



# 2021

**ANNUAL REPORT**





## REINFORCING POSITION PIONEERING THE MARKET

Persevering in pursuing a digital banking strategy from a very early age, TPBank today has become the Bank of the Digital Era for it is not only the leading bank in terms of technical infrastructure and technological human resources, but it also claims a comprehensive digital ecosystem in all customer communication channels. Embarking on a digital journey has brought TPBank a profit growth rate of 40% per year and a 30% year-on-year increase in number of customers (reaching 5 million customers in 2021), spurring its total assets to 295,000 billion VND.

With its focus in developing new technology platforms and an extensive data storage coupled with the application of data analysis capability in the digitalization journey, TPBank is always “one step ahead of the market” in digital transformation, constantly innovate to bring unique solutions as well as the best product and service experiences for customers.

The Board of Directors, Board of Management and all TPBank staff have constantly put forth their highest determination to promote the development of TPBank. With efficiency, transparency and strength going hand in hand with vision and a comprehensive digital strategy, TPBank will ensure to bring sustainable values to shareholders, customers and investors.



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# MESSAGE FROM THE CHAIRMAN



Dear shareholders,

In 2021, the Covid-19 pandemic with the 4<sup>th</sup> wave in Vietnam has continued to cause many disturbances and severely affect all aspects of life, economy and society on the whole. Despite facing many difficulties, the past year was also an opportunity for the Vietnamese business community to display its strong “resistance”, experience and flexible adaptability to “combat the pandemic along with promoting economic development”. With determination as strong as steel, Vietnam still achieved and exceeded a number of socio-economic targets with GDP in 2021 growing at 2.58%. The banking industry, as the backbone of the economy, still maintains its growth efforts, besides sharing and supporting the community and customers to overcome the pandemic.

With that momentum, TPBank reached the finish line with triumphant business results, conquered many challenges and pressures from the market - customers to internal operations, overcame many limits, and exceeded key business targets approved by the General Meeting of Shareholders at the beginning of the year.

As of December 31<sup>st</sup>, 2021, TPBank’s total assets have reached 295,000 billion VND, up 42% compared to 2020 and exceeding the plan by more than 17%. Total operating income also reached 3,500 billion VND, up 30% over the same period. Total pre-tax profit reached 6,038 billion VND, nearly 4% higher than the set plan. Net interest income from the bank’s services increased by nearly 65% compared to the same period at the end of 2020, reaching over 1,500 billion VND. Bad debt ratio is controlled at a very low level, only 0.9%. TPBank also completed increasing its charter capital from more than 10,717 billion VND to 15,818 billion VND. TPB ticker named to the VN30, growing 101%, bringing TPBank’s market capitalization to more than 2.8 billion USD. Customer base reached 5 million individual and institutional customers, with the highest new customer growth rate ever.

In order to maintain the record of rapid growth with high safety factor and sustainable operation as mentioned above, TPBank remains steadfast in its Digital Strategy and reaps tremendous success on its journey to lead the digital banking race. Proactively anticipating future trends, the Bank focuses on new technology platforms, builds big data storage and applies data analysis capabilities to the digitalization journey, to always be “one step ahead of the market” in terms of digital transformation. TPBank applies digital creativity from the foundation layer such as Artificial Intelligence, Machine Learning, Big Data, Cloud Computing to the solution layer such as biometrics identification, character recognition and automation with robots. In the product - service layer, we continue to build and bring to customers the most comprehensive banking and financial product ecosystem for the digital era, where financial and transaction solutions are “tailored” to the habits and needs of each individual user. TPBank’s digital service segment in 2021 accounted for 93% of total transactions, with the average service value increasing by 250% per month compared to 2020. This achievement has continued to create a solid foundation for the bank’s future development, where TPBank reaches the top and affirms its position as the Bank of the Digital Era.

Recognizing the intrinsic strength as well as the outstanding success in digital transformation, TPBank was honored to receive the Certificate of Merit from the Governor of the State Bank of Vietnam and received more than 30 prestigious domestic and foreign awards for digital banking, digital transformation, corporate governance, inspiring brands and excellent employers.

Upholding the principle of transparent, sustainable and safe operation according to international standards, TPBank is also the first bank in Vietnam to meet Basel III and IFRS 9 standards simultaneously in 2021. Moody’s has maintained the B1 credit rating, the Baseline Credit Assessment (BCA) rating and raised the credit outlook from “stable” to “positive” for TPBank - the highest rating in the Vietnamese banking system.

In the rapidly growing digital economy, the emergence of new, borderless digital platforms becomes both an opportunity and a challenge for TPBank to leap further with its digital innovation and creativity journey. With the desire to constantly innovate based on the technology platform of 7,500 employees fueled by the trust of our Shareholders and 5 million individual and corporate customers, with a confident attitude thanks to the past success and positive forecasts about the economic recovery post COVID-19, I believe that TPBank will stand firm and attain new goals in 2022, the starting year of the aspirational 2022-2027 strategic period. TPBank will successfully complete all plans and targets set by the General Meeting of Shareholders.

Thank you and Best regards,

A handwritten signature in black ink, appearing to read 'D. Minh Phu', written over a horizontal line.

Chairman, Board of Directors  
Do Minh Phu



# VISION MISSION CORE VALUES

## VISION

To become one of the leading commercial banks in Vietnam providing cutting-edge products and services with a focus on technology application, contributing to the prosperity of Vietnam.

## CORE VALUES

**INTEGRITY:** Integrity and honesty are the most important professional ethics to each bank staff.

**INNOVATION:** Each individual is urged to innovate in both awareness and action, giving out the ultimate creative solutions to optimize values for the Bank and Customers.

**PROGRESSIVENESS:** Each individual strives for self-improvement, promoting the forte, intrinsic capacity and potential of both each individual and the team. The bank always creates the best conditions for each individual to reach perfection.

**SYNERGY:** Solidarity, cooperation, commitment and sharing at work, realizing each individual's values within TPBank's values.

**PERSISTENCE:** Being perseverant and tenacious to conquer all difficulties and challenges to achieve success.

## MISSION

TPBank provides impeccable financial products/services to Customers and Partners based on modern, advanced and highly effective technology platform.

TPBank is an economic organization that operates based on transparency, security, effectiveness, and sustainability, aiming to maximize our Shareholders' benefits.

TPBank creates optimal conditions for each Employee to enjoy a good living standard which helps promote their creativity and career development.

TPBank values corporate social responsibility and places huge emphasis on community-oriented activities to promote Human Development and National Prosperity.



# OVERVIEW

Established in 2008, Tien Phong Commercial Joint Stock Bank (TPBank) inherits the strength from its strategic shareholders at home and abroad including DOJI Gold and Gems Group, FPT Technology Corporation, and Vietnam Reinsurance Corporation (Vinare), SBI Ven Holding Pte. Ltd (Singapore) financial group, IFC International Finance Corporation (a member of the World Bank Group) and PYN Elite Fund, aspiring to become a transparent, efficient and sustainable financial institution that brings the best benefits to its shareholders and customers.

Standing on a solid foundation with the right strategy, TPBank has made a breakthrough with impressive business results. By the end of 2021, TPBank's total assets reached 292,827 billion VND, an increase of nearly 42% compared to the beginning of the year, exceeding 17% of the plan. The bank's charter capital has been increased from 11,716 billion VND to more than 15,818 billion VND and equity capital is 25,987 billion VND. Pre-tax profit reached 6,038 billion VND, exceeding the set plan by 4%. Total mobilization reached 262,385 billion VND, most of which came from the deposits of economic entities and individuals. TPBank's total operating income also reached 13,517 billion VND, up more than 30% over the same period. In addition to interest income from lending activities, net interest income from the bank's services increased by nearly 65% compared to the same period at the end of 2020, reaching over 1,542 billion VND. In particular, TPBank's bad debt ratio is controlled at a very low level, only 0.81%, and the bad debt coverage ratio is raised from 130% in 2020 to 160%.

Becoming a leading bank in digital technology with many breakthrough digital financial products, in 2022 TPBank continues to be honored at many prestigious domestic and international awards namely Best Digital Bank in Vietnam, Bank with the Best Service Quality, Excellent Enterprise in Asia, Digital Innovation Enterprise, Top 10 prestigious banks in Vietnam, Inspiring Brand, among others.

Over the past 10 years, TPBank has shown a long-term vision and sustainable development roadmap when gradually consolidating its nationwide branch-office system and constantly expanding cooperation with major partners. By the end of 2021, TPBank owns nearly 500 transaction points (including LiveBank automatic transaction points) nationwide. The total number of individual customers reached 5 million, approximately a three-fold increase since 2017.

*With the branding slogan "A deeper understanding", TPBank wishes to take the foundation of "understanding customers" to build top-quality banking services. Understanding to share, understanding to accompany customers, to create the best and most suitable products and services, bringing the highest added value to customers is the acting compass of the sustainable development that TPBank follows.*



# BANK OF THE DIGITAL ERA

2022 marks the 10th year since TPBank's decision to pursue a digital strategy despite numerous difficulties and challenges. Thanks to the right orientation, systematic investment in technology, a sound strategy and dedicated staff, TPBank has made steady progress to affirm its position as a leading digital bank in Vietnam.

TPBank has innovated its strategic thinking, proactively and creatively cooperated with the world's leading technology companies to deploy safe, efficient and sustainable multi-channel digital platform projects, with flexibility in terms of scale to align with the development and expansion orientation of the bank in the future. The Bank focuses on building breakthrough products that bring the best experiences to customers, applying new technology, promoting online transactions, opening eKYC accounts, and cooperating with Fintech companies, creating a digital ecosystem as an extension of the Bank.

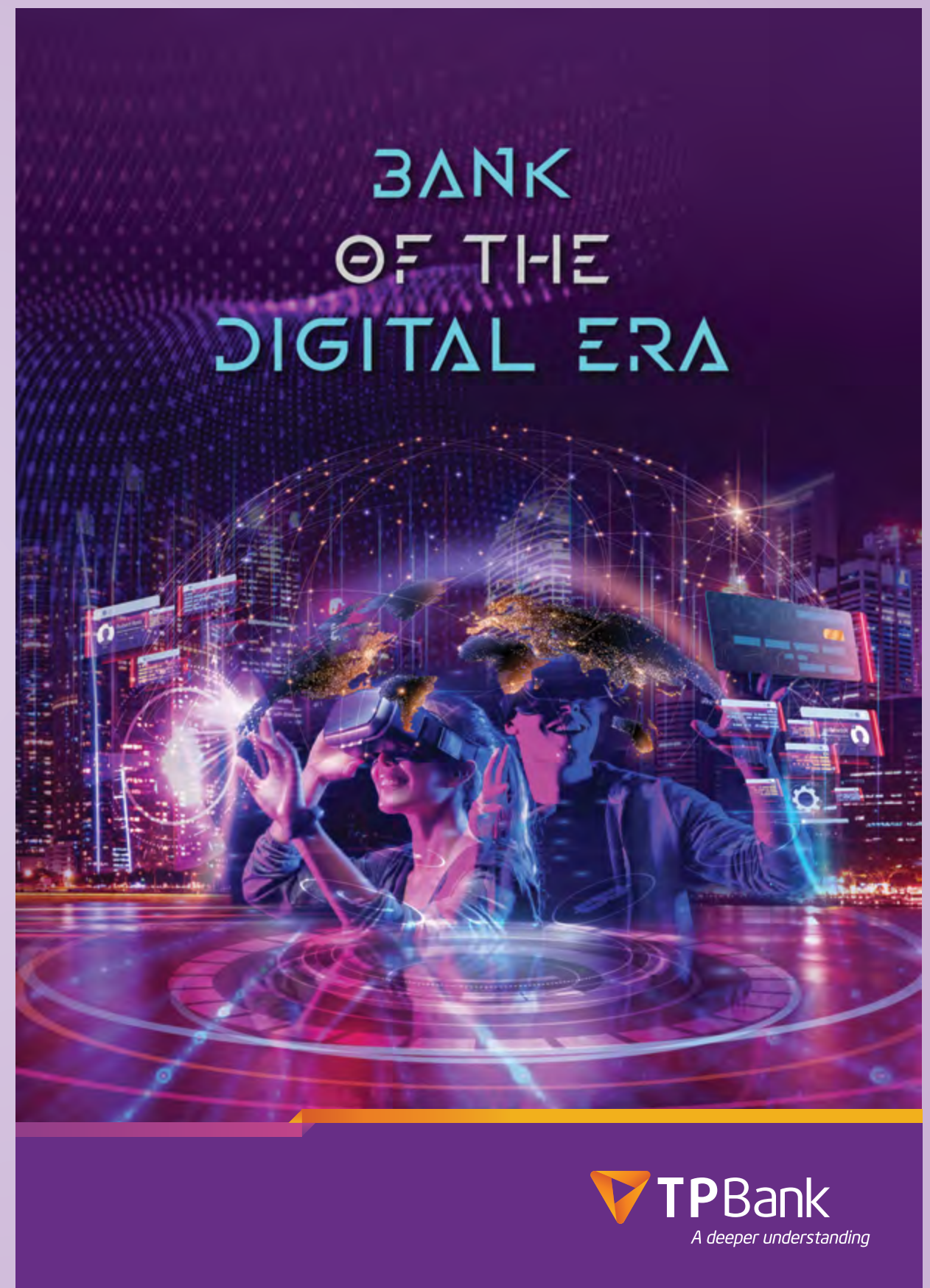
LiveBank's automated banking system continues to play a prominent role in the ecosystem with the ability to replace a traditional branch which is able to reduce the operating cost by four times, giving TPBank many new business development opportunities and helping to expand the network of operations. Currently, LiveBank is the first & largest 24/7 automated transaction network in Vietnam with 380 VTMs (by the end of 2021). The LiveBank system is increasingly upgraded with many digitization features, enhancing the experience for customers when putting into use a modern biometric identification system (face, fingerprint, voice) to ensure the consistency of transactions for customers across all channels.

The bank has digitized all operating processes, of which up to 90% of work and operating processes are paperless. In addition, the bank has actively deployed RPA with nearly 300 processing robots to automate processes, collect data, and apply AI to increase operational productivity and smart data lookup. At the present time, all internal and external activities, online or offline, are deployed on a digital platform, implementing the roadmap to become a data-driven organization.

Currently, over 80% of new technology applications at TPBank make use of AI, machine learning, and automation across all channels as well as its products and customer services, internal operations, and big data analysis to enhance customer experience and create new business models. TPBank is also the only bank in Vietnam that can handle 30% of customer service calls with artificial intelligence, aiming to handle 70% of calls with AI by 2025. This helps TPBank to comprehensively upgrade its product and user experience, becoming the leading digital bank.

With the goal of exploiting AI as a spearhead technology, a foundation for breakthrough innovations, TPBank has invested heavily in AI implementation over the years and will continue to promote AI utilization combined with automation and personalization. The year 2022 is determined to be the pivotal year, comprehensively applying AI across the bank, aiming to develop business on the digital platform and boost TPBank's competitive strength.

The strong development of Digital Banking has brought about a remarkable growth rate. The number of payment accounts opened via electronic channels has surpassed traditional over-the-counter channels, accounting for 80% of new customers each year. The average number of transactions on digital channels has grown by 120% per year, especially during the pandemic when those done via traditional channels tend to decrease. Transaction value from digital services reaches 55 trillion VND per month, reaching an average of 130%/year, the proportion increased sharply and more than doubled compared to the traditional channel in 2021. In 2022, TPBank is continuing to commit to the Comprehensive Digital Innovation strategy, **building a Smart Bank** to meet all customer needs throughout their life cycle; quick connection on an **Open Banking platform**, allowing partners to combine products, services, data; while increasing business efficiency on the digital platform, enhancing the experience of both individual and corporate customers.





# BOARD OF DIRECTORS



**Mr. Do Minh Phu**  
Chairman, Board of Directors

Since April 2018, Mr. Do Minh Phu has been elected as the Chairman of Tien Phong Commercial Joint Stock Bank (TPBank) for the term of 2018 - 2023. He also holds the key positions at other organizations and associations, naming the Vice-Chairman of the Vietnam - Singapore Business Council; Vice Chairman of the Vietnam Gold Traders Association; Vice Chairman of the Vietnam Private Business Association; Vice Chairman of the Vietnam - US Economic Forum; Member of the International Colored Gemstone Association; Member of Executive Committee of the Vietnam Chamber of Commerce and Industry (VCCI).

Mr. Do Minh Phu is the Chairman of Founders' Council, Chairman of Investment Board - DOJI Gold & Gems Group Joint Stock Company. With his outstanding achievements and contributions to the economy and society, Mr. Do Minh Phu was honored by international organizations as well as senior leaders of the government with noble titles: 'Honorary Professor of the Academic Union, Oxford', the United Kingdom (2021), "Outstanding Entrepreneur in the Asia-Pacific" (2019), Second Class Labor Medal (2019), Third Class Labor Medal (2014 and 2012), Certificate of Merit from the Prime Minister for having excellent performance in implementing the project "Restructuring the System of Credit Institutions in the Period 2011 - 2015" (2013), Certificate of Merit from the Prime Minister for "Numerous Achievements in contributing to the Cause of Construction of Socialism and Defense of the Fatherland" (2011) and many other prestigious awards. Mr. Do Minh Phu holds a Bachelor of Science at Hanoi University of Technology, majoring in Radio Electrical Engineering.

