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1
- 1.9 Financial assets (continued)

1.9.2 Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

a. Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets held for trading and financial assets designated upon initial recognition at FVTPL.

For investments to be designated as at FVTPL, the following criteria must be met:

- measuring the assets or liabilities or recognizing gains or losses on a different basis; or
- investment strategy.

Subsequent to initial recognition, financial assets at FVTPL are remeasured at fair value. Changes in fair value are recorded in investment income in the consolidated statement of profit or loss. Interest is accrued and presented in investment income, using the effective interest rate (EIR). Dividend income is recorded in investment income when the right to the payment has been established.

b. Available-for-sale (AFS) financial assets

AFS financial assets include equity and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at FVTPL. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, AFS financial assets are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the AFS reserve (equity). Where the Group holds more than one investment in the same security, they are deemed to be disposed of on a weighted average basis for equity and on a first-in first-out basis for fixed maturity investments. Interest earned whilst holding AFS investments is reported as interest income using the EIR. Dividends earned whilst holding AFS investments are recognized as investment income when the right of the payment has been established. When the asset is derecognized or determined to be impaired, the cumulative gain or loss is reclassified from AFS reserve to the consolidated statement of profit or loss.

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has ability and intention to hold the assets for the foreseeable future or until maturity. Reclassification to loans and receivables is permitted when the financial asset meets the definition of loans and receivables and management has the intention and ability to hold these assets for the foreseeable future or until maturity. The reclassification to held-to-maturity is permitted only when the entity has the ability and intent to hold the financial asset until maturity.

For a financial asset reclassified out of the AFS category, the fair value at the date of reclassification becomes its new amortized cost and any previous gain or loss on that asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortized cost and the maturity amount is also amortized over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recognized in the consolidated statement of profit or loss.



- The designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from

- The assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or



- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1
- Financial assets (continued) 19
- 1.9.2 Subsequent measurement (continued)
 - c. Loans and receivables financial assets

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement, loans and receivables are measured at amortized cost using the EIR method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in investment income in the consolidated statement of profit or loss. Gains and losses are recognized in the consolidated statement of profit or loss when the investments are derecognized or impaired, as well as through the amortization process.

d. Held to maturity financial assets

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the intention and ability to hold until maturity. After initial measurement, held to maturity financial assets are measured at amortised cost, using the EIR, less impairment. The EIR amortisation is included in 'Investment income' in the consolidated statement of profit or loss. Gains and losses are recognised in the consolidated statement of profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

1.9.3 De-recognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a "pass-through" arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

1.9.4 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.9 Financial assets (continued)
- 1.9.4 Impairment of financial assets (continued)

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

a. Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the consolidated statement of profit or loss. Interest income (recorded as investment income in the consolidated statement of profit or loss) continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss increased by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the consolidated statement of profit or loss.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of the Group's internal credit grading system, that considers credit risk characteristics such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors. Future cash flows on a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. Estimates of changes in future cash flows reflect, and are directionally consistent with, changes in related observable data from year to year (such as changes in unemployment rates, property prices, commodity prices, payment status, or other factors that are indicative of incurred losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

b. Available-for-sale financial investments

For AFS financial investments, the Group assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1.
- 1.9 Financial assets (continued)
- 1.9.4 Impairment of financial assets (continued)
 - b. Available-for-sale financial investments (continued)

'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the consolidated statement of profit or loss - is removed from other comprehensive income and recognized in the consolidated statement of profit or loss. Impairment losses on equity investments are not reversed through the consolidated statement of profit or loss; increases in their fair value after impairment are recognized directly in other comprehensive income.

The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

In the case of debt instruments classified as AFS, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the consolidated statement of profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the consolidated statement of profit or loss, the impairment loss is reversed through the consolidated statement of profit or loss.

1.10 Financial liabilities

1.10.1 Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, less directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

1.10.2 Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

a. Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.

Gains or losses on designated or liabilities held for trading are recognized in the consolidated statement of profit or loss.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.10 Financial liabilities (continued)
- 1.10.2 Subsequent measurement (continued)

b. Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit or loss when the liabilities are derecognized as well as through the EIR method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR method. The EIR method amortization is included in finance cost in the consolidated statement of profit or loss.