**Mr. Le Quang Tien**  
Vice Chairman, Board of Directors

Since April 2018, Mr. Le Quang Tien has been elected as the Vice Chairman of the Board of Directors for the term of 2018 - 2023. He is one of the founders and was the first Chairman of TPBank. Currently, Mr. Tien is also a member of FPT Founders' Council and the President cum Chief Executive Officer of FPT Investment Company Limited. In 2013, Mr. Tien was honored to receive the Certificate of Merit from the Governor of the State Bank of Vietnam for his outstanding achievements in the implementation of the project "Restructuring the System of Credit Institutions in the Period 2011 - 2015"; Certificate of Merit from the Governor of the State Bank of Vietnam for his "Outstanding Achievements contributing to the Completion of the Bank's Mission in 2014-2015". Mr. Tien holds a Master of Business Administration's degree from Amos Tuck University (USA) and a Physics Bachelor's degree from Kishinev State University.

**Mr. Do Anh Tu**  
Vice Chairman, Board of Directors

Since April 2018, Mr. Do Anh Tu has been elected as the Vice Chairman of TPBank's Board of Directors for the term of 2018 - 2023. Currently, Mr. Tu is also the Vice Chairman of the Board of Directors of Diana Joint Stock Company – a subsidiary of Unicharm Corporation, Japan; Chairman of Tien Phong Securities Joint Stock Company; Chairman of Mercury Investment Joint Stock Company; Chairman of the Members' Council of TP Vietnam Investment Company Limited; Member of the Members' Council of Green Globe Company Limited; Member of the Board of Directors of Tan My Investment Development Trading Joint Stock Company and Member of the Members' Council of Tan Kim Nhat Trading Company Limited. As one of the top experts in brand management and marketing, Mr. Tu has made important contributions to establishing and enhancing the bank's brand position.

In 2013, Mr. Tu was honored to receive the Certificate of Merit from the Governor of the State Bank of Vietnam for his outstanding achievements in the implementation of the project "Restructuring the System of Credit Institutions in the Period 2011 - 2015"; Certificate of Merit from the Governor of the State Bank of Vietnam for "Outstanding Achievements contributing to the Completion of the Bank's Mission in 2014-2015". In 2020, Mr. Tu was honored to receive the Prime Minister's Certificate of Merit for his outstanding achievements in the development and application of digital technology in the banking sector, contributing to improving the service quality and business performance. Mr. Tu holds a PhD in Mechanical Engineering from Czech Technical University in Prague.

**Mrs. Nguyen Thu Ha**  
Member of the Board of Directors

Since April 2018, Mrs. Nguyen Thu Ha has been appointed as the Member of TPBank's Board of Directors for the term of 2018 - 2023. Previously, Mrs. Nguyen Thu Ha held important positions such as: Deputy Chief Executive Officer of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank), Chairman of Vietcombank Securities Company (VCBS), Chairman of the Vietnam Bank Card Association that belongs to the Vietnam Banks Association. Mrs. Nguyen Thu Ha holds a Master of Business Administration's degree from George-town University, Washington DC, USA.



**Mr. Shuzo Shikata**  
Vice Chairman, Board of Directors

Since April 2018, Mr. Shuzo Shikata has been elected as the Vice Chairman of TPBank's Board of Directors for the term of 2018-2023. Currently, he is Head of Foreign Financial Services Business Development Department of SBI Holdings Group, Inc., and also a Member of the Board of Directors of FPT Fund Management Joint Stock Company. With advanced and contemporary management experience at international banks, Mr. Shuzo Shikata and SBI Holdings Group, Inc., are actively supporting TPBank in developing and implementing banking development strategy. Mr. Shuzo Shikata holds a Bachelor's Degree in Economics from Ritsumeikan University, Japan.



**Mrs. Do Thi Nhung**  
Non-executive Member of the Board of Directors

Since April 2018, Mrs. Do Thi Nhung has been elected as Non-executive Member of the Board of Directors for the term 2018-2023. Mrs. Do Thi Nhung used to hold the position of Deputy Director of the Monetary Policy Department at the State Bank of Vietnam. Mrs. Do Thi Nhung holds a BA in Economics from the Banking Academy of Vietnam.



**Mr. Eichiro So**  
Member of the Board of Directors

In April 2018, Mr. Eichiro So was appointed as a Member of TPBank's Board of Directors for the term of 2018-2023. Mr. Eichiro So is currently the Representative Director of SBI Thai Online Securities Limited Company. Mr. Eichiro So holds a Master of Business Administration's degree from Hitotsubashi University, Japan.







## MEMBERS OF THE SUPERVISORY BOARD

### **Mrs. Nguyen Thi Bao** Head of Supervisory Board

Since April 2018, Ms. Nguyen Thi Bao has been elected as the Chief of the Supervisory Board for the term of 2018-2023. Mrs. Nguyen Thi Bao has been the Senior Advisor of TPBank's Board of Directors since April 2012. Previously, she held many important positions such as Deputy Director of JSC Bank for Foreign Trade of Vietnam Center (Vietcombank) Transaction Center, Head of Vietcombank's Securities and Investment Appraisal Department. Mrs. Nguyen Thi Bao holds a Master of Business Administration's degree from Free University of Brussels - Kingdom of Belgium, in Hanoi.

### **Mr. Thai Duy Nghia** Standing Member of the Supervisory Board - Director of Internal Audit Center

Since April 2018, Mr. Thai Duy Nghia has been elected as the Standing Member of the Supervisory Board for the term of 2018-2023. Mr. Thai Duy Nghia joined TPBank in June 2008 and held many positions: Head of Internal Control and Quality Control Department, Head of Direct Supervision Department, Deputy Head of Internal Audit Department. Currently, he is a standing member of the Supervisory Board of TPBank. Mr. Thai Duy Nghia graduated from the Banking Academy of Vietnam, majoring in Finance – Credit.

### **Mrs. Nguyen Thi Thu Nguyet** Non-standing member of the Supervisory Board

In April 2018, Ms. Nguyen Thi Thu Nguyet was appointed as the Non-standing Member of the Supervisory Board for the term 2018-2023. Mrs. Nguyen Thi Thu Nguyet currently holds the position of the General Director – FPT Investment Fund Management Joint Stock Company. Mrs. Nguyen Thi Thu Nguyet holds a Master of International Law from Hanoi National University.



# BOARD OF MANAGEMENT



**Mr. Nguyen Hung**  
Chief Executive Officer

Mr. Nguyen Hung was appointed as Chief Executive Officer (CEO) of TPBank in June 2012 and was reelected in September 2017. Mr. Nguyen Hung has nearly 30 years of experience in the banking and finance industry, of which more than 20 years working as a senior manager. He graduated from the Banking Academy of Vietnam, holds a Master of Business Administration majoring in E-Commerce from North Central University, USA. Mr. Nguyen Hung used to hold many key management positions such as: CEO of Vietnam Prosperity Joint Stock Commercial Bank (VPBank) from April 2009 to June 2012, several managerial positions at Vietnam Technological and Commercial Joint Stock Bank (Techcombank) from 2000 to 2009. With his significant contribution to the development of TPBank, making it a leading bank with modern technology and efficient operation, Mr. Nguyen Hung has been awarded the Certificate of Merit by the Governor of the State Bank of Vietnam twice for his outstanding achievements as TPBank CEO.



**Mrs. Truong Thi Hoang Lan**  
Deputy CEO - Head of Investment and Big Corporate Banking Division

Mrs. Truong Thi Hoang Lan joined TPBank in February 2011. Mrs. Hoang Lan has more than 17 years of experience in finance and banking. Having held several senior management positions at TPBank, Mrs. Hoang Lan was appointed as Head of Investment and Custodian Bank Division in May 2015. As of December 2016, Mrs. Hoang Lan was appointed as Head of Investment and Big Corporate Banking Division. On December 28th, 2018, Mrs. Hoang Lan was appointed as Deputy CEO cum Head of Investment and Big Corporate Banking Division. In September 2014, Mrs. Truong Thi Hoang Lan was honored to be awarded the Certificate of Merit by the Governor of the State Bank for "Excellent achievements contributing to the Bank's mission 2012-2013". Mrs. Hoang Lan holds a Bachelor's degree with Distinction in Management Science from Thang Long University.



**Mr. Pham Dong Anh**  
Deputy CEO - Head of Operations Division

Mr. Pham Dong Anh joined TPBank in 2007 since the beginning of the bank establishment project. In 2010, Mr. Dong Anh was appointed as Senior Director in charge of Operations. In April 2011, he was appointed to be Deputy CEO and in charge of Operations Division, Resources and Network Development Division. From August 2012 until now, Mr. Dong Anh has been the Deputy CEO cum Head of Operations Division. In September 2014, Mr. Pham Dong Anh was honored to be awarded the Certificate of Merit by the Governor of the State Bank for his "Excellent achievements contributing to the Bank's mission 2012 - 2013".

Graduated from Faculty of Finance and Banking, National Economics University and Faculty of English, Hanoi University, before joining TPBank, Mr. Dong Anh worked for 14 years at VID Public Bank and held various senior management positions such as Director of VID Public Bank Hai Phong Branch, Director of Transaction Office of VID Public Bank Hanoi.





**Mr. Dinh Van Chien**  
Deputy CEO - Head of Retail Banking Division

Mr. Dinh Van Chien was appointed as Head of Retail Banking Division on December 4, 2013. Since April 2016, Mr. Chien has been elected as Deputy CEO in charge of Retail Banking Division. Before joining TPBank, Mr. Chien had more than 18 years of experience working in the field of finance and banking, and marketing, holding various positions at domestic and international organizations such as: Deputy Director of Card Center, Visa/Mastercard Project Manager at Vietcombank, Marketing Manager at Johnson & Johnson Vietnam Co. Ltd; Senior Manager at OCBC Bank (Singapore) for Global Personal Financial Consultant Services; Director of Product Development Center of the Retail Banking Division at VPBank from 2011. Mr. Chien holds a Bachelor of Foreign Trade University, Master of Banking and Finance from Notre Dame University, Indiana, USA under the Fulbright scholarship program. Mr. Chien was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for his "Excellent achievements contributing to the Bank's mission in 2018 - 2019".

**Mr. Nguyen Hong Quan**  
Deputy CEO - Head of Risk Management Division

Mr. Nguyen Hong Quan has been appointed as TPBank's Deputy CEO cum Head of Risk Management Division on February 1st, 2012. Prior to joining TPBank, Mr. Quan had more than 15 years of experience working in the banking and finance sector, holding important positions in commercial banks and investment banks. He used to be Head of Risk Management, Deputy Head of Internal Control and Compliance at Citibank Vietnam; Acting CEO of An Binh Securities Company. Mr. Quan holds an Executive Master of Business Administration (EMBA) at the Asian Institute of Technology (AIT). Before that, he graduated from Hanoi Foreign Trade University majoring in International Business, and obtained an Economics Engineering degree, from Faculty of Transport Economics at Hanoi Transport University. Mr. Nguyen Hong Quan was honored to be awarded the Certificate of Merit by the Governor of the State Bank for his "Excellent achievements contributing to the Bank's mission in 2018-2019".

**Mr. Nguyen Viet Anh**  
Deputy CEO - Head of Treasury & Capital Market Division

Mr. Nguyen Viet Anh has been appointed as Deputy CEO, Head of Treasury and Capital Market Division since March 2011. Mr. Viet Anh holds a Master of Business Administration from Washington State University, USA. Prior to that, he graduated from Hanoi National University and Institute of International Relations. Before joining TPBank, Mr. Viet Anh had more than 10 years of experience working at Techcombank holding important positions such as: Acting Director of Treasury and Financial Market Division, CEO of Techcom Capital (Techcom Capital Management JSC), Director of Foreign Exchange and Derivative Products Center, Director of Commodity Trading and Exchange Management Center, Head of Money Market and Foreign Exchange Department. Mr. Nguyen Viet Anh was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for his "Excellent achievements contributing to the Bank's mission in 2018 - 2019".



**Mr. Khuc Van Hoa**  
Deputy CEO - Head of Commercial Banking Division

Mr. Khuc Van Hoa started working at TPBank in September 2012 as Deputy CEO cum Head of Sales and Distribution Channel Division. From April 2015 until now, he held the positions of Deputy CEO cum Head of Commercial Banking Division. Mr. Hoa holds a Master of Business Administration from the French-Vietnamese Center for Management Training (CFVG). Before joining TPBank, Mr. Hoa held many important management positions at Vietnam Technological and Commercial Joint Stock Bank (Techcombank) and Military Commercial Joint Stock Bank (MBBank) such as: Deputy Head of Risk Management Division, Head of SME Credit Center, Techcombank's Regional Director, MBBank's Deputy Head of Large Corporate Division.

**Mr. Le Hong Nam**  
Deputy CEO - Head of Credit Division

Mr. Le Hong Nam joined TPBank in January 2009 as Ho Chi Minh City Branch Director. In March 2012, he was appointed as Deputy CEO in charge of the Southern region. After that, he was appointed as Deputy CEO cum Head of Credit Division. Graduating with a Master of Economics, Mr. Nam has been working for over 20 years in the field of Finance - Banking and holding several senior management positions at domestic and foreign credit institutions such as Head of Head Office Credit and Investment Department of ShinhanVina Joint Venture Bank; Director of Ho Chi Minh City Branch - Global Petroleum Commercial Joint Stock Bank; Deputy CEO - Mekong Development Joint Stock Commercial Bank. In 2016, Mr. Le Hong Nam was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for his "Outstanding achievements contributing to the Bank's mission 2014 - 2015".

**Mr. Bui Quang Cuong**  
Deputy CEO - Head of Information Technology Division

Mr. Bui Quang Cuong joined TPBank from the beginning of the bank establishment project in May 2007. Mr. Cuong used to hold important positions: Head of Information Technology (IT) Center, Acting Director of Card and Electronic Banking Center of TPBank, Head of Information Technology Division (IT). In September 2014, Mr. Bui Quang Cuong was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for his "Excellent achievements contributing to the Bank's mission in 2012 - 2013". In November 2021, Mr. Cuong was appointed to the position of Deputy CEO cum Head of Information Technology Division. Mr. Cuong has over 22 years of experience in banking and IT. Prior to joining TPBank, he was Director of Software Center at 3C Company; Head of Information Technology Department at VID Public Bank. Mr. Cuong holds a Bachelor of Science from Hanoi University.





**Mrs. Nguyen Thi Tuyet Lan**  
Head of Human Resources Division

Mrs. Nguyen Thi Tuyet Lan has nearly 20 years of experience in the field of human resource management at large domestic corporations and banks. She started working at TPBank from June 2012 as Deputy Head of Human Resources Division. In November 2020, Mrs. Lan was appointed as Head of Human Resources Division. Prior to TPBank, she worked at FPT Corporation and Vietnam International Bank – VIB. Mrs Lan holds a Master in Business Administration from the University of Gloucestershire – the United Kingdom, affiliated with Vietnam's Academy of Finance. Mrs. Lan was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for her "Excellent achievements contributing to the Bank's mission in 2018 – 2019".

**Mrs. Dinh Thi Hang Huong**  
Head of Direct Sales Division

Mrs. Dinh Thi Hang Huong joined TPBank in February 2015 and was appointed as Deputy Head of Retail Banking Division from March 2018, in charge of sales management and insurance business development. In April 2019, Mrs. Huong was appointed as Head of the Direct Sales Division. Mrs Hang Huong had many years of experience in business management and development in the banking and finance industry holding many key positions: Head of Direct Sales Development and Management Center, Sales Management Director of Personal Banking Division at MaritimeBank, Sales Director of Hanoi Region – Direct Channel at Prudential Finance Company. Mrs. Hang Huong holds a BA in Economics from Hanoi National University. Mrs. Huong was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for her "Excellent achievements contributing to the Bank's mission in 2018 – 2019".



**Mr. Nguyen Huu Thanh**  
Head of Legal and Debt Settlement Division

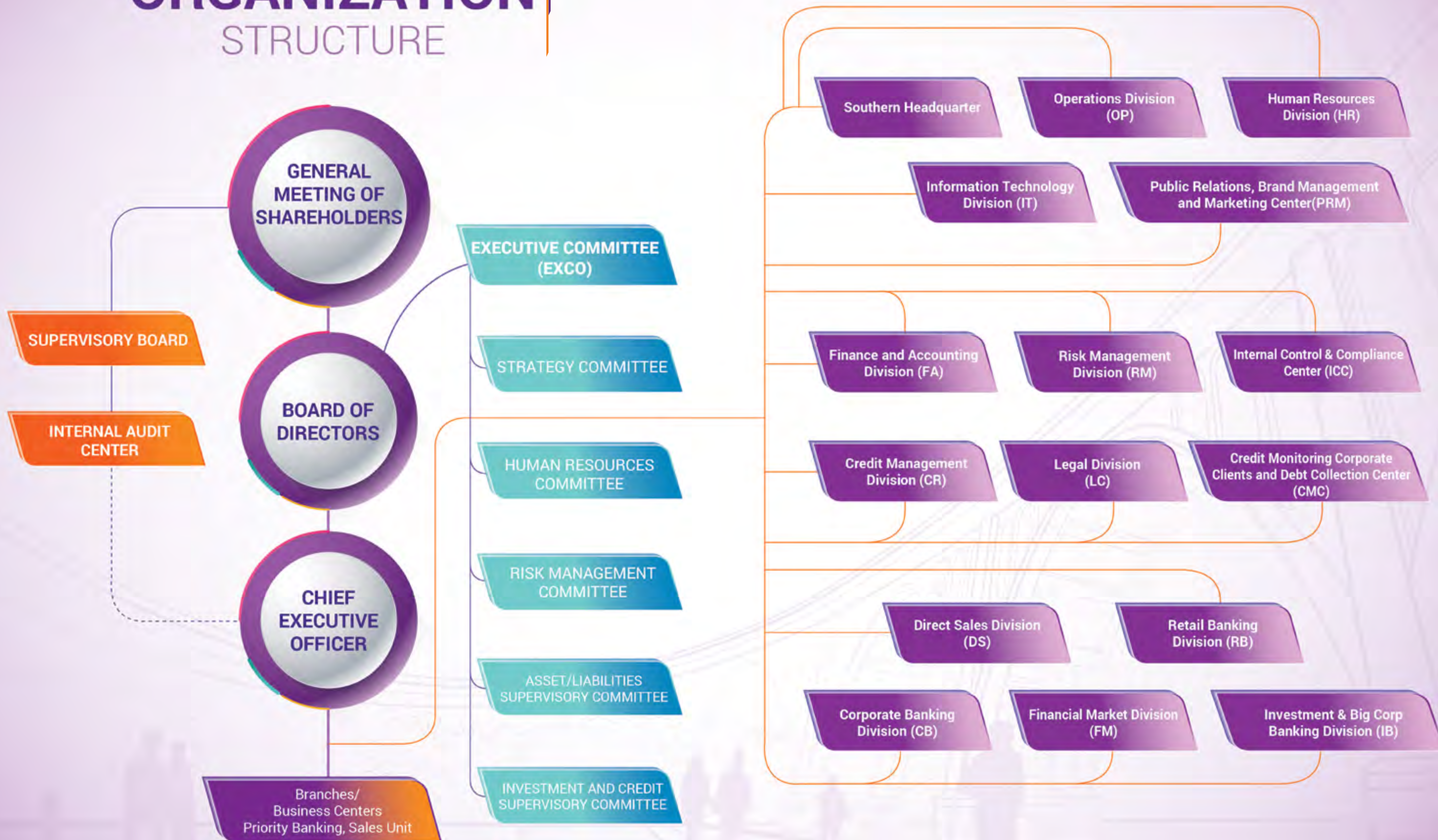
Mr. Nguyen Huu Thanh joined TPBank in May 2011, was appointed as Head of the Division from June 16th, 2014. Mr. Thanh has 20 years of experience in Banking Legal. Prior to joining TPBank, Mr. Thanh worked at the State Bank of Vietnam, and at Techcombank as Deputy Head of Legal and Compliance Department. Mr. Thanh holds a Master of Laws at Vietnam Institute of State and Law; Master of Public Policy, University of Tsukuba, Japan.

**Mr. Nguyen Lam Hoang**  
Head of Finance Division

Mr. Nguyen Lam Hoang joined TPBank in October 2012. Mr. Nguyen Lam Hoang used to hold various positions: Head of Retail Banking Division, Head of Direct Sales Division of TPBank and now is currently appointed as Head of Finance Division - TPBank. Having had many years of experience in the banking and finance sector, Mr. Hoang held various management positions at Techcombank: Head of General Planning Department; Northern Retail Director of Personal Finance Service Division; Head of SSP Northern Project cum Deputy Director of SSE Center, S&D Division; Director of Sales Center, S&D Division. Mr. Hoang holds a Master of Business Administration from French-Vietnamese Center for Management Training (CFVG). Mr. Hoang was honored to be awarded the Certificate of Merit by the Governor of the State Bank of Vietnam for his "Excellent achievements contributing to the Bank's mission in 2018 - 2019".

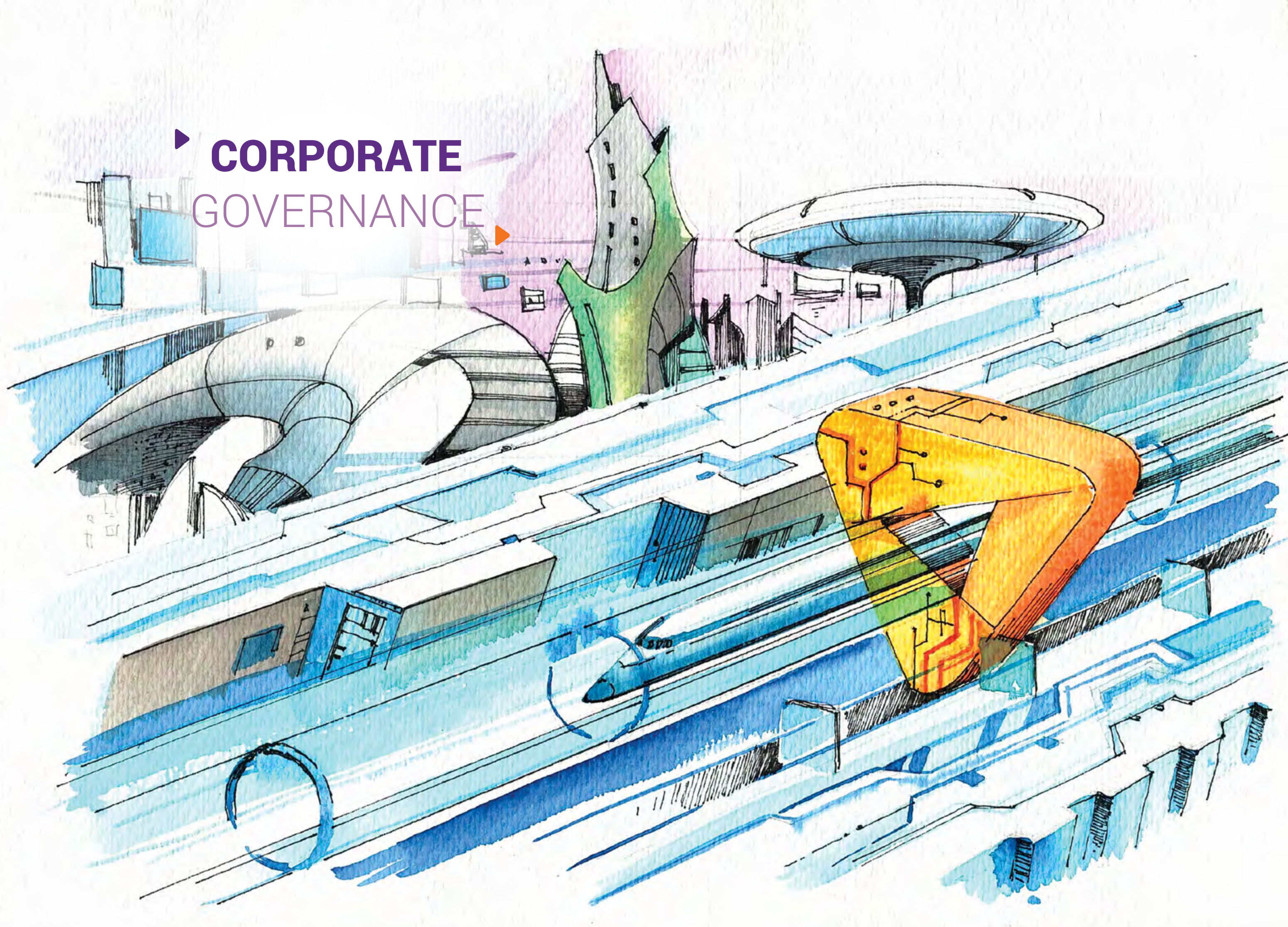


# ORGANIZATION STRUCTURE





# ► CORPORATE GOVERNANCE ◀





## I. SHAREHOLDER STRUCTURE, CHANGE OF OWNERS' INVESTMENT CAPITAL

### 1. Number of Shares:

A total of 1,581,755,495 ordinary shares (corresponding to TPBank's charter capital of 15,817,554,950,000 VND), including:

- Number of outstanding shares: 1,581,755,495 shares, of which:
  - Number of shares restricted to transfer: 396,706,012 shares
  - Number of shares freely transferable: 1,185,049,483 shares
- Treasury shares: 0 shares

### 2. Shareholder Structure:

As of December 31<sup>st</sup> 2021

No.	Type of Shareholders	Number of Shares	Share Ownership Rate (%)	Number of Shareholders	Shareholder Structure	
					Institution	Individual
1	State Shareholders	48,306,107	3.05%	1	1	0
2	Major Shareholders	200,944,085	12.70%	2	2	0
	- Domestic	200,944,085	12.70%	2	2	0
	- Foreign	0	0%	0	0	0
3	Labor Union	170,100	0.01%	1	1	0
4	Treasury Shares	0	0%	0	0	0
5	Others shareholders	1,332,335,203	84.23%	15,205	134	15,071
	- Domestic	868,241,011	54.89%	15,063	90	14,973
	- Foreign	464,094,192	29.34%	142	44	98
<b>Total</b>		<b>1,581,755,495</b>	<b>100%</b>	<b>15,209</b>	<b>138</b>	<b>15,071</b>
- Domestic		1,117,661,303	70.66%	15,067	94	14,973
- Foreign		464,094,192	29.34%	142	44	98

Foreign ownership level of TPBank is at 29.34%, ensuring compliance with the law on the maximum foreign ownership limit in credit institutions of 30% of the institution's charter capital.

### 3. Change in owners' investment capital:

In 2021, TPBank increased its charter capital from 10,716,717,220,000 VND to 15,817,554,950,000 VND (an increase of 5,100,837,730,000 VND) in the form of a private placement and share issuance to raise equity capital from the owners' equity.

### 4. Treasury share transactions:

In 2021, TPBank sold all 40,016,056 treasury shares to increase the number of outstanding shares, restructure capital, and supplement working capital to invest in business activities.

### 5. Other securities:

In 2021, TPBank has carried out a total of 19 common bond issuances with a total issuance volume of 17,100 billion VND. TPBank's bond issuance is an annual activity for the purpose of supplementing capital for credit activities.

## II. Corporate governance

### 1. Board of Directors:

The Board of Directors for the term 2018 - 2023 was elected by the Annual General Meeting of Shareholders on April 20<sup>th</sup>, 2018 and approved by the Governor of the State Bank, consisting of 8 members, within which there is 1 independent member. The Board of Directors elected Chairman and Vice Chairman on the same day. Up to now, TPBank's Board of Directors has 07 members (01 member automatically loses his status when he is no longer the capital representative at TPBank), including 01 independent member, complying with the regulations on the number and structure of the Board of Directors in accordance with the Law on Credit Institutions and the Charter of TPBank.

No.	Name	Position	Rate of shares with voting rights	Current position at other companies
1	Mr. Do Minh Phu	Chairman	0%	
2	Mr. Le Quang Tien	Vice Chairman	3.61%	President and Chief Executive Officer of FPT Investment Co., Ltd
3	Mr. Do Anh Tu	Vice Chairman	3.71%	- Vice Chairman of the Board of Directors of Diana Joint Stock Company - Chairman of Mercury Investment Joint Stock Company - Chairman of Tien Phong Securities Joint Stock Company - Chairman of the Members' Council of TP Vietnam Investment Company Limited - Member of the Members' Council of Green Globe Company Limited - Member of the Board of Directors of Tan My Investment Development Trading Joint Stock Company - Member of the Members' Council of Tan Kim Nhat Trading Company Limited.
4	Mr. Shuzo Shikata	Vice Chairman	0%	Member of the Board of Directors of FPT Investment Fund Management Joint Stock Company
5	Mrs. Nguyễn Thu Hà	Member	0%	
6	Mr. Eiichiro So	Member	0%	
7	Mrs. Đỗ Thị Nhung	Independent member	0%	

### 2. Committees under the Board of Directors:

The Board of Directors performs the function of managing TPBank's operations through its affiliated committees in order to effectively fulfil the tasks assigned by the Annual General Meeting of Shareholders, accomplishes the senior supervisory role in accordance with the Law on Credit Institutions and any relevant laws.

#### • Executive Committee (EXCO):

In 2021, the EXCO Committee closely followed the operation plan of the Board of Directors to direct the implementation and orient the Chief Executive Officer, the Board of Management to make the right decisions, timely deploy practical and feasible

## CORPORATE GOVERNANCE REPORT (continued)

solutions to promote business activities, control and improve asset quality and ensure system safety:

- Focusing on drastic implementation of solutions to remove difficulties caused by the negative impacts of the COVID-19 pandemic to ensure stable and highly effective business operations at the same time, still ensure the safety of the Bank's operations, the health and safety of TPBank's staff.
- Directing the Chief Executive Officer and the Board of Management to implement with focus the Directives of the Government and the State Bank on solutions to manage monetary policy, ensure inflation control, stabilize the macro-economy and money market, and focus all resources to support businesses and people affected by the Covid-19 pandemic by rescheduling debt repayment, exempting and reducing interest and fees, keeping debt groups unchanged, promoting digital transformation, creating new lending conditions to restore and stabilize production and business, contributing to promoting the recovery of economic growth, ....
- Every year, at the end of the fiscal year and before implementing the new year's business tasks, the EXCO Committee holds a meeting directly with the Divisions/Centers/Business Units in the bank, listening to thoughts, aspirations, understand the organization and operation of the units, thereby giving timely encouragement and making directional requirements for the units, synthesizing opinions to build business strategies, enhance the efficiency of the governance and supervisory role of the Board of Directors

● **Human Resources Committee (UBNS):**

Every month, the Human Resource Committee holds a meeting and decides on personnel issues within the competence of the Committee, and at the same time directs the implementation of activities in line with the Bank's orientation. Direct stringent control of staffing, ensuring optimal use of human resources, promoting labor productivity, enhancing in-house staff development, creating promotion opportunities for staff. Through the Human Resource Committee, issues related to election, appointment and dismissal of leadership and management positions of the Bank were advised to the Board of Directors for appropriate and timely decisions to ensure the quality of senior staff of the Bank in accordance with the law and TPBank's Charter. At the same time, the Human Resource Committee also aimed to strengthen training activities and human resource development in the context of the ongoing Covid-19 epidemic throughout the country via the E-learning system and online training. The Committee also reviewed and proposed adjustments to documents on organizational structure, functions and duties of different units and internal regulations at TPBank.

● **Supervisory Asset/Liabilities Committee (SALCO):**

Effectively supervise the management of balance sheet structure in line with risk management policy; supervise the implementation of business control to ensure compliance with liquidity risk limit, interest rate risk limit on the Bank book, total assets calculated according to interest rate risk on the bank book; supervise the formulation and decision of deposit and lending interest rate brackets, price brackets for other products, capital mobilization and utilization plans, FTP principles and other contents related to the management of assets/liabilities of the Bank. The SALCO Committee also advises the Board of Directors to develop and issue regulations related to Asset/Liabilities management, capital management, and financial indicator management.

● **Credit and Investment Supervisory Committee:**

- Advise the Board of Directors to approve: Decisions to grant credit with a value equal to or less than 20% of the charter capital to related persons of the Bank, major shareholders and related persons of these shareholders, related persons of the Board of Directors in accordance with the law, invest in valuable papers of TPBank from 10% or more of the Charter Capital; decisions on buying and selling bonds between credit institutions; approving and issuing documents related to credit activities, documents related to security assets and investment in purchase and sale of valuable papers within the functions and duties of the Board of Directors in accordance with the law and TPBank Charter.
- Closely monitor the following activities: approval process by the Senior Investment Credit Council and the Chief Executive Officer to ensure the safety of credit activities at TPBank; Chief Executive Officer's approval related to granting and adjusting credit approval authority of credit approval levels under the Chief Executive Officer; supervise the Chief Executive Officer in issuing documents related to credit granting and investment activities, buying and selling valuable papers under the authority of the Chief Executive Officer; supervise the Chief Executive Officer and individuals and units in the entire bank to perform tasks related to credit activities, investment, purchase and sale of valuable papers.