1.10.3 De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

1.11 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated financial statements if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.12 Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.13 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

To determine the fair value, the principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1
- 1.13 Fair value measurement (continued)
 - Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
 - Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
 - Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are measured at fair value in the consolidated statement of financial position on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the reporting date, without any deduction for transaction costs.

For financial instruments where there is not an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist, options pricing models, credit models and other relevant valuation models. Certain financial instruments are recorded at fair value using valuation techniques because current market transactions or observable market data are not available. Their fair value is determined using a valuation model that has been tested against prices or inputs to actual market transactions and using the Group's best estimate of the most appropriate model assumptions. Models are adjusted to reflect the spread for bid and ask prices to reflect costs to close out positions, counterparty credit and liquidity spread and limitations in the models. Also, profit or loss calculated when such financial instruments are first recorded ('Day 1' profit or loss) is deferred and recognized only when the inputs become observable or on de-recognition of the instrument.

For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market related rate for a similar instrument. The use of different pricing models and assumptions could produce materially different estimates of fair values.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the reporting date.

If the fair value cannot be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the investment or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

1.14 Policy loan

Policyholders are entitled to a policy loan, with the advance amount at a maximum of 80% of the surrender value and accumulated un-withdrawn dividend for the relevant policy, provided that

- Policies have surrender value;
- Policies have gone effective for more than 24 months (for insurance products other than universal life and unitlinked); and
- Policies have not received advances on insurance benefits

Policy loan are carried at amortised cost. The Group announces the interest rate applied for each policy periodically. The interest income arising from policy loan is recorded as financial income in the statement of profit or loss.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL **FINANCIAL REPORTING STANDARDS (continued)**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

1.15 Insurance receivables

Insurance receivables are recognized when due and measured on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortized cost, using the EIR method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the consolidated statement of profit or loss.

Insurance receivables are derecognized when the derecognition criteria for financial assets, as described in Note 1.10.3, have been met.

1.16 Reinsurance ceded to reinsurance counterparties

Bao Viet Insurance Corporation, and Bao Viet Life Corporation, the Group's subsidiaries, ceded insurance risk in the normal course of business for certain product classes. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Group may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Bao Viet Insurance will receive from the reinsurer. The impairment loss is recognized in the consolidated statement of profit or loss.

Gains or losses on buying reinsurance are recognized in the consolidated statement of profit or loss immediately at the date of purchase and are not amortized.

Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

1.17 Reinsurance assumed

The Group also assumes reinsurance risk in the normal course of business for life insurance and non-life insurance contracts where applicable. Premiums and claims on assumed reinsurance are recognized as revenue or expenses in the same manner as they would be if the reinsurance were considered direct business, taking into account the product classification of the reinsured business. Reinsurance liabilities represent balances due to insurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract.

Premiums and claims are presented on a gross basis for both ceded and assumed reinsurance. Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

Reinsurance contracts that do not transfer significant insurance risk are accounted for directly through the consolidated statement of financial position. These are deposit assets or financial liabilities that are recognized based on the consideration paid or received less any explicit identified premiums or fees to be retained by the reinsured. Investment income on these contracts is accounted for using the EIR method when accrued.

1.18 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits at banks and short-term, highly liquid investments with an original maturity of three months or less which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

For the purpose of preparing the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.





SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

1.19 Lease

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 1.6 - Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease. liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.19 Lease (continued)

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e., three to five years) and there will be a significant negative effect on production if a replacement is not readily available. The renewal options for leases of motor vehicles were not included as part of the lease term because the Group has a policy of leasing motor vehicles for not more than five years and hence, not exercising any renewal options.

1.20 Foreign currency transactions

The Group's consolidated financial statements are presented in Vietnam Dong, which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss with the exception of all monetary items that provide an effective hedge for a net investment in a foreign operation. These are recognized in other comprehensive income until the disposal of the net investment, at which time they are recognized in the consolidated statement of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of a gain or loss on change in fair value of the item.

1.21 Taxes

1.21.1 Current income tax

Current income tax assets or liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.21 Taxes (continued)

1.21.2 Deferred tax

Deferred tax is provided by using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside consolidated statement of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.22 Insurance contract liabilities

a. Life insurance contract liabilities

Insurance contract liabilities for traditional products include mathematical reserve, unearned premiums reserve, claim reserve and dividend reserve. The calculation methodologies are based on on Decree No. 73/2016/NĐ-CP ("Decree 73") issued by Government dated 1 July 2016 and Circular No. 50/2017/TT-BTC ("Circular 50") issued by Ministry of Finance dated 15 May 2017 on guidelines for Government's Decree 73, Circular 01 ("Circular 01") issued by Ministry of Finance dated 02 January 2019 on amendments and supplements to Circular 50 and Circular 89/2020/ TT-BTC dated 11 November by 2020, to amend and supplement Circular 50 issued by the Ministry of Finance, in which:

- reserve, claim reserve and dividend reserve.
- claim reserve.