● **Risk Management Committee:**

## CORPORATE GOVERNANCE REPORT (continued)

Advise the Board of Directors to approve documents related to risk management, including regulations on market risk, credit risk, interest rate risk on bank books, liquidity risk, among others; advise the Board of Directors to approve proposals related to risk management that are within the authority of the Board of Directors; advise the Board of Directors in developing and implementing the application of Basel standards at TPBank. Accordingly, TPBank is one of the few banks in the whole system to apply Basel II international standards ahead of time as prescribed by the State Bank. Notably, in September 2021, TPBank announced that it had completed all the requirements of Basel III and IFRS 9 and fully implemented both of these important international standards from the fourth quarter of 2021. By meeting all the requirements of both Basel III and IFRS 9, TPBank became the first and only Vietnamese bank at the moment to simultaneously apply two stringent risk management and financial reporting standards in the industry. Over the past year, the Risk Management Committee has directed the assessment of risks, potentials and opportunities of different economic sectors amidst the outbreak of the COVID-19 or even when the pandemic is under control. The Committee has derived important business solutions to maximize opportunities and control risks to a minimum. The Risk Management Committee also ensures regular and timely delivery of reports to the Board of Directors on prudential ratios, credit risk reports, market risks, among others.

● **Strategy Committee:**

Act as an advisory and support unit for the Board of Directors to perform a number of specialized activities related to research, development, analysis and implementation of the Bank's strategic work; promote and improve the efficiency of investor relations.

**3. The Board of Directors' activities:**

In 2021, to ensure compliance with social distancing measures to prevent the COVID-19 pandemic, the Board of Directors can only hold 1 face-to-face meeting, the rest are mainly virtual meetings (91 sessions).

No	Member of BOD	Number of meetings attended	Attendance ratio
1	Mr. Do Minh Phu	92/92	100%
2	Mr. Le Quang Tien	92/92	100%
3	Mr. Do Anh Tu	92/92	100%
4	Mr. Shuzo Shikata	92/92	100%
5	Mrs. Nguyen Thu Ha	92/92	100%
6	Mr. Eiichiro So	92/92	100%
7	Mrs. Do Thi Nhung	92/92	100%

Board of Directors' Resolutions issued in 2021:

No	Resolution No.	Date	Content	Consensus rate
1	10/2021/NQ-TPB. HĐQT	05/03/2021	Approving the content and schedule for the Annual General Meeting of Shareholders in 2021	100%
2	17/2021/NQ-TPB. HĐQT	12/04/2021	Approving the plan to sell treasury shares	100%
3	35/2021/NQ-TPB. HĐQT	07/06/2021	Approving the implementation of the plan to increase charter capital in 2021	100%
4	39/2021/NQ-TPB. HĐQT	21/06/2021	Approving the application for registration of private placement of shares	100%
5	46/2021/NQ-TPB. HĐQT	25/06/2021	Approving the selection of a consulting agency and consulting costs for private placement of shares to implement the plan to increase charter capital in 2021	100%

## CORPORATE GOVERNANCE REPORT (continued)

No	Resolution No.	Date	Content	Consensus rate
6	49/2021/NQ-TPB. HĐQT	06/07/2021	Approving the content of TPBank Labor Union to buy back shares issued by TPBank under the Employee Stock Ownership Plan (ESOP).	100%
7	50/2021/NQ-TPB. HĐQT	12/07/2021	Approve the decision to continue to invest, contribute capital, buy shares in Tien Phong Securities Joint Stock Company	100%
8	55/2021/NQ-TPB. HĐQT	30/08/2021	Approving the list of professional security investors expected to participate in the private placement of shares under TPBank's 2021 charter capital increase plan approved by the 2021 Annual General Meeting of Shareholders on April 23, 2021	100%
9	64/2021/NQ-TPB. HĐQT	16/09/2021	Approving the Bond Issuance Consulting Contract between Tien Phong Commercial Joint Stock Bank and Tien Phong Securities JSC	100%
10	65/2021/NQ-TPB. HĐQT	20/09/2021	Approving the results of a private placement of shares	100%
11	67/2021/NQ-TPB. HĐQT	27/09/2021	Approving the policy of collecting shareholders' written opinions, the last registration date to exercise the rights for existing shareholders and the expected implementation time to collect opinions on the approval of Tien Phong Commercial Joint Stock Bank's second charter capital increase plan in 2021	100%
12	74/2021/NQ-TPB. HĐQT	04/11/2021	Approving the implementation of the plan to increase charter capital for the second phase in 2021 of Tien Phong Commercial Joint Stock Bank by issuing shares to increase share capital from equity sources approved by the General Meeting of Shareholders as stated in Resolution No. 02/2021/NQ-TPB.ĐHĐCĐ dated November 1, 2021	100%
13	76/2021/NQ-TPB. HĐQT	10/11/2021	Approving the appointment of Mr. Bui Quang Cuong to hold the position of Deputy Chief Executive Officer cum Chief Technology Officer from November 10, 2021.	100%
14	81/2021/NQ-TPB. HĐQT	07/12/2021	Approving the last registration date to exercise the right for existing shareholders to issue shares to increase share capital from equity.	100%
15	91/2021/NQ-TPB. HĐQT	24/12/2021	Approving the results of the issuance of shares to increase share capital from owners' equity	100%

## 4. Activities of independent members of the Board of Directors:

## CORPORATE GOVERNANCE REPORT (continued)

In the course of the operation, the independent member of the Board of Directors has fully participated in the activities of the Board of Directors in accordance with the laws and internal regulations of TPBank, following:

- Completed the tasks assigned by the Chairman of the Board of Directors which were specified in the Regulation on organization and operation of the Board of Directors
- Carrying out tasks in a senior supervisory role within the functions and duties of the Board of Directors, contributing independent opinions, not being influenced by personal interests, always having straightforward and constructive opinions at meetings of the Board of Directors, activities of Committees, bank-wide briefings and meetings among departments.
- Actively contributed ideas to the Head Office units to advise, provide information on the assessment of the macro situation, the orientations of the State Bank and professional expertise to serve the research for development and implementation of solutions in business activities to achieve set goals.

## 5. List of members of the Board of Directors with training certificates in corporate governance:

TPBank has always identified good corporate governance as one of the most important factors to ensure sustainable development, contributing to improving competitiveness, enhancing the value of the bank and its shares, and increasing accessibility of capital, helping to build trust and maximize benefits for shareholders and investors. In 2021, the members of the Board of Directors, the Supervisory Board, the Board of Management, the Chief Accountant and the person in charge of the Bank's governance, as well as the full-time staff members, have fully attended seminars and training courses on management skills to expand their capacity on corporate governance in accordance with regulations of the State Securities Commission, Ho Chi Minh City Stock Exchange and other state agencies.

In the coming time, TPBank will continue to research for further implementation and actively participate in courses on corporate governance organized by state management agencies and prestigious training units around the world for TPBank's Board of Directors and specialized management levels to foster knowledge, improve effective corporate governance, and maintain TPBank's position as the leading digital bank in Vietnam.

## Transactions, remuneration and benefits of the Board of Directors, Board of Directors and Supervisory Board:

## a) Salary, bonus, remuneration, benefits:

The Board of Directors, the Board of Management and the Supervisory Board are entitled to remuneration and other benefits in accordance with current regulations of TPBank. The income of the members of the Board of Directors, the Board of Management and the Supervisory Board is kept in the general wage fund of TPBank and paid by positions and job titles associated with the number of tasks accomplished.

In 2021, the actual remuneration of the Board of Directors and the Supervisory Board are guaranteed to be in accordance to the approval of the Annual General Meeting of Shareholders.

## b) Internal stock trading and stock trading among related persons:

No.	Name	Relationship with insiders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason of increasing/decreasing (purchase, sale, transfer, bonus...)
			No. of shares	Rate/%	No. of shares	Rate/%	
1	Ms. Do Quynh Anh	Related person to Mr. Do Anh Tu - Vice Chairman of the Board of Directors	33,963,021	2.90%	48,550,078	3.07%	Bought 2,000,000 shares and received 12,587,057 bonus shares
2	TPBank Labor Union	Socio-political organizations	0	0%	170,100	0.01%	Received ownership transfer of 126,000 ESOP shares from retired employees and receive 44,100 bonus shares

## CORPORATE GOVERNANCE REPORT (continued)

No.	Name	Relationship with insiders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason of increasing/decreasing (purchase, sale, transfer, bonus...)
			No. of shares	Rate/%	No. of shares	Rate/%	
3	Mr. Le Hong Nam	Deputy CEO of TPBank	225,000	0.02%	243,000	0.02%	Sold 45,000 shares and received 63,000 bonus shares
4	SP Co., Ltd	Organization related to Ms. Nguyen Thi Thu Nguyet - Member of the Supervisory Board	39,983,746	3.41%	64,575,557	4.08%	Bought 7,850,000 shares and received 16,741,811 bonus shares
5	JB Co., Ltd	Organization related to Ms. Nguyen Thi Thu Nguyet - Member of the Supervisory Board	39,962,339	3.41%	64,546,657	4.08%	Bought 7,850,000 shares and received 16,734,318 bonus shares
6	FPT Investment Fund Management Joint Stock Company	Organization related to Mr. Shuzo Shikata - Vice Chairman of the Board of Directors and Ms. Nguyen Thi Thu Nguyet - Member of the Supervisory Board	0	0%	0	0%	Bought 4,200,000 shares and transferred 4,200,000 shares to SBI Ven Holdings Pte. Ltd. under the Entrustment Contract
7	SBI Ven Holdings Pte. Ltd.	Organization related to Mr. Shuzo Shikata - Vice Chairman of the Board of Directors and Mr. Eiichiro So - Member of the Board of Directors	48,494,838	4.14%	71,138,031	4.50%	Bought 4,200,000 shares via Entrustment Contract with FPT Investment Fund Management Joint Stock Company and receive 18,443,193 bonus shares
8	Mr. Do Tat Cuong	Person related to Mr. Do Minh Phu - Chairman of the Board of Directors and Mr. Do Anh Tu - Vice Chairman of the Board of Directors	0	0%	0	0%	Sold 17,300 shares
9	Ms. Nguyen Thi Thu Huong	Person related to Mr. Do Minh Phu - Chairman of the Board of Directors and Mr. Do Anh Tu - Vice Chairman of the Board of Directors	0	0%	0	0%	Sold 108,100 shares

## CORPORATE GOVERNANCE REPORT (continued)

No.	Name	Relationship with insiders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason of increasing/decreasing (purchase, sale, transfer, bonus...)
			No. of shares	Rate/%	No. of shares	Rate/%	
10	Mr. Le Sy Hoi	Person related to Ms. Le Cam Tu-Chief Accountant	0	0%	0	0%	Bought and sold 20,000 shares

**c) Internal contracts or transactions: None****d) Evaluation on the implementation of regulations on corporate governance:**

TPBank always complies with regulations on corporate governance for large-scale and listed public companies such as: Law on Credit Institutions, Law on Enterprises, Law on Securities, Decree No. 155/2020/ ND-CP stipulating in detail the implementation of a number of articles of the Law on Securities and current regulations, Circular No. 116/2020/TT-BTC guiding a number of articles on public company governance as prescribed in the Government's Decree No. 155/2020/ ND-CP, Circular No. 96/2020/ TT-BTC guiding the disclosure of information on the securities market, Circular No. 13/2018/ TT-NHNN on internal control systems of commercial banks and foreign banks' branches, Circular No. 22/2019/TT-NHNN on prescribing limits and prudential ratios in operations of banks and foreign bank branches and other relevant regulations.

TPBank has reviewed, amended, supplemented, and issued internal documents to align with new regulations on corporate governance such as: Charter of TPBank, Internal Regulations on Banking Governance, Organizational Regulations and activities of the Board of Directors, Regulations on the operation of the Supervisory Board.

TPBank always strictly and promptly completed the Corporate Governance Report every 6 months in accordance with the law.

In September 2021, TPBank announced the completion of all the requirements of Basel III and IFRS 9 and the comprehensive implementation of these important international standards from the fourth quarter of 2021. By meeting all the requirements of both Basel III and IFRS 9, TPBank became the first and only Vietnamese bank at the moment to simultaneously apply two stringent risk management and financial reporting standards in the banking industry around the world.

**Shareholders' work and investor relations:**

- On April 23rd, 2021, the Board of Directors successfully held the Annual General Meeting of Shareholders in 2021, receiving a high consensus of shareholders for TPBank's activities. At this meeting, the Annual General Meeting of Shareholders unanimously approved the Report on the assessment of the business performance in 2020, approved the plan of profit distribution and provisioning of funds in 2020, and entrusted the Board of Directors and EXCO to implement the Bank's business plan in 2021

- Following the positive performance of TPB stock from the previous year, right from the beginning of 2021, TPB was selected to be included in the VN30 Index (group of the best stocks on the stock market), contributing to the highly positive growth of TPBank stock, with its value doubled compared to the beginning of the year. TPB stock continuously broke its historical peaks and set new milestones, drawing the purple color over the TPB stock in many trading sessions. TPBank's market capitalization reached beyond 2.8 billion USD. After a long time, the liquidity of the stock has improved significantly. The number of interested investors who trade TPB stock has increased dramatically, often exceeding the threshold of 10,000 shareholders.

- TPBank always focuses on promoting and enhancing transparency, protecting interests and equality among groups of shareholders, proactively sharing information, participating in connection with the investment community, optimizing the value of the Bank, helping to attract abundant investment capital, ensuring TPBank's good position in the market. Investor relations activities have improved significantly over the years, helping the investor community to be regularly and continuously updated with TPBank's highlights, to access positive analysis reports and recommendations from securities companies, thereby making the right investment decisions and achieving good results.

- Maintain the level of dividend payment in shares to shareholders over 20% (the rate was 20% in 2020 and 35% in 2021), as a form of recognition of shareholders' trust and contributions to the Bank.

- In order to increase the number of outstanding shares, restructure capital, supplement working capital to invest in business



## CORPORATE GOVERNANCE REPORT (continued)

activities, from April 2021 to May 2021, TPBank sold all of its 40,016,056 treasury shares. The sale of treasury shares is within the price bracket approved by the Board of Directors in line with prevailing laws and regulations.

- Maintain the diversification of shareholder structure: TPBank's shareholder structure complies with the limit on credit institution ownership ratio of Vietnamese law. As of December 2021, TPBank has 6 major shareholders who are prominent in the financial market naming FPT Corporation, Doji Gold & Gems Group, PYN Elite Fund (Non-Ucits)., SBI Ven Holdings, Vietnam National Reinsurance Group and IFC - International Finance Company

In 2022, promoting the results achieved in previous years, TPBank will constantly promote investor relations and stock management activities to affirm TPB's strong position in the market attracting the attention of the investor community through the following activities:

- To proceed to provide information in both languages (English - Vietnamese) on the Bank's official website, in order to bring a source of accurate, complete, timely and transparent information to domestic and foreign shareholders.
- To implement procedures to increase charter capital by issuing additional shares to existing shareholders based on the approval of the Annual General Meeting of Shareholders to ensure maximum benefits for all shareholders, while compliance with current laws and regulations is strictly observed.
- To proactively promote the exchange and update of information with the investor community; receive and handle all issues at our best efforts
- To further promote TPBank on various means of media so that all types of investors can easily access and update information about the Bank

### III. Evaluation of the Board of Directors on the Bank's operations

#### 1. Evaluation of the Board of Directors on all aspects of the Bank's activities, including assessment related to environmental and social responsibility:

Despite facing difficulties from the overwhelming Covid-19 pandemic, TPBank still successfully completed the challenging targets set out at the Annual General Meeting of Shareholders in 2021, increasing the Bank's operational scale. Accordingly, TPBank's total assets as of December 31st, 2021 reached 292.8 trillion VND, an increase of nearly 42% compared to the end of 2020, total mobilization reached nearly 262.4 trillion VND. The Bank's credit activities continued to grow well while ensuring the credit growth announced by the State Bank. TPBank's credit quality is strictly controlled, with the level of non-performing loan for on-balance sheet loans as low as 1%. Based on these positive business results, Moody's continued to maintain the B1 rate for TPBank in terms of issuer ratings and long-term bank deposit. At the same time, the credit outlook of the above indicators at TPBank was also upgraded from "stable" to "positive".

In addition, TPBank also established the Fund "Purple Bank Cares" to help members of the Bank who are facing difficulties and adversities. Besides, TPBank also accompanies and shares with the community during the complicated situation of the Covid-19 pandemic by supporting the Covid-19 prevention programs of the Government and pandemic-affected localities, as well as waiving and lowering interest rates for customers heavily affected by the pandemic.

#### 2. Assessment of the Board of Directors on the Board of Management:

In strict compliance with current laws, TPBank Charter, Internal Regulations on Banking Governance, Regulation on organization and operation of the Board of Directors and internal regulations of TPBank, in 2021, the Board of Directors regularly review and promptly resolve arising issues under the authority of the Board of Directors in order to create favorable conditions for all activities at business units and head offices. The Board of Directors highly appreciated and recognized the outstanding efforts as well as the development and implementation of flexible and appropriate business scenarios of the Board of Management to bring about very impressive results in the context whereby the world economy at large as well as the domestic economy are still heavily affected by the Covid-19 pandemic. With the great determination and best efforts of the members of the Board of Management, the Board of Directors believes that TPBank will foresee a breakthrough business year, complete excellently, and exceed all the targets set for 2022.

#### 3. The Board of Directors' plans and orientations

The world economy in 2022 shows signs of recovery, but there are still many uncertainties depending on the process of vaccination against Covid-19 as well as the complicated developments of the pandemic, affecting the economic development in general and banking activities in particular. On that basis, the Board of Directors continues to promote the role of senior management in directing the implementation of business activities in accordance with the orientation of the Government and the State Bank, ensuring response to any changes under actual circumstances. The details are as follows:

## CORPORATE GOVERNANCE REPORT (continued)

#### • For governance and strategic plan:

- Review and evaluate the targets and contents of banking development in the Business Strategy for the period of 2020-2022 and a vision to 2030 to continue directing the implementation of solutions to develop the Bank in depth and adjusting the targets to align with the actual situation and the policies of the State Bank on the development of the banking industry in the period of 2021-2025. TPBank is oriented to become one of the first banks to implement today's most advanced international risk management standards/practices, apply digital technology and initiatives to reduce operational risks, improve governance capacity, build trust, improve the evaluation of management agencies, domestic and foreign partners and rating agencies

#### • For business plan:

- Strengthen forecasting and analysis of opportunities and challenges, project scenarios to closely follow the domestic and world economic situation, the operating policies of the Government and the State Bank in order to promptly seize opportunities and identify difficulties, risks to make timely, wise and effective business decisions; closely supervise and direct the Board of Management in business activities

- Direct and supervise credit activities in accordance with the direction of the State Bank and the actual operation of TPBank in order to make the most effective use of credit targets as announced by the State Bank, improve credit quality, control credit applied to risky areas as warned by the State Bank, control the non-performing loan ratio and increase the market share according to the set target.

- Maintain the position of the No. 1 Bank in digital technology in Vietnam, comprehensively implementing the Digital Innovation phase throughout the bank.

- Work towards comprehensive development and strive to become a multi-purpose commercial bank, operating effectively and sustainably, developing an ecosystem of financial products and services on the basis of modern and innovative technology, keeping up with the industrial revolution 4.0

- Target and cater better services to existing customers, increasing the proportion to 70-80% of active customers or those having accounts at TPBank. Work towards developing and effectively implementing policies to attract corporate customers to establish a customer portfolio that chooses TPBank as the main transaction bank, and on that basis, exploit this customer segment's demands for credit, deposit, payment and banking products and services, and at the same time offer flexible pricing policies, issue more interest rate incentive packages for each different target group to create a competitive edge while supporting customers to recover after the pandemic

- For credit quality associated with the credit structure to be controlled, minimize the rate of overdue debts, control the rate to be under 2% of total outstanding loans; monitor safe and effective credit growth on the basis of selecting suitable customers and low-risk categories, monitor and recover bad debts.

- Promote multi-service business, increase non-interest income activities in total income; develop and diversify foreign exchange (FX) products, foreign exchange and interest rates derivatives, deploy commodity services; actively develop international payment services, international trade finance; promote remittance products for study abroad, settlement, traditional foreign currency products and structural products combined with credit. Continue to make use of the market's fluctuations for trading of gold and foreign currency; develop CNY-trading business, deploy cross-border payment activities to increase non-credit income (service fee)

- Promote marketing activities to support the development of business strategies and build a sustainable position of TPBank's brand as a modern and top favorite bank in customers' mindset.

- Continue to expand the network of branches and transaction offices as well as Live Bank VTM system to meet the needs of business development, promote the image to a wide range of customers, and optimize customer service.

- Direct the Chief Executive Officer to pay attention to reviewing and adjusting the procedures and operations to align with actual operation work flow, and at the same time thoroughly handle problems in the interaction between business units and head offices to ensure risk control and yet still provide favorable conditions for smooth business operations and contribute to increasing labor productivity, reducing costs for the bank, and promptly responding to the reasonable needs of customers in order to increase the competitiveness of TPBank's service quality.

- Pay more attention to compliance control and risk control through the senior supervisory role of the Board of Directors: direct to strengthen the review; direct the inspection and supervision to promptly detect violations in order to apply appropriate handling measures on the basis of clearly defining responsibilities of organizations and individuals; adjust the risk management policy, upgrade the risk management system to meet practical needs; promulgate regulations on operating procedures and internal control in order to minimize business and operational risks.

In 2021, in the face of the serious impact of the 4th wave of Covid-19 pandemic on all socio-economic aspects which entail significant challenges to banking operations, the Board of Directors of TPBank has managed to performed well in providing strategic leadership and orientation, supervising and directing the Management Board to strengthen statistical forecasting and update the SBV's management policies to make appropriate decisions.

The Supervisory Board has actively coordinated with the Board of Directors and the Board of Management in supervising governance and administration; exchanging information, advising on issues, risks and successfully completing the plan of the Supervisory Board in 2021 with the following main contents:

## I. MAIN ACTIVITIES OF THE SUPERVISORY BOARD

### 1. Supervising activities:

- Monitor and supervise the implementation of the Resolution, business plan targets approved by the General Meeting of Shareholders.
- Contribute to develop the Bank's development strategy, risk management policies and the implementation of orientations and directions of the Government and the State Bank.
- Attend meetings with a number of Committees, Bank-wide Meetings, Cross-department Supervisory Meeting. The Supervisory Board always closely follows the Bank's activities in each period and each department to effectively supervise and advise on the management, administration and risk control of the Bank's operations in an efficient manner.
- Evaluate the supervision of senior management by the Board of Directors, the CEO for internal control system, risk management.

### Supervisory results in 2021 shows:

- TPBank has promoted digitization of internal operating processes, applied digital channels to expand business market share; deployed many digital technology products and services to diversify revenue sources. Active customer base increased and net profit from service activities increased sharply compared to the previous year. TPBank has significantly reduced costs, the cost to operating income ratio (CIR) has decreased significantly.
- TPBank has boldly used profits to thoroughly handle many bad debts as well as oriented to increase provisioning to increase bad debt coverage.
- TPBank is the first bank to implement Basel 3 and IFRS 9 compliance independently verified by KPMG.
- TPBank has increased its charter capital, bringing the total charter capital to more than 15,818 billion VND. Increased equity capital and high-quality mobilized capital have helped the Bank improve its capital adequacy ratio (CAR). TPBank has been ranked highly by the State Bank according to Circular 52.
- TPBank has implemented various activities to adapt to the actual situation and achieve the goals of growth and safety of banking operations. Actively restructure debt for customers affected by the Covid-19 pandemic according to Circular 01/2020/TT-NHNN and Circular amending and supplementing No. 03/2021/TT-NHNN, 14/2021/ TT-NHNN such as exemption, reduction and lowering of interest rates. TPBank also has many practical activities, demonstrating its high social responsibility to the community in pandemic prevention.

### 2. Performing internal audit functions:

- Directing Internal Audit to apply technology, innovate audit methods and successfully complete the 2021 Plan. Audit quality has also been improved, promoting the role of audit consultant, making a significant contribution to the Bank.
- Coordinate with Risk Management Division to assess compliance with Basel 3, ICCAP. Auditing the division of the accounting book, the banking book and the risk management system according to Circular 13/2018/TT-NHNN and other relevant documents.
- Monitoring and post-audit remediation is done consistently, contributing to the completion of the system of documents and products; handling system errors and correcting errors in specialized activities.

**3. Updating changes in accounting policies** related to asset classification, amount and methods of setting up risk and use of provisions for control and management of risks arising from operations of credit institutions and foreign bank branches according to Circular No. 11/2021/TT-NHNN; Monitoring the implementation of the project on the adaptation of international financial reporting standards (IFRS 9)

**4. Issuing Official document amending the regulations on the operation of the Supervisory Board** in accordance with Circular 116/2020/TT-BTC; The internal audit process was revised with the updating of audit methods and the application of technology in audit activities.

### 5. Financial Statement Appraisal

The Supervisory Board organized to supervise the financial situation and periodically appraise the financial statements; maintaining a working mechanism with independent auditing companies to exchange information and capture audit results of financial statements to serve the requirements of financial statement appraisal.

The financial statements prepared by the Board of Management and audited by Ernst & Young Vietnam Co., Ltd gave a true and fair view in all material respects of the financial position, results of operations and cash flows of TPBank for financial periods ending at the closing date.

**6. Update the list of founding shareholders, major shareholders, capital contributors and related persons of members of the Board of Directors, members of the Supervisory Board, and the General Director of TPBank.**

**7. The Supervisory Board has well implemented the mechanism of coordination with the Board of Directors and the Board of Management in supervising, inspecting and controlling activities of the Bank.**

- Maintain information exchange and update on banking business activities and risk control measures.
- Coordinate the development and implementation of inspection and audit plans and directing post-audit remedial actions. Direct the Internal Audit to regularly exchange information in the process of inspection, supervision and audit as well as coordinate with the Internal Audit in facilitating inspection and examination activities of the State Bank.
- The recommendations of the Supervisory Board, Internal Audit have been recognized and the Board of Directors and the Board of Management have given directions for amendments.

### 8. Evaluation of the performance of the Supervisory Board

- The members of the Supervisory Board have closely exercised their duties, actively innovated their approaches, adapted to the advanced requirements in a dynamic industry and fulfilled their responsibilities as stipulated in the Bank's Charter.
- The Supervisory Board coordinated with the Board of Directors and the Board of Management to implement the objectives and complete the work plan for 2021.
- Discussed with the Risk Management Division, the Center for Internal Control and Compliance, and related units about issues, risk warnings and recommendations on prevention and handling measures to ensure the safety of the Bank's assets.
- Performed well the internal audit function, promoting the advisory role to the Board of Directors and the Board of Management to improve the quality and efficiency of the Bank's internal control system.

## II. KEY MISSIONS OF THE SUPERVISORY BOARD IN 2022

- Monitoring compliance with the provisions of law, the Charter and the Resolution of the General Meeting of Shareholders in the management and administration of the Bank.
- Following closely the direction of the State Bank of Vietnam to implement the requirements in controlling banking activities.
- Directing the Internal Audit to complete the audit plan in 2022. Monitoring the implementation of risk management requirements in accordance with the provisions of Circular 13/2018/TT-NHNN. Increasing the frequency of audits for high-risk areas. Innovating content, operation methods and continuing to strongly apply Software Robotic Process Automation (RPA) solutions, TeamMate solutions to save time and improve internal audit efficiency.
- Appraising financial statements and supervise the financial situation through the assessment of financial safety criteria according to regulations.
- Maintaining the working mechanism between the Supervisory Board, the Board of Directors, and the Board of Management. Strengthening the effective coordination mechanism according to the internal control functions of the divisions, ensuring the systematic establishment, exploitation and sharing of information and results.
- Recruiting and training to improve the auditing techniques on the basis of risk and applying new auditing technologies and tools to enhance the quality and effectiveness of internal audit.



► **PERFORMANCE**  
AND BUSINESS TARGET  
REPORT FOR  
2021. ►





# TPBANK'S TOP 10 HIGHLIGHTS IN 2021



## Proactively support customers and the community in critical times

Nearly 43,000 customers have been exempted, reduced and lowered interest rates with a total loan balance of up to 52,900 billion VND. 10 billion VND was contributed to the Government's Covid-19 vaccine program. TPBank and DOJl contributed 70 billion VND to the Covid-19 prevention program of the Government and localities affected by the pandemic.



## "Purple Bank Cares" Fund - side by side with each piece of the Purple puzzle

With the spirit that no member of the Purple home has to face life adversities alone, TPBank's "Purple Bank Cares" Fund was officially born. Up to now, the Fund has recorded a contribution of 16 billion VND, along with that, 981 employees with difficult circumstances have been supported by the Fund.

## Honored for the second time with the Corporate Excellence Award and Inspirational Brand Award

These are prestigious awards in Asia from Enterprise Asia. Even during the pandemic, TPBank still achieved growth with outstanding business performance as well as taking the lead in contributing to the community. TPBank is also a pioneer in implementing a variety of digital banking products and services, turning and facilitating digital banking into a habit for millions of Vietnamese customers.



## Top 3 best places to work in the banking industry, Top 10 prestigious Vietnamese commercial banks

TPBank has won spectacularly to the Top 3 best places to work in the banking industry and ranked 31st in the list of "100 best places to work in Vietnam". In 2021, TPBank's ranking continued to improve by 1 level in the list of Top 10 prestigious commercial banks in Vietnam.



## TPBank's credit outlook is at a high level in the Vietnamese banking system

Moody's raised the outlook on TPBank's issuer, long-term domestic and foreign currency deposit ratings from "stable" to "positive". This is a high credit outlook rating in the Vietnamese banking system and only 9 banks have achieved this level.



## Powerful and intensive digital transformation, leading the banking market

TPBank continuously launched new technologies and kept updated with the most outstanding trends in order to maximize value and convenience for customers. Thanks to that, the Bank maintained its position as the Best Digital Bank in Vietnam earning prestigious domestic and foreign awards namely: Best Digital Bank in Vietnam, Best Quality Customer Service, Best Digital Banking App, Best Enterprise in Digital Transformation, Digital Innovation Enterprise, Most Innovative Mobile Savings App, among others.

## Total number of individual customers reached 5 million

By the end of 2021, TPBank had up to 5 million individual customers, which for TPBank was a miracle growth following a long journey of effort and innovation. TPBank serves more than 2.4 million customers via electronic transaction channels, leading the market in the rate and number of transactions via digital channels.



## The first bank in Vietnam to meet strict international standards naming Basel III, IFRS 9, ILAAP

With an early comprehensive response to strict international standards such as Basel III, IFRS 9, ILAAP, TPBank has managed to enhance the quality of sustainable growth, bolstered by more effective business strategies, while improving its credibility in the eyes of customers and investors at the same time.



## Impressive breakthrough business results, TPBank exceeded many targets plan

TPBank achieved 6,038 billion VND in profit before tax, an increase of 1,738 billion VND, equivalent to more than 40% compared to 2020. Total assets reached over 292,000 billion VND, up nearly 42%. TPBank stood among the best commercial banks according to Circular 52 of the SBV's ranking index, measuring the credit institution's level of healthiness, transparency and efficiency in banking business operations.



## Charter capital increased to more than 15,000 billion VND, TPB ticker made it to VN30

In 2021, TPBank's charter capital increased to more than 15,818 billion VND. With a market capitalization of more than 2.8 billion USD on the stock market, TPB ticker has made it to VN30, the basket listing the best tickers in the stock market.



# REPORT OF THE BOARD OF MANAGEMENT

In 2021, the COVID-19 pandemic continued to spread and affected the global economy, including Vietnam. In particular, the domestic outbreak since May 2021 has seriously affected all fields of the national economy. Key economic localities had to implement prolonged social distancing to prevent the pandemic. However, thanks to effective and flexible remedies by the state and the government, individuals and business were provided with favorable conditions to return to the new normal, restore and expand production and business activities. As a result, Vietnam's Gross Domestic Product (GDP) in 2021 grew by 2.58% compared to that of 2020.

Playing a vital role in the economy, the banking system's operations are inevitably adversely affected by the pandemic, especially in the administration of monetary policy, credit, structure and settlement of bad debt. However, by proactively updating and forecasting the situation, TPBank has deployed flexible solutions to adapt to the "new normal" conditions, maintaining growth and fulfilling the targets set at the Annual General Meeting of Shareholders.

## KEY FINANCIAL HIGHLIGHTS 2021

Unit: billion VND, %

No	Targets	Year 2020	Year 2021	Target 2021	+/- compared to the end of 2020	Completion rate of the 2021 target
1	<b>Total assets</b>	<b>206,315</b>	<b>292,827</b>	<b>250,000</b>	<b>86,512</b>	<b>117.13%</b>
2	<b>Charter capital</b>	<b>10,717</b>	<b>15,818</b>	<b>11,717</b>	<b>5,101</b>	<b>135.00%</b>
3	<b>Total deposits</b>	<b>184,911</b>	<b>262,385</b>	<b>221,893</b>	<b>77,474</b>	<b>118.25%</b>
3.1	Customer Deposits & Issuance of Valuable Papers	143,342	174,967	172,010	31,625	101.72%
3.2	Deposits and loans from other credit institutions	40,880	87,016	49,883	46,136	174.44%
3.3	Entrusted Funds	689	402	-	(287)	-
4	<b>Outstanding loans and bonds issued by economic entities</b>	<b>132,347</b>	<b>160,817</b>	<b>165,434</b>	<b>28,470</b>	<b>97.21%</b>
4.1	Loans to customers	121,042	142,196	-	21,154	-
4.2	Investment in bonds issued by economic entities	11,305	18,621	-	7,316	-
5	<b>NPL ratio according to CIC</b>	<b>1.17%</b>	<b>0.81%</b>	<b>&lt;2%</b>	<b>-0.36%</b>	<b>-</b>
6	<b>Profit before tax</b>	<b>4,389</b>	<b>6,038</b>	<b>5,800</b>	<b>1,649</b>	<b>104.10%</b>
7	<b>CAR</b>	<b>12.95%</b>	<b>13.39%</b>	<b>&gt;9%</b>	<b>0.44%</b>	<b>-</b>
8	<b>ROE</b>	<b>23.54%</b>	<b>22.61%</b>	<b>22.07%</b>	<b>-0.93%</b>	<b>102.45%</b>
9	<b>CIR</b>	<b>40.48%</b>	<b>33.82%</b>	<b>-</b>	<b>-6.66%</b>	<b>-</b>

TPBank's total assets as of December 31st, 2021 reached 292.8 trillion VND, an increase of nearly 42% compared to the end of 2020. Total deposits reached nearly 262.4 trillion VND, in which capital structure and utilization has observed a qualitative change when the mobilization from Market 1 (between banks and customers) reached nearly 175 trillion VND, up 22% at the end of 2020.