For traditional life insurance products:

- and the statutory minimum provision.
- on the reporting date.
- end of the year and provisions for losses that have occurred but have not yet been notified or claimed.
- balance sheet date.
- for participating policies.

For health insurance products:

- premium reserve and the unearned premium reserve using the 1/8 factorization method.
- the end of the year and provisions for losses that have occurred but have not yet been notified or claimed.
- balance sheet date.
- single premium payment policy.

- Technical reserves for traditional life insurance products include: mathematical reserve, unearned premium

- Technical reserves for health insurance products include: mathematical reserve, unearned premium reserve and

- The mathematical reserve established according to Bao Viet Life's method is calculated based on one of the following methods: full insurance premium reserve method, net insurance premium reserve method or net insurance premium reserve method adjusted by Zillmer coefficient. The reserving method, basis and assumption are approved by the Ministry of Finance upon product submission or on subsequent submissions. Disclosed technical reserve is the greater value between the reserve established according to Bao Viet Life's methodology

- Unearned premium reserve is the provision for unearned revenue of amounts paid on the balance sheet date and is calculated on the gross premium for all insurance policies with a term of one (01) year or less that are still in force

Claim reserve includes provisions for losses that have been notified or claimed but have not yet been resolved at the

• Outstanding claim reserve (OSC) is calculated for each individual outstanding claim requests and based on the sum insured payables for each case that have been submitted but still in the course of settlement as at the

• Reserve for incurred but not reported claims (IBNR) is only applicable for policies with a term of one (01) year or less.

- Dividend reserve includes the reserves for accrued unpaid interest, dividends and undistributed surplus reserve

- The mathematical reserve established according to Bao Viet Life's method is the greater value between the net

- Claim reserve includes provisions for losses that have been notified or claimed but have not yet been resolved at

 Outstanding claim reserve (OSC) is calculated for each individual outstanding claim request and based on the sum insured payables for each case that have been submitted but still in the course of settlement as at the

• Reserve for incurred but not reported claims (IBNR) was set aside at 3% of insurance premium collected in fiscal year for periodic payment policy or 3% of single insurance premium divided by insurance term for the



- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.22 Insurance contract liabilities (continued)
 - a. Life insurance contract liabilities (continued)

According to Circular 50 and Circular 52/2016/TT-BTC issued by the MOF on 21 March 2016, and the methodology and actuarial principles used to estimate reserves registered and approved by the Ministry of Finance, Bao Viet Life made a technical reserve for the universal life products as follows:

- Reserve for the universal life part is the surrender value of universal life insurance contract, calculated as the total surrender value of the universal life policies, or total account values of universal life policies, in which, the surrender value of universal life insurance policies must guarantee the liabilities committed in the insurance policies.
- Reserve for insurance risk is the maximum of the reserve amount calculated by the unearned premium method and by the cash flow method to cover all expenses in the future during the term of contract.
- Claim reserve is appropriated by the method of specific provision calculated on the basis of statistics of amount of insurance to be paid for each dossier of compensation requirement from the insurer but unsettled by the end of financial year.
- Reserve for guaranteed interest rate is a provision made in the event of the investment market fluctuations or when the investment yield from insurance premiums is lower than the committed returns given to its customers. The reserve is calculated on the difference between the investment yield from insurance premiums and Bao Viet Life's committed returns given to its customers as agreed insurance policies.

According to Circular 50, Circular 115/2013/TT-BTC issued by the MOF on 20 August 2013, and the methodology and actuarial principles used to estimate reserves registered and approved by the Ministry of Finance, Bao Viet Life made a technical reserve for the pension products as follows:

- Reserve for insurance risks is maximum of the reserve amount calculated under unearned premium method and reserve amount calculated by the cash flow method to cover all expenses in the future during the term of contract.
- Technical reserve for pension is total policy account value of pension policies at time of appropriation.
- Claim reserve is appropriated by the method of specific provision calculated on the basis of statistics of amount of insurance to be paid for each dossier of compensation requirement from the insurer but unsettled by the end of financial year.
- Reserve for guaranteed interest rate is a provision made in the event of the investment market fluctuations or when the investment yield from insurance premiums is lower than the committed returns given to its customers. The reserve is calculated on the difference between the investment yield from insurance premiums and Bao Viet Life's committed returns given to its customers as agreed insurance policies.

Payable for additional insurance benefits in the financial statement is recorded for obligation of Bao Viet Life with incurred claims relating to this benefit. This payable amount is calculated using the present value of exempted insurance periods in the future, to ensure Bao Viet Life has sufficient capital to cover all future obligations and the impact of changes in mortality rates has been reflected in the discount rate used to calculate the present value of this payable amount as mentioned above.

b. General insurance contract liabilities

For non-life insurance

Unearned premium reserve is calculated as a percentage of total premium or in accordance with a coefficient of the insurance contracts' terms as such:

- For cargo insurance with a term of equal or less than 1 year, unearned premium reserve is made at 25% of the retained premium:
- For other insurance lines and line of insurance of cargo with a term of more than 01 year, unearned premium reserve is calculated based on the 1/8 method.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.22 Insurance contract liabilities (continued)

b. General insurance contract liabilities (continued)

For health insurance

Mathematical reserve: Regarding health insurance policies with a term of more than 1 year, except the policies which only cover death or total permanent disability, the mathematical reserve is calculated based on the 1/8 method.

Regarding health insurance policies which only cover death or total permanent disability, mathematical reserve is calculated based on the remaining day of insurance policy.

Regarding insurance policies with a term of equal or less than to 1 year, unearned premiums reserve is calculated based on the 1/8 method.

Claim reserve

Claim reserve includes the reserve for outstanding claims and for claims incurred but not reported. Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year. Provision is also made for the estimated cost of servicing claims notified but not settled at the end of the reporting period and to meet expenses on claims incurred but not reported at the end of the reporting period.

Incurred but not reported reserve is estimated based on expected loss ratios method with adjustment for the most recent accident years. These are used for assessing the best estimate IBNR by accident year and for the unexpired risk provisions on both a gross and net of reinsurance basis. Claims on all classes of business are not discounted.

c. Liability adequacy test

At each reporting date, the Group performs a liability adequacy test to determine whether its recognized insurance liabilities are adequate. This calculation uses current estimates of future contractual cash flows arising under the insurance contracts, including claims handling costs. If these estimates show that the carrying amount of the insurance liability is inadequate, the deficiency is recognized in the consolidated statement of profit or loss by setting up a provision for liability adequacy.

1.23 Deferred policy holder liabilities

Deferred policyholder liabilities are insurance provision related to universal life contracts and contracts with DPF representing the policyholders' share of unrealized gains or losses on available for sales financial assets.

1.24 Universal life business

The universal life contracts of the Group contain significant insurance risks and are classified as insurance contracts. These policies also contain both insurance components and deposit components.

Premium receipts are initially recognized as premium income, and then the policy account value is recognized as an expense and presented as insurance contract liabilities. These liabilities are initially measured at fair value and subsequently measured using a discounted cash flow model, Commissions, net of receipts from initial charges that are meant to compensate such costs, are recognized as transaction costs in the initial amount of the liabilities.

Fair value changes on available-for-sale financial assets related to the universal life insurance portfolio are recognized in other comprehensive income after allocation to policyholders as recorded in deferred policyholder liabilities.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.25 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

1.25.1 Premiums

Gross recurring premiums on life insurance subsidiary are recognized as revenue when due from the policyholder. For single premium business of the Group, revenue is recognized on the date on which the policy is effective.

Gross general insurance written premiums comprise the total premiums receivables for the whole period of cover provided by contracts entered into during the accounting period and are recognized on the date on which the policy commences. Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods.

Gross general reinsurance premiums ceded comprise the total premiums payable for the whole period of cover provided by contracts entered into during the accounting period and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the consolidated statement of financial position date. Unearned premiums are calculated and recognized as a provision for unearned premiums in subsequent periods as presented in Note 1.22.

Premiums received, commission and claims paid or payable on reinsurance treaty inward business are accounted for when notified by the ceding company or agent concerned.

1.25.2 Interest income

Interest income is recognized as it accrues using the EIR method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the consolidated statement of profit or loss.