The bank's credit activities continued to grow well while ensuring the credit growth limit permitted by the State Bank of Vietnam, with total outstanding loans reaching 160.8 trillion VND. TPBank's credit quality is strictly controlled, with on-balance sheet bad debts as low as 0.81%.

TPBank's total net operating income in 2021 gained 13,517 billion VND, of which net interest income reached 9,946 billion VND, accounting for 73.6%; net non-interest income reached 3,571 billion VND, accounting for 26.4%. Profit before provision for credit losses reached 8,947 billion VND. In 2021, the Bank has made a provision of 2,908 billion VND for loans and credit losses, of which general provision was 191 billion VND and specific provision is 2,716 billion VND.

# REPORT OF THE BOARD OF MANAGEMENT

## SPECIFIC ACTIVITIES

### - Deposit Mobilization

Deposits mobilized from Market 1 as of December 31st, 2021 reached 175 trillion VND, an increase of 22% compared to that in 2020. Of which, demand deposits from customers reached 32,495 billion VND, accounting for 18.6% of the mobilized capital from Market 1. Foreign currency-denominated deposits reached 7,401 billion VND, accounting for 4.2% of total Market 1 deposits. In 2021, the Bank focused on promoting the mobilization of demand deposits from the individual customer segment in order to balance the interest rates for deposits and loans, in line with the economic circumstances affected by COVID-19.

Deposit mobilization grew in the right direction, in accordance with the Bank's capital demand. The portfolio of savings products has been diversified, meeting the needs of customers and liquidity requirements at the most reasonable capital expenses.

### - Credit

TPBank's business activities were nevertheless assured to be secure and achieve positive profits in 2021, despite being substantially impacted by the COVID-19 pandemic. In addition to continuing to develop key lending areas, Business Divisions have established initiatives to accelerate outstanding loan growth, control bad debts, and increase market share to ensure profitability for the Bank.

Outstanding credit balances of Market 1 by the end of 2021 reached 160,817 billion VND, of which outstanding loans to customers were 142,196 billion VND and corporate bonds were 18,621 billion VND.

### - Foreign currency and gold investment and trading

With the goal of well managing the investment portfolio in the direction of ensuring profitability, liquidity, and compliance with the State Bank's regulations, by the end of 2021, TPBank's total investment in government bonds and other credit institutions' bonds reached approximately 44 trillion VND, an increase of about 19% compared to the beginning of last year. This helped to ensure the Bank's liquidity reserve as well as diversify the investment portfolio structure.

TPBank continued to be named to the list of government debt instrument market makers in 2022, announced by the Ministry of Finance.

The sharp drop in interest rates on credit institutions' bonds in 2021 posed a challenge to the reinvestment of mature credit institutions' bond portfolios. To adapt to that, TPBank has been more flexible in adjusting its investment proportion to short-term credit institutions' bonds to gain higher interest rates compared with such of government bonds and to reduce interest rate risks.

Despite the influence of COVID-19 pandemic, the number of new foreign exchange customers increased significantly, foreign currency sales reached 4.69 billion USD. In the last months of the year, sales from international money transfer services improved strongly thanks to TPBank's attractive sales promotion policies. During the year, TPBank took advantage of most of the fluctuations in gold prices to timely control the trading position, gaining significant profits.

### - Financial Institutions (FI)

Thanks to its enhanced reputation, TPBank has expanded many limits and relationships with Financial Institutions (FI), specifically: limits (MM, FX, and trade finance (TF)) from local and foreign FIs for TPBank in 2021, equal to 136% of the total limits in 2020. Various large financial institutions have increased their trading limits for TPBank, especially ADB, which increased the TF limit from 125 million USD to 175 million USD. This shows the trust and confidence of large local and foreign financial institutions in TPBank.

TPBank's total scale of borrowing and lending to other credit institutions related to Trade Finance has reached 37 trillion VND (equivalent to ~ 242% compared to 2020), helping to enhance TPBank's position in the TF market both locally and internationally.

In 2021, TPBank maintained the B1 rating by Moody's in the context of fierce competition in the banking industry in terms of prestige and position.

### - Risk Management

TPBank continued to well develop the framework, model, and operation of monitoring and management, to propose measures to ensure that TPBank's financial indicators are in line with international practices and the State Bank's requirements,

improving the assessment of regulatory agencies, domestic and foreign partners, and rating agencies.

TPBank completed the application of the Three Pillars under Basel II in terms of capital adequacy and became one of the first banks in Vietnam to complete the implementation of Basel II's three pillars, coordinating with partners to implement. The independent review report complies with the internal assessment of capital adequacy process (ICAAP) as prescribed by the State Bank. TPBank was also the first bank in Vietnam to implement Basel III and the implementation results have been reviewed and confirmed to fully comply with Basel III regulations by KPMG Co., Ltd. At the same time, TPBank also completed the requirements of IFRS-9, completed the review of all requirements of the IFRS International Financial Reporting Standards (including 41 International Accounting Standards - IAS and 16 International Financial Reporting Standards - IFRS) with Vietnamese Accounting Standards - VAS, thereby identifying differences and converting entries to prepare financial statements in full compliance with IFRS. Accordingly, TPBank became one of the first Vietnamese banks to apply IFRS early before the deadline regulated by the Ministry of Finance (the voluntary application period is from 2022 to 2025).

### **- Human resources and training**

The total number of employees of TPBank's entire system as of Dec 31st, 2021 was 7,505 people, an increase of 311 people (an increase of 4.3%) compared to the end of 2020, mainly due to the orientation of sales staff expansion, key projects, opening of new branches and strengthening consumer credit growth.

In 2021, TPBank continued to focus on evaluation and creating promotion opportunities for employees, the rate of manager appointment from internal sources reached 54%. Among them, 27% are middle- and senior-level managers (Section Managers; Department Heads/Deputy Heads or higher).

In 2021, TPBank continued to achieve highly prestigious awards in the field of human resources, naming: (1) Top 100 Best Places to Work in Vietnam (3rd place in the Banking industry - up 2 ranks compared to 2020, ranked 31st in the 100 Best Places to Work in Vietnam - up 11 ranks compared to 2020); (2) Top 50 Vietnamese Enterprises with Attractive Employer Brands.

### **- Information Technology (IT)**

In 2021, in the spirit of drastic Digital Transformation, TPBank has invested specialized resources, simultaneously implemented many new projects/solutions with high technology level, creating a breakthrough in digital innovation:

- Building a team of dedicated staff for digital innovation in each division through the Rocket project. Establishing an R&D team is the core of developing new features for eBankBiz.
- Completing BioCenter research (FaceID, FingerID, VoiceID, Liveness Detect) based on a centralized biometric application platform, as the foundation for standardization and the rapid and uniform biometric applications across the Bank.
- Deploying 228 bots in 2021, far exceeding the original plan of 145 bots, bringing the total number of existing bots to 303.
- Deploying Open API on Sandbox, allowing for quick integration and secure testing environment with fintech firms and other financial service providers.
- Deploying the All In One application, helping to improve 30-50% in operation time of call centers and tellers at the counters.
- Deploying key projects such as the Sale app that integrates sales support features for sales staff.
- Deploying eBank Biz project with many outstanding new features using internal resources at a cost of investment reaching millions of USD.
- The first bank to integrate the ID chip card into eBankX, as well as the first bank to implement QR code 2-way bilateral payment with Thailand.
- Quickly and flexibly adapting the Work From Home (WFH) model due to the COVID-19, operating safely and smoothly during the pandemic.
- Handling of 62,000 security tickets, 495 vulnerabilities, deploying over 20 information security projects (WAF, Malware Review, Hard Drive Encryption, DNS Sec, PAM, QNI, PCI, FireEye, NCM, Swift, etc)

In addition, with dozens of large and small projects implemented, TPBank has had a solid technology foundation, a breakthrough in digital transformation.

### **- Customer and Product Development**

#### **Retail Banking**

The Bank implemented a variety of programs, products and services to serve the task of boosting transactions by retail customers (Transaction Banking), thereby, there has been resonance and policy synchronization across channels to increase the number of retail customers to around 5 million customers (In 2021 solely, an increase by 1.5 million new customers was recorded). This was the main factor that boosted CASA from retail customers to grow by 90% compared to 2020, helping the Bank's cost of capital continuously decrease, thus supporting to reduce lending interest rates, and providing incentives for customers.

In 2021, a series of newly designed or updated products and services have made remarkable resonance and effectiveness. Particular products to be named are accounts with NickName/ShopName, VietQR, etc. The Bank also modified a series of loan products such as "CV-covid", helping customers with reasonable cashflow. Together with that, Personalised account number is also another service that meets the existing needs of customers.

The establishment of a 100% digitized lending center (Digital Lending-DICO) has been successfully implemented, leading to the cooperation with partners such as MOMO in deploying 100% automatic and instant lending.

#### **Corporate Banking**

2021 continued to be affected by the pandemic; however, Businesses have gradually adapted and transformed their operations to respond to the pandemic's impact. The Bank continued to screen and classify customers, to reduce interest rates and structure loans for customers who have been affected significantly by the pandemic.

In addition, the Bank continued to develop many new products to best serve customers' needs as well as increase the number of new customers. Businesses from key industries and industries less affected by the pandemic were chosen to be the target customer groups (Pharmaceuticals, medical equipment, construction, iron and steel, telecommunications, electrical equipment supply to name a few).

For corporate e-banking, TPBank continuously digitizes and innovates products suitable for customers in different segments from small and medium to large scale. The Bank constantly expands networks and connections, from connections with state agencies, payment centers such as tax, customs, treasury... to connections with financial and fintech companies such as wallet connection, ... and connections with each enterprise to provide diversified products and services and cater to each specific business's tailor-made needs.

#### **- Network Expansion**

In 2021, despite the Covid-19 pandemic's impact, TPBank still maintained the speed of opening new LiveBanks with 80 newly locations across the nation, reaching nearly 400 Livebanks as at Dec 31st, 2021. The number of provinces/cities with LiveBanks continued to increase from 24 provinces/cities in 2020 to 36 provinces/cities in 2021.

At the same time, TPBank opened 05 branches in: Hanoi, Ho Chi Minh City, Bac Giang, Quang Ngai, Binh Dinh and 04 transaction offices: 02 transaction offices in Hanoi, 02 transaction offices in Ho Chi Minh City. The numbers of licensed branches and transaction offices in the provinces and cities across the country by the end of December 31st, 2021 are 53 branches and 67 transaction offices, respectively.



▶ **AUDITED FINANCIAL**  
STATEMENTS FOR  
THE YEAR 2021▶





## GENERAL INFORMATION

### THE BANK

Tien Phong Commercial Joint Stock Bank (“the Bank”) is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam. The Bank was established in accordance with Operating License No. 123/GP-NHNN issued by the Governor of the State Bank of Vietnam (“the SBV”) on 5 May 2008 which was amended and supplemented in accordance with Decision No. 1776/QĐ-NHNN dated 10 November 2021 by the Governor of the SBV with the operating duration of 99 years. The initial Certificate of Business Registration was dated 12 May 2008 and the most recent 27th amendment of Business Registration was dated 18 November 2021.

The Bank’s main activities are to provide banking services including mobilizing and receiving short-term, medium-term, and long-term deposits from organizations and individuals; making short-term, medium-term, and long-term loans and advances to organizations and individuals based on the nature and capability of the Bank’s sources of capital; conducting foreign exchange transactions; investing in bonds; providing international trade financial services; discounting of commercial papers, bonds and other valuable papers, gold trading and providing other banking services as approved by the SBV.

#### Location and operational network

The Bank’s head office is located at TPBank Building, 57 Ly Thuong Kiet Street, Hoan Kiem District, Hanoi, Vietnam.

As at 31 December 2021, the Bank has one (01) Head Office, one (01) Representative Office in Ho Chi Minh City, fifty-three (53) branches, sixty-seven (67) transaction offices located in cities and provinces all over the country certified by the State Bank of Vietnam (as at 31 December 2020, the Bank has one (01) Head Office, one (01) Representative Office in Ho Chi Minh City, thirty-nine (39) branches, forty-six (46) transaction offices located in cities and provinces all over the country).

### BOARD OF DIRECTORS

Members of the Board of Directors of the Bank during the year and at the date of the financial statements are as follows:

Name	Position
Mr. Do Minh Phu	Chairman
Mr. Le Quang Tien	Vice Chairman
Mr. Do Anh Tu	Vice Chairman
Mr. Shuzo Shikata	Vice Chairman
Ms. Nguyen Thu Ha	Member
Mr. Eiichiro So	Member
Ms. Do Thi Nhung	Independent Member

### BOARD OF SUPERVISION

Members of the Board of Supervision of the Bank during the year and at the date of the financial statements are as follows:

Name	Position
Ms. Nguyen Thi Bao	Head of the Board of Supervision
Mr. Thai Duy Nghia	Specialized member

### GENERAL INFORMATION (continued)

Name	Position
Ms. Nguyen Thi Thu Nguyet	Unspecialized member

### MANAGEMENT, CHIEF FINANCIAL OFFICER AND CHIEF ACCOUNTANT

Members of the Management, the Chief Financial Officer and the Chief Accountant of the Bank during the year and at the date of the financial statements are as follows:

Name	Position
Mr. Nguyen Hung	Chief Executive Officer (“CEO”)
Mr. Pham Dong Anh	Deputy CEO
Mr. Nguyen Hong Quan	Deputy CEO
Mr. Nguyen Viet Anh	Deputy CEO
Mr. Le Hong Nam	Deputy CEO
Mr. Khuc Van Hoa	Deputy CEO
Ms. Truong Thi Hoang Lan	Deputy CEO
Mr. Dinh Van Chien	Deputy CEO
Mr. Bui Quang Cuong	Deputy CEO
Mr. Nguyen Lam Hoang	Chief Financial Officer
Ms. Le Cam Tu	Chief Accountant

### LEGAL REPRESENTATIVE

The legal representative of the Bank during the year and at the date of the financial statements is Mr. Do Minh Phu - Chairman of the Board of Directors.

Mr. Nguyen Hung - Chief Executive Officer was authorized by Mr. Do Minh Phu to sign off the accompanying financial statements for the year ended 31 December 2021 according to Authorization Document No. 111/2012/QĐ-TPB.HDQT dated 10 August 2012.

### AUDITORS

The auditors of the Bank are Ernst & Young Vietnam Limited.



## REPORT OF MANAGEMENT

Management of Tien Phong Commercial Joint Stock Bank ("the Bank") is pleased to present this report and the financial statements of the Bank for the year ended 31 December 2021.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management of the Bank is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Bank and of the results of its operations and its cash flows for the year. In preparing these financial statements, Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Bank and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Bank and 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 financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2021, the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and statutory requirements relevant to preparation and presentation of financial statements.

For and on behalf of the Board of Management:

  
**Mr. Nguyen Hung**  
 Chief Executive Officer

Hanoi, Vietnam  
 28 February 2022

## INDEPENDENT AUDITORS' REPORT

To: **The Shareholders of  
 Tien Phong Commercial Joint Stock Bank**

We have audited the accompanying financial statements of Tien Phong Commercial Joint Stock Bank ("the Bank"), as prepared on 28 February 2022 and set out on pages 6 to 69 which comprise the balance sheet as at 31 December 2021, the income statement and the cash flow statement for year then ended and the notes thereto.

### Management's responsibility

Management of the Bank is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, and statutory requirements relevant to the preparation and presentation of financial statements, and for such internal control as Management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' responsibility

Our responsibility is to express an opinion on the 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the Bank, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Bank as at 31 December 2021, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and statutory requirements relevant to the preparation and presentation of financial statements.