1.25.3 Gains from securities trading

Lợi nhuận từ giao dịch chứng khoán là phần chênh lệch giữa giá bán và giá vốn trung bình của chứng khoán bán.

1.25.4 Dividends

Income is recognized when the Group's entitlement as an investor to receive the dividend is established.

1.25.5 Fees and commission

The Group receives fees and commission from providing financial services to customer Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for services.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract.

When providing a service to its customers, the Group issued invoices and request payment (i) immediately upon satisfaction of a service provided at a point in time or (ii) at the end of the contract period for a service provided over time.

SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

- 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)
- 1.25 Revenue recognition (continued)
- 1.25.5 Fees and commission (continued)

Performance obligations satisfied over time

Performance obligations satisfied over time include asset management, brokerage, underwriting activities, custody, commission income on reinsurance ceded and other services, where the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs which are recognized when services are performed.

Asset management fees

These fees are earned for the provision of asset management services, typically for a period of one year or less. These services represent a single performance obligation comprised of a series of distinct services which are substantially the same, being provided continuously over the contract period. Asset management fees consist of management and performance fees that are considered variable consideration under IFRS 15.

Management fees: are recognized monthly and determined based on a fixed percentage of the net asset value of the funds under management at the end of month. The fees generally crystallise at the end of each quarter and are not subject to a clawback.

Performance fees: are calculated based on returns in excess of a specified benchmark market return at the end of each year, over the contract period. Performance fees are typically received at the end of the performance period specified in the contract and are regulated on the service contract. The Group recognized revenue from performance fees over the contract period, but only to the extent that it is highly probable that a significant reversal of revenue will not occur in subsequent periods.

Custody fees

The Group earns a fixed annual fee for providing its customers with custody services, which include the safekeeping of purchased securities and processing of any dividend income and interest payments. These services represent a single performance obligation comprised of a series of distinct daily services that are substantially the same and have the same pattern of transfer over the contract period. Custody fees are recognized on accrual basis in item "Other income" in the consolidated statement of profit or loss over the contract period.

Performance obligations satisfied at a point in time

Brokerage fees

The Group buys and sells securities on behalf of its customers and receives a fixed commission for each transaction. The Group's performance obligation is to execute the trade on behalf of the customer and revenue is recognized once each trade has been executed (i.e., on the trade date).

The Group pays certain sales commission to agents for each contract that they obtain for some of its brokerage services. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows it to immediately expense such sales commission because the amortization period of the asset that it otherwise would have used is one year or less.

Property trading

Revenue from property trading is recognized at the point in time when control of property is transferred to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of property, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1.

1.25 Revenue recognition (continued)

1.25.6 Contract balances

Fees and commission which are recognized in "Other receivables" is the right to receive payment unconditional in exchange for goods or services transferred to the customer.

Unearned fees and commission which are recorded in "Other payables" is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. The payables is recognised when the payment is made or the payment is due (whichever is earlier) and is allocated to revenue when the Group performs under the contract.

1.25.7 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature.

1.26 Borrowing costs

All borrowing costs are expensed in the period in which they incur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.27 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the balance sheet date. The percentage of completion measured based on the costs incurred for work performed to date as proportion of the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred is probably recoverable. Contract costs are recognized as expenses in the year in which they are incurred.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 1

1.28 Benefits, claims and expenses recognition

a. Gross benefits and claims

Gross benefits and claims for life insurance contracts and for life insurance contracts with DPF include the cost of all claims arising during the year including internal and external claims handling costs that are directly related to the processing and settlement of claims and policyholder bonuses declared on DPF contracts, as well as changes in the gross valuation of insurance and life insurance contract liabilities with DPF. Death claims and surrenders are recorded on the basis of notifications received. Maturities and annuity payments are recorded when due.

General insurance and health claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

b. Claim recoveries from reinsurance

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

c. Finance costs

Interest paid is recognized in the consolidated statement of profit or loss as it accrues and is calculated by using the effective interest rate method. Accrued interest is included within the carrying value of the interest-bearing financial liability.

1.29 Reserve funds

Statutory reserve

The statutory reserve fund is established in order to supplement chartered capital and ensure solvency of the Group's subsidiaries, Bao Viet Insurance and Bao Viet Life. Appropriations to the statutory reserve fund are made annually at 5% of Vietnamese Accounting Standard based after-tax profit until it reaches 10% of chartered capital of these subsidiaries.