Ernst & Young Vietnam Limited

  
**Dang Phuong Ha**  
 Deputy General Director  
 Audit Practising Registration  
 Certificate No. 2400-2018-004-1

Hanoi, Viet Nam,  
 28 February 2022



**Tran Thi Thu Hien**  
 Auditor  
 Audit Practising Registration  
 Certificate No. 2487-2018-004-1

## BALANCE SHEET

as at 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
<b>ASSETS</b>			
Cash, gold and gemstones	2	2,553,309	2,214,265
Balances with the State Bank of Vietnam ("SBV")	3	18,039,848	9,108,762
Placements with and credit granting to other credit institutions ("CIs")	4	48,752,914	12,698,296
Placements with other CIs		35,868,051	8,685,780
Credit granting to other CIs		12,884,863	4,012,516
Derivatives and other financial assets		-	77,344
Loans to customers		139,462,565	118,084,610
Loans to customers	5	141,227,857	119,990,991
Provision for credit losses of loans to customers		(1,765,292)	(1,906,381)
Debts purchased	6	960,393	1,043,036
Debts purchased		967,650	1,051,094
Provision for credit losses of debts purchased		(7,257)	(8,058)
Investment securities	7	62,404,684	48,095,142
Available-for-sale securities		62,735,195	48,197,336
Held-to-maturity securities		44,700	44,700
Provision for investment securities		(375,211)	(146,894)
Fixed assets		788,613	708,842
Tangible fixed assets		512,870	475,619
Cost		1,133,034	934,334
Accumulated depreciation		(620,164)	(458,715)
Intangible fixed assets		275,743	233,223
Cost		620,296	483,915
Accumulated amortization		(344,553)	(250,692)
Other assets		19,864,752	14,284,297

## BALANCE SHEET (continued)

as at 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
Receivables		16,282,628	11,084,592
Interests and fee receivables		1,935,129	1,677,236
Other assets		1,650,611	1,576,170
Provision for impairment of other assets		(3,616)	(53,701)
<b>TOTAL ASSETS</b>		<b>292,827,078</b>	<b>206,314,594</b>

## BALANCE SHEET (continued)

as at 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
<b>LIABILITIES</b>			
<b>Borrowings from the Government and the SBV</b>	<b>8</b>	<b>564,074</b>	<b>697,937</b>
<b>Deposits and borrowings from other CIs, financial institutions</b>	<b>9</b>	<b>87,015,960</b>	<b>40,879,958</b>
Deposits from other CIs		53,315,464	19,401,344
Borrowings from other CIs, financial institutions		33,700,496	21,478,614
<b>Deposits from customers</b>	<b>10</b>	<b>139,562,262</b>	<b>115,903,526</b>
<b>Derivatives and other financial liabilities</b>		<b>77,705</b>	<b>0</b>
<b>Other borrowed and entrusted funds</b>	<b>11</b>	<b>401,664</b>	<b>688,576</b>
<b>Valuable papers issued</b>	<b>12</b>	<b>35,405,147</b>	<b>27,438,818</b>
<b>Other liabilities</b>		<b>3,813,196</b>	<b>3,961,381</b>
Interest and fee payables		2,583,032	2,608,422
Other payables and liabilities		1,230,164	1,352,959
<b>TOTAL LIABILITIES</b>		<b>266,840,008</b>	<b>189,570,196</b>
<b>OWNERS' EQUITY</b>			
<b>Capital and reserves</b>	<b>13</b>	<b>25,987,070</b>	<b>16,744,398</b>
Capital		18,378,520	9,859,189
- Charter capital		15,817,555	10,716,717
- Share premium		2,560,965	51,071
- Treasury shares		-	(908,599)
<b>Reserves</b>		<b>1,388,879</b>	<b>862,350</b>
<b>Retained earnings</b>		<b>6,219,671</b>	<b>6,022,859</b>
<b>TOTAL OWNERS' EQUITY</b>		<b>25,987,070</b>	<b>16,744,398</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>292,827,078</b>	<b>206,314,594</b>

## BALANCE SHEET (continued)

as at 31 December 2021

## OFF-BALANCE SHEET ITEMS

	Notes	31/12/2021 VND million	31/12/2020 VND million
Lending guarantees		212,050	208,607
Foreign exchange commitments		138,708,645	92,527,867
- Foreign exchange commitments - buy		1,918,825	7,639,719
- Foreign exchange commitments - sell		1,927,747	7,532,709
- Swap contracts		134,862,073	77,355,439
Letters of credit commitments		3,832,911	2,605,732
Other guarantees		25,688,026	17,110,059
Other commitments		14,114,344	7,262,285
		<b>182,555,976</b>	<b>119,714,550</b>

Prepared by: 

**Ms. Le Cam Tu**  
Chief Accountant  
Hanoi, Vietnam  
28 February 2022

Reviewed by:



**Mr. Nguyen Lam Hoang**  
Chief Financial Officer

Approved by:



**Mr. Nguyen Hung**  
Chief Executive Officer

## INCOME STATEMENT

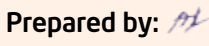
for the year ended 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
Interest and similar income	15	17,426,817	14,828,235
Interest and similar expenses	16	(7,480,768)	(7,209,178)
<b>Net interest and similar income</b>		<b>9,946,049</b>	<b>7,619,057</b>
Fee and commission income		2,259,689	1,539,850
Fee and commission expenses		(717,223)	(602,817)
<b>Net fee and commission income</b>	<b>17</b>	<b>1,542,466</b>	<b>937,033</b>
<b>Net gain from foreign currencies trading</b>	<b>18</b>	<b>373,374</b>	<b>408,138</b>
<b>Net gain from investment securities trading</b>	<b>19</b>	<b>1,409,742</b>	<b>710,680</b>
Other operating income		495,761	1,096,636
Other operating expenses		(249,984)	(402,355)
<b>Net gain from other operating activities</b>	<b>20</b>	<b>245,777</b>	<b>694,281</b>
<b>TOTAL OPERATING INCOME</b>		<b>13,517,408</b>	<b>10,369,189</b>
Employees' expenses		(2,537,952)	(2,254,907)
Depreciation and amortization expenses		(257,062)	(211,559)
Other operating expenses		(1,775,682)	(1,730,827)
<b>TOTAL OPERATING EXPENSES</b>	<b>21</b>	<b>(4,570,696)</b>	<b>(4,197,293)</b>
<b>Net profit before provision for credit losses</b>		<b>8,946,712</b>	<b>6,171,896</b>
Provision expense for credit losses		(2,908,490)	(1,783,373)
<b>PROFIT BEFORE TAX</b>		<b>6,038,222</b>	<b>4,388,523</b>

## INCOME STATEMENT (continued)

for the year ended 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
Current corporate income tax ("CIT") expenses		(1,209,043)	(878,334)
<b>Total CIT expenses</b>		<b>(1,209,043)</b>	<b>(878,334)</b>
<b>PROFIT AFTER TAX</b>		<b>4,829,179</b>	<b>3,510,189</b>
<b>Basic earnings per share (VND)</b>	<b>14</b>	<b>3,234</b>	<b>2,482</b>

Prepared by: 

**Ms. Le Cam Tu**  
Chief Accountant  
Hanoi, Vietnam  
28 February 2022

Reviewed by: 

**Mr. Nguyen Lam Hoang**  
Chief Financial Officer

Approved by: 

**Mr. Nguyen Hung**  
Chief Executive Officer

## CASH FLOW STATEMENT

for the year ended 31 December 2021

	Notes	31/12/2021 VND million	31/12/2020 VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest and similar receipts		17,261,090	14,346,496
Interest and similar payments		(7,560,853)	(6,659,517)
Net fee and commission receipts		1,542,466	937,033
Net receipts from foreign currencies, gold and securities trading		2,006,642	1,243,901
Other income		(2,345)	555,774
Recoveries from bad debts previously written-off		247,956	138,506
Payments for employees and other operating activities		(4,283,954)	(3,950,565)
Corporate income tax paid		(1,273,872)	(785,082)
<b>Net cash flows from operating activities before changes in operating assets and working capital</b>		<b>7,937,130</b>	<b>5,826,546</b>
<b>Changes in operating assets</b>			
Increase in placements with and credit granting to other CIs		(8,872,347)	(2,771,984)
Increase in investment securities		(12,537,860)	(21,934,232)
Decrease/(Increase) in derivatives and other financial assets		77,344	(64,357)
Increase in loans to customers		(19,588,462)	(24,915,316)
Use of provision to write off loans to customers, securities and long-term investments		(3,101,468)	(1,086,605)
(Increase)/Decrease in other assets		(245,342)	291,333
<b>Changes in operating liabilities</b>			
Decrease in borrowings from the Government and the SBV		(133,863)	(130,068)
Increase/(Decrease) in deposits and borrowings from other CIs, financial institutions		37,803,221	(1,160,460)
Increase in deposits from customers		23,658,736	23,464,031
Increase in valuable papers issued (except for valuable papers issued for financing activities)		9,532,629	8,726,598
Increase in derivatives and other financial liabilities		77,705	-
Decrease in other borrowed and entrusted funds		(286,912)	(17,471)
(Decrease)/Increase in other liabilities		(91,254)	541,144
<b>Net cash flows from/(used in) operating activities</b>		<b>34,229,257</b>	<b>(13,230,841)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets		(629,215)	(410,688)
Proceeds from disposal of fixed assets		166	1
<b>Net cash flows used in investing activities</b>		<b>(629,049)</b>	<b>(410,687)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in charter capital from share issuance		3,283,500	390,694

## CASH FLOW STATEMENT (continued)

for the year ended 31 December 2021


	Notes	31/12/2021 VND million	31/12/2020 VND million
Proceeds from selling treasury shares		1,134,993	-
Payments to purchase treasury shares		-	(225,360)
Payments for long-term valuable papers eligible for capitalization and other long-term debts		(1,566,300)	(41,900)
Proceeds from long-term valuable papers eligible for capitalization and other long-term debts		-	4,328,100
<b>Net cash flows from financing activities</b>		<b>2,852,193</b>	<b>4,451,534</b>
<b>Net cash flows during the year</b>		<b>36,452,401</b>	<b>(9,189,994)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>20,008,807</b>	<b>29,198,801</b>
<b>Cash and cash equivalents at the end of the year</b>	22	<b>56,461,208</b>	<b>20,008,807</b>

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Chief Accountant  
Hanoi, Vietnam  
28 February 2022

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Chief Financial Officer

Approved by: 

**Mr. Nguyen Hung**  
Chief Executive Officer

## NOTES TO THE FINANCIAL STATEMENTS

as at 31 December 2021 and for the year then ended

### 1. THE BANK

Tien Phong Commercial Joint Stock Bank (“the Bank”) is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam. The Bank was established in accordance with Operating License No. 123/GP-NHNN issued by the Governor of the State Bank of Vietnam (“the SBV”) on 5 May 2008 which was amended and supplemented in accordance with Decision No. 1776/QĐ-NHNN dated 10 November 2021 by the Governor of the SBV with the operating duration of 99 years. The initial Certificate of Business Registration was dated 12 May 2008 and the most recent 27th amendment of Business Registration was dated 18 November 2021.

The Bank’s main activities are to provide banking services including mobilizing and receiving short-term, medium-term, and long-term deposits from organizations and individuals; making short-term, medium-term, and long-term loans and advances to organizations and individuals based on the nature and capability of the Bank’s sources of capital; conducting foreign exchange transactions; investing in bonds; providing international trade financial services; discounting of commercial papers, bonds and other valuable papers, trading gold and providing other banking services as allowed by the SBV.

#### Charter capital

As at 31 December 2021, charter capital of the Bank was VND 15,817,555 million (as at 31 December 2020: VND 10,716,717 million).

#### Operational network

The Bank’s head office is located at TPBank Building, 57 Ly Thuong Kiet Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2021, the Bank has one (01) Head Office, one (01) Representative Office in Ho Chi Minh City, fifty-three (53) branches, sixty-seven (67) transaction offices located in cities and provinces all over the country certified by the State Bank of Vietnam (as at 31 December 2020, the Bank has one (01) Head Office, one (01) Representative Office in Ho Chi Minh City, thirty-nine (39) branches, forty-six (46) transaction offices located in cities and provinces all over the country).

#### Employees

Total number of employees of the Bank as at 31 December 2021 was 7,505 persons (as at 31 December 2020: 7,194 persons).

### 2. CASH, GOLD AND GEMSTONES

	31/12/2021 VND million	31/12/2020 VND million
Cash in VND	693,645	802,563
Cash in foreign currencies	258,643	488,300
Monetary gold	1,601,021	923,402
	<b>2,553,309</b>	<b>2,214,265</b>

### 3. BALANCES WITH THE STATE BANK OF VIETNAM (“SBV”)

	31/12/2021 VND million	31/12/2020 VND million
Current accounts with the SBV		
- In VND	14,385,522	8,359,883

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
- In foreign currencies	3,654,326	748,879
	<b>18,039,848</b>	<b>9,108,762</b>

### 4. PLACEMENTS WITH AND CREDIT GRANTING TO OTHER CREDIT INSTITUTIONS (“CIs”)

	31/12/2021 VND million	31/12/2020 VND million
Placements with other CIs	35,868,051	8,685,780
Credit granting to other CIs	12,884,863	4,012,516
	<b>48,752,914</b>	<b>12,698,296</b>

#### 4.1 Placements with other CIs

	31/12/2021 VND million	31/12/2020 VND million
<b>Demand deposits</b>	<b>19,318,051</b>	<b>7,685,780</b>
- In VND	18,332,684	7,226,202
- In foreign currencies	985,367	459,578
<b>Term deposits</b>	<b>16,550,000</b>	<b>1,000,000</b>
- In VND	16,550,000	1,000,000
	<b>35,868,051</b>	<b>8,685,780</b>

In which, balance of placements with other CIs with an original maturity of ninety-one (“91”) days or less is VND 16,550,000 million.

#### 4.2 Credit granting to other CIs

	31/12/2021 VND million	31/12/2020 VND million
In VND	11,002,049	3,205,531
In foreign currencies	1,882,814	806,985
	<b>12,884,863</b>	<b>4,012,516</b>

#### 4.3 Analysis of terms deposits and credit granting to other CIs by quality



## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

## 4.3 Analysis of terms deposits and credit granting to other Cls by quality

	31/12/2021 VND million	31/12/2020 VND million
Current		
- Term deposits at other Cls	16,550,000	1,000,000
- Credit granting to other Cls	12,884,863	4,012,516
	<b>29,434,863</b>	<b>5,012,516</b>

## 4.4 Provisions for credit losses of placements with and credit granting to other Cls

	31/12/2021 VND million	31/12/2020 VND million
Opening balance	-	-
Provision charged during the year	130,759	-
Provision utilized to write off bad debts during the year	(130,759)	-
Closing balance	-	-

## 5. LOANS TO CUSTOMERS

	31/12/2021 VND million	31/12/2020 VND million
Loans to local economic entities and individuals	139,073,396	117,673,901
Discounted bills and valuable papers	1,469,273	979,040
Loans financed by entrusted funds	24,712	55,834
Loans to foreign economic entities and individuals	660,476	1,282,216
	<b>141,227,857</b>	<b>119,990,991</b>

## 5.1 Analysis of loan portfolio by quality

	31/12/2021 VND million	31/12/2020 VND million
Current	137,993,967	116,947,320
Special Mention	2,077,054	1,623,222
Substandard	510,516	661,225
Doubtful	348,890	330,799
Loss	297,430	428,425
	<b>141,227,857</b>	<b>119,990,991</b>

## 5.2 Analysis of loan portfolio by original term

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Short-term	36,990,602	35,328,320
Medium-term	29,931,933	29,601,337
Long-term	74,305,322	55,061,334
	<b>141,227,857</b>	<b>119,990,991</b>

## 6. DEBTS PURCHASED

	31/12/2021 VND million	31/12/2020 VND million
Debts purchased in VND	701,496	777,818
Debts purchased in foreign currencies	266,154	273,276
Provision for credit losses	(7,257)	(8,058)
	<b>960,393</b>	<b>1,043,036</b>

## 7. INVESTMENT SECURITIES

	31/12/2021 VND million	31/12/2020 VND million
<b>Available-for-sale ("AFS") investment securities</b>	<b>62,735,195</b>	<b>48,197,336</b>
Debt securities	62,554,995	48,107,236
Equity securities	180,200	90,100
<b>Held-to-maturity ("HTM") investment securities</b>	<b>44,700</b>	<b>44,700</b>
DATC bonds	44,700	44,700
	<b>62,779,895</b>	<b>48,242,036</b>
<b>Provisions for investment securities</b>	<b>(375,211)</b>	<b>(146,894)</b>
AFS securities	(374,876)	(146,559)
HTM securities	(335)	(335)
- DATC bonds	(335)	(335)
	<b>62,404,684</b>	<b>48,095,142</b>

## 7.1 Available-for-sale ("AFS") investment securities

	31/12/2021 VND million	31/12/2020 VND million
<b>Debt securities</b>	<b>62,554,995</b>	<b>48,107,236</b>
Government bonds	18,849,337	20,673,971
Debt securities issued by other domestic Cls	16,978,995	9,972,422
Debt securities issued by local economic entities	18,576,663	11,260,626
Certificate of deposits/Promissory notes	8,150,000	6,200,217

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Equity securities	180,200	90,100
Equity securities issued by other domestic CIs	-	-
Equity securities issued by local economic entities	180,200	90,100
	62,735,195	48,197,336
<b>Provisions for AFS investment securities</b>	<b>(374,876)</b>	<b>(146,559)</b>
General provision	(141,125)	(146,559)
Specific provision	(1,205)	-
Provision for diminution in value	(232,546)	-

## 7.2 Held-to-maturity ("HTM") investment securities

	31/12/2021 VND million	31/12/2020 VND million
Face value of DATC bonds	44,700	44,700
General provision for DATC bonds	(335)	(335)
	44,365	44,365

## 7.3 Analysis of debt securities classified as credit-risk bearing assets

	31/12/2021 VND million	31/12/2020 VND million
Current	34,228,518	21,665,850
Special Mention	-	-
Substandard	-	-
Doubtful	-	-
Loss	60,000	-
	34,288,518	21,665,850