Investment and development fund and financial reserve fund

Under the current laws and regulations of Vietnam, the Group's subsidiaries which are securities companies are required to make financial reserve fund and investment and development fund, which are appropriated from net profit after tax at a rate specific to each industry. Investment and development fund are made and used for the companies' expansion of operation or increase in charter capital. Financial reserve fund is set aside to protect these companies' normal operations from business risks or losses, or to prepare for unforeseen losses or damages due to objective reasons.



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

NARRATIVE DESCRIPTION OF MATERIAL MEASUREMENT AND INCOME RECOGNITION DIFFERENCES BETWEEN 2. VAS AND IFRS

ІТЕМ	VAS	IFRS
ITEM Financial assets	Investments in securities and other investments are stated at their acquisition cost. Short term investments comprise the holdings of listed shares	 IFRS Financial assets at fair value through profit or loss are initially recognized at fair value. Other financial assets rather than financial assets at fair value through profit or loss are initially recognized at fair value plus directly attributable transaction costs. The subsequent measurement of financial assets depends on their classification as follows: (i) Financial assets at fair value through profit or loss include financial assets held for trading and designated upon initial recognition at fair value through profit or loss. ii) Available-for-sale ("AFS") financial assets: securities investment which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions. After initial recognition, at each financial position date, the fair value is re-measured, with any resultant gain or loss being recognized in other comprehensive income and accumulated separately in equity in the fair value reserve until the investments are either sold or become impaired. When AFS investments are sold, cumulative gains or losses previously recognized in equity are recognized in the consolidated statement of profit or loss. iii) Loans and receivables are non-derivative financial assets with fixed determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in the consolidated statement of profit or loss when the investments are derecognized or impaired, as well as through the amortization process.
		derivative financial assets with fixed or determinable interest and fixed maturities are classified as held-to-maturity when the Group has the intention and ability to hold until maturity. After initial recognition, held to maturity financial assets are measured at amortized cost similar to loans and receivables

FINANCIAL REPORTING STANDARDS (continued)

VAS AND IFRS (continued)

ITEM	VAS	IFRS
Impairment	all shares is created representing the excess of the acquisition cost over the market value at the reporting date.	 Impairment is recognized on financial assets that are carried at amortized cost and on AFS financial assets. In case the fair value of AFS increase: Past impairment losses on AFS debt instruments (monetary assets) are reversed through income. For AFS equity instruments (non-monetary assets), past impairment losses are reversed through equity.
Associate and joint ventures	ventures are recognized in the consolidated financial statement under	An investment in an associate/a joint venture is recognized in consolidated financial statement under equity method. This carrying value is reduced where there is objective evidence of impairment.
Receivables		Receivables are carried at cost less any accumulated impairment losses. This carrying value is reduced where there is objective evidence of impairment.
Property and equipment (Tangible fixed assets)		Property and equipment is carried at its cost less accumulated depreciation and any accumulated impairment losses.
Intangible assets	accumulated amortization. Revaluation	Intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Where the useful life of an intangible asset is assessed as indefinite, IAS 38 requires that the asset should not be amortized.
Life insurance reserves		IFRS 4 does not permit provisions for claims on contracts that are not in existence at the end of the reporting period (such as Equalization provisions).

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SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL

2. NARRATIVE DESCRIPTION OF MATERIAL MEASUREMENT AND INCOME RECOGNITION DIFFERENCES BETWEEN



SUPPLEMENTARY FINANCIAL INFORMATION BASED ON INTERNATIONAL FINANCIAL REPORTING STANDARDS (continued)

2. NARRATIVE DESCRIPTION OF MATERIAL MEASUREMENT AND INCOME RECOGNITION DIFFERENCES BETWEEN VAS AND IFRS (continued)

ІТЕМ	VAS	IFRS
General insurance reserves	claims in Bao Viet Insurance is calculated	Full provision is made for the estimated cost of claims notified but not settled at the financial position date and for the estimated cost of claims incurred but not reported by that date.
		IFRS 4 does not permit provisions for claims on contracts that are not in existence at the end of the reporting period (such as catastrophe provisions).
Income tax	differences and the deferred tax recognition in respect of business	Deferred tax assets and liabilities arise from deductible or taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.
		Deferred tax assets also arise from unused tax losses and unused tax credits, if any. The amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position date.





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