## 7.4 Changes in provision for investment securities

Changes in provision for investment securities in 2021 are as follows:

	General provision for AFS investment securities	Specific provision for AFS investment securities (debt securities)	Provision for diminution of AFS investment securities (debt securities)	Provision for HTM investment securities (DATC bonds)	Total VND million
<b>Opening balance</b>	<b>146,559</b>	<b>-</b>	<b>-</b>	<b>335</b>	<b>146,894</b>
Provision charged during the year	(5,434)	1,205	232,546	-	228,317
<b>Closing balance</b>	<b>141,125</b>	<b>1,205</b>	<b>232,546</b>	<b>335</b>	<b>375,211</b>

Changes in provision for investment securities in 2020 are as follows:

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	General provision for AFS investment securities (debt securities)	Specific provision for AFS investment securities (debt securities)	Provision for diminution of AFS investment securities (debt securities)	Provision for HTM investment securities (DATC bonds)	Total VND million
<b>Opening balance</b>	<b>108,405</b>	<b>-</b>	<b>-</b>	<b>335</b>	<b>108,740</b>
Provision charged during the year	38,154	-	-	-	38,154
<b>Closing balance</b>	<b>146,559</b>	<b>-</b>	<b>-</b>	<b>335</b>	<b>146,894</b>

## 8. BORROWINGS FROM THE GOVERNMENT AND THE STATE BANK OF VIETNAM ("SBV")

	31/12/2021 VND million	31/12/2020 VND million
<b>Borrowings from the SBV</b>		
Borrowings under credit profile	564,074	697,937

## 9. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS ("CIs"), FINANCIAL INSTITUTIONS

	31/12/2021 VND million	31/12/2020 VND million
<b>Deposits from other CIs</b>	<b>53,315,464</b>	<b>19,401,344</b>
Demand deposits	14,026,784	7,130,727
- In VND	14,026,784	7,130,727
Term deposits	39,288,680	12,270,617
- In VND	31,029,000	8,738,000
- In foreign currencies	8,259,680	3,532,617
<b>Borrowings from other CIs, financial institutions</b>	<b>33,700,496</b>	<b>21,478,614</b>
Borrowings from domestic CIs, foreign banks, foreign banks' branches in Vietnam	12,442,198	10,993,052
- In VND	5,800,000	2,740,000
- In foreign currencies	2,059,200	-
- Discounted valuable papers	4,582,998	8,253,052
Borrowings from other offshore CIs	343,200	346,335
- In foreign currencies	343,200	346,335
Borrowings from international financial institutions - International Finance Corporation ("IFC") - World Bank Group	1,307,429	1,979,057
- In foreign currencies	1,307,429	1,979,057
Borrowings from domestic CIs, foreign banks, foreign banks' branches in Vietnam for trade finance purpose	13,168,100	3,868,752



## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
- In VND	8,842,922	2,225,464
- In foreign currencies	4,325,178	1,643,288
Borrowings from other offshore Cls for trade finance purpose	6,439,569	4,291,418
- In foreign currencies	6,439,569	4,291,418
	<b>87,015,960</b>	<b>40,879,958</b>

## 10. DEPOSITS FROM CUSTOMERS

	31/12/2021 VND million	31/12/2020 VND million
<b>Demand deposits</b>	<b>30,774,998</b>	<b>21,201,387</b>
Demand deposits in VND	28,931,897	19,611,094
Demand deposits in foreign currencies	1,843,101	1,590,293
<b>Term deposits</b>	<b>107,067,529</b>	<b>93,444,094</b>
Term deposits in VND	101,812,538	85,953,924
Term deposits in foreign currencies	5,254,991	7,490,170
<b>Deposits for specific purposes</b>	<b>19,707</b>	<b>1,428</b>
Deposits for specific purposes in VND	929	585
Deposits for specific purposes in foreign currencies	18,778	843
<b>Margin deposits</b>	<b>1,700,028</b>	<b>1,256,617</b>
Margin deposits in VND	1,644,867	1,217,550
Margin deposits in foreign currencies	55,161	39,067
	<b>139,562,262</b>	<b>115,903,526</b>

## 11. OTHER BORROWED AND ENTRUSTED FUNDS

	31/12/2021 VND million	31/12/2020 VND million
Funds received from other domestic insitutions and individuals in VND	172,864	226,796
Funds received from international financial institutions in foreign currencies	228,800	461,780
	<b>401,664</b>	<b>688,576</b>

## 12. VALUABLE PAPERS ISSUED

	31/12/2021 VND million	31/12/2020 VND million
Valuable papars issued in VND		

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Face value	35,412,000	27,438,922
Discount	(6,853)	(104)
	<b>35,405,147</b>	<b>27,438,818</b>

Details of terms of valuable papers issued by face value at the end of the year are as follows:

	Book-entry bonds VND million	Certificate of deposits VND million	Total VND million
Less than 12 months (Less than 366 day)			
- In VND	-	5,000,000	5,000,000
From 12 months to 5 years (From 366 to 1826 days)			
- In VND	20,850,000	5,462,279	26,312,279
More than 5 years (More than 1826 days)			
- In VND	3,536,900	562,821	4,099,721
<b>Closing balance</b>	<b>24,386,900</b>	<b>11,025,100</b>	<b>35,412,000</b>

**13. OWNERS' EQUITY AND RESERVES****13.1 Statement of changes in equity**

Changes in owners' equity of the Bank in 2021 are described in the following table:

	Charter capital VND million	Share premium VND million	Treasury shares VND million	Financial reserve VND million	Capital supplementary reserve VND million	Retained earnings VND million	Total VND million
<b>As at 1 January 2021</b>	<b>10,716,717</b>	<b>51,071</b>	<b>(908,599)</b>	<b>699,517</b>	<b>162,833</b>	<b>6,022,859</b>	<b>16,744,398</b>
Capitalization share issuance	1,000,000	2,283,500	-	-	-	-	3,283,500
Capital increase from retained earnings	4,100,838	-	-	-	-	(4,100,838)	-
Net profit for the year	-	-	-	-	-	4,829,179	4,829,179
Sale of treasury shares	-	226,394	908,599	-	-	-	1,134,993
Appropriation to reserves (*)	-	-	-	351,019	175,510	(526,529)	-
Appropriation to bonus and welfare funds in the year from retained earnings (*)	-	-	-	-	-	(5,000)	(5,000)
<b>As at 31 December 2021</b>	<b>15,817,555</b>	<b>2,560,965</b>	<b>-</b>	<b>1,050,536</b>	<b>338,343</b>	<b>6,219,671</b>	<b>25,987,070</b>

(\*) The appropriation of profit to reserves was made in accordance with the plan for profit distribution in 2020 under Resolution No. 01/2021/NQ-TPB.DHDCD dated 23 April 2021.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

as at 31 December 2021 and for the year then ended

**13.2 Statement of changes in equity (continued)**

Details of shares of the Bank are as follows:

	31/12/2021 shares	31/12/2020 shares
Number of registered shares	1,581,755,495	1,071,671,722
Number of shares publicly issued		
- Ordinary shares	1,581,755,495	1,071,671,722
- Preference shares	-	-
Number of treasury shares		
- Ordinary shares	-	(40,016,056)
- Preference shares	-	-
Number of outstanding shares		
- Ordinary shares	1,581,755,495	1,031,655,666
- Preference shares	-	-
Face value of circulated shares (VND)	10,000	10,000

**14. BASIC EARNINGS PER SHARE**

Basic earnings per share are calculated by net profit distributed to shareholders of the Bank divided by weighted average number of outstanding ordinary shares in the year. Details of earnings per share of the Bank are as follows:

	2021	2020 (Restated)
<b>Profit after tax (VND million)</b>	<b>4,829,179</b>	<b>3,510,189</b>
Appropriation to bonus and welfare fund in the year	-	(5,000)
<b>Net profit distributed to ordinary shareholders (VND million)</b>	<b>4,829,179</b>	<b>3,505,189</b>
Weighted average number of shares after impact (share)	1,493,201,259	1,412,177,554
<b>Basic earnings per share (VND)</b>	<b>3,234</b>	<b>2,482</b>

**15. INTEREST AND SIMILAR INCOME**

	31/12/2021 VND million	31/12/2020 VND million
Interest income from deposits	43,824	172,062
Interest income from loans to customers	13,361,893	11,192,942
Interest income from investment securities	2,955,946	2,591,931
Income from guarantee services	391,743	255,845
Interest income from debts trading	64,062	94,340

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Other income from credit activities	609,349	521,115
In which:		
- Fee from credit activities	437,670	388,120
	<b>17,426,817</b>	<b>14,828,235</b>

## 16. INTEREST AND SIMILAR EXPENSES

	31/12/2021 VND million	31/12/2020 VND million
Interest expenses for deposits	5,059,220	5,166,520
Interest expenses for borrowings	356,603	394,936
Interest expenses for valuable papers issued	1,456,974	1,181,703
Other expenses from credit activities	607,971	466,019
	<b>7,480,768</b>	<b>7,209,178</b>

## 17. NET FEE AND COMMISSION INCOME

	31/12/2021 VND million	31/12/2020 VND million
<b>Fee and commission income</b>	<b>2,259,689</b>	<b>1,539,850</b>
Settlement services	703,008	566,441
Treasury services	6,473	5,770
Trading, advisory and insurance services	955,482	575,909
Other income	594,726	391,730
<b>Fee and commission expenses</b>	<b>(717,223)</b>	<b>(602,817)</b>
Post and telecommunication	(116,895)	(82,975)
Settlement services	(304,175)	(301,448)
Treasury services	(18,009)	(15,181)
Advisory and trusted, agency services	(3,361)	(5,044)
Other expenses	(274,783)	(198,169)
<b>Net fee and commission income</b>	<b>1,542,466</b>	<b>937,033</b>

## 18. NET GAIN FROM FOREIGN CURRENCIES TRADING

	31/12/2021 VND million	31/12/2020 VND million
<b>Income from foreign currencies trading</b>	<b>1,681,844</b>	<b>1,361,791</b>
Income from spot foreign currencies and gold trading	772,655	686,546

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Income from currency derivative instruments	909,189	675,245
<b>Expenses for foreign currencies trading</b>	<b>(1,308,470)</b>	<b>(953,653)</b>
Expenses for spot foreign currencies and gold trading	(364,800)	(304,394)
Expenses for currency derivative instruments	(943,670)	(649,259)
<b>Net gain from foreign currencies trading</b>	<b>373,374</b>	<b>408,138</b>

## 19. NET GAIN FROM INVESTMENT SECURITIES TRADING

	31/12/2021 VND million	31/12/2020 VND million
Income from investment securities trading	1,791,644	850,760
Expenses for investment securities trading	(153,585)	(101,926)
Provision charged for diminution in value of investment securities	(228,317)	(38,154)
<b>Net gain from investment securities trading</b>	<b>1,409,742</b>	<b>710,680</b>

## 20. NET GAIN FROM OTHER OPERATING ACTIVITIES

	31/12/2021 VND million	31/12/2020 VND million
<b>Other operating income</b>	<b>495,761</b>	<b>1,096,636</b>
Income from bad debts previously written-off	247,956	138,506
Income from assets disposals	166	1
Other income	247,639	958,129
<b>Other operating expenses</b>	<b>249,984</b>	<b>402,355</b>
Other expenses	249,984	402,355
<b>Net gain from other operating activities</b>	<b>245,777</b>	<b>694,281</b>

## 21. TOTAL OPERATING EXPENSES

	31/12/2021 VND million	31/12/2020 VND million
<b>Taxes, fees and charges</b>	<b>996</b>	<b>195</b>
<b>Expenses for employees</b>	<b>2,537,952</b>	<b>2,254,907</b>
Salaries and allowances	2,323,220	2,052,293
Uniforms and means of labor safety	3,750	5,437
Salary-based expenditure	123,597	110,359
Subsidies	10,983	10,990

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

	31/12/2021 VND million	31/12/2020 VND million
Other expenses	76,402	75,828
<b>Expenses for fixed assets</b>	<b>816,441</b>	<b>702,215</b>
In which:		
Depreciation and amortization of fixed assets	257,062	211,559
Maintenance and repair of assets	88,731	74,738
Purchase of working tools	106,697	97,478
Property insurance	12,967	15,284
Other expenses	350,984	303,156
<b>General and administrative expenses</b>	<b>1,126,074</b>	<b>1,127,922</b>
In which:		
Per diem	5,561	10,484
Trade union activities	1,251	1,385
Stationery and gas	71,283	65,253
Electricity, water, hygiene at workplace	64,349	58,715
Post and telecommunication	67,059	64,632
Meetings, receptions, festivals	157,867	130,756
Publishing materials, dissemination, advertisement, marketing, sale promotion	235,298	293,578
Operational training	1,654	2,142
Other expenses	521,752	500,977
<b>Expenses for insurance for customer's deposits</b>	<b>88,230</b>	<b>73,580</b>
<b>Provision expenses (excluding provision for credit risk of balance sheet and off-balance sheet assets; provision for diminution in value of securities)</b>	<b>1,003</b>	<b>38,474</b>
	<b>4,570,696</b>	<b>4,197,293</b>

## 22. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the cash flow statement comprise the following amounts on the balance sheet:

	31/12/2021 VND million	31/12/2020 VND million
Cash and cash equivalents on hand	2,553,309	2,214,265
Balances with the State Bank of Vietnam	18,039,848	9,108,762
Demand deposits at other CIs	19,318,051	7,685,780
Deposits at other CIs with terms of 91 days or less	16,550,000	1,000,000
	<b>56,461,208</b>	<b>20,008,807</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

as at 31 December 2021 and for the year then ended

## 23. EMPLOYEES' REMUNERATION

	31/12/2021 VND million	31/12/2020 VND million
<b>I. Average total employees (person)</b>	<b>7,322</b>	<b>6,682</b>
<b>II. Employees' remuneration</b>		
1. Total income (salary fund and bonus)	2,537,952	2,254,907
2. Average income/month	28,89	28,12

## 24. EXCHANGE RATES OF APPLICABLE FOREIGN CURRENCIES AGAINST VND AT THE END OF THE YEAR

	31/12/2021 VND	31/12/2020 VND
USD	22.880	23.089
GBP	30.747	31.474
JPY	198	223
HKD	2.930	2.987
AUD	16.518	17.755
SGD	16.854	17.464
CAD	17.885	18.115
EUR	25.869	28.527
XAU	6.146.000	5.585.000
CNY	3.616	3.605
CHF	24.954	26.215

Prepared by: 

**Ms. Le Cam Tu**  
Chief Accountant  
Hanoi, Vietnam  
28 February 2022

Reviewed by:



**Mr. Nguyen Lam Hoang**  
Chief Financial Officer

Approved by:



**Mr. Nguyen Hung**  
Chief Executive Officer



▶ **2022**  
BUSINESS  
PLAN ▶





BUSINESS PLAN FOR 2022

Continuing to follow the set roadmap and strategic goals, with the accomplished achievements, TPBank targets to strengthen its position as a reputable, efficient and quality bank in the year of 2022.

In 2022, TPBank sets a target of a 36% growth in profit. Action plans and various solutions have been put forward, such as: Improving the efficiency, quality as well as the number of management teams and sales staff; Developing a diversified and quality customer base, enhance the cross-selling of products and services; Focusing on efficiency, increasing non-interest income, implementing strong personalization in customer policies and products for each customer segment; Enhancing the application of modern technology and comprehensive digital innovation in all activities of the bank.

At the same time, TPBank plans on a well-managed balance sheet, a harmony between short-term and long-term goals to ensure its optimal efficiency. Special attention is paid to raising the CASA ratio to reduce capital costs, increasing NIM to improve business efficiency. The plan also emphasizes on strengthening the control, recovery and handling of bad debts.

To align with these directions and goals, TPBank has set specific financial objectives as follows:

Unit: Billion VND, %

No.	Category	2021 (Audited)	2022 Targets	Growth rate
1	Total assets	292,827	350,000	120%
2	Charter capital	15,818	20,090	133%
3	Total deposits	262,385	292,579	112%
3.1	Customer Deposits & Issuance of Valuable Papers	174,967	201,212	115%
3.2	Deposits and loans from other credit institutions	87,016	91,367	105%
3.3	Entrusted Funds	402	-	-
4	Outstanding loans and corporate bonds (1)	160,817	188,800	118%
5	NPL ratio	0.81%	≤1.5%	-
6	Profit before tax	6,038	8,200	136%
7	CAR	13.39%	>12%	-
8	ROE	22.61%	22.41%	-
9	CIR	33.82%	33.00%	-

Note:  
(1) Outstanding loans and corporate bond investment are expected to reach 188,800 billion VND, which requires the approval by the State Bank of Vietnam

With this plan, TPBank expects to achieve Total Assets of 350,000 billion VND; an unconsolidated Profit before Tax of 8,200 billion VND; a Non-Performing Loan ratio under control and not more than 1.5%. TPBank ensures safety ratios in banking operations and good liquidity management.

SOCIAL  
RESPONSIBILITY

52,900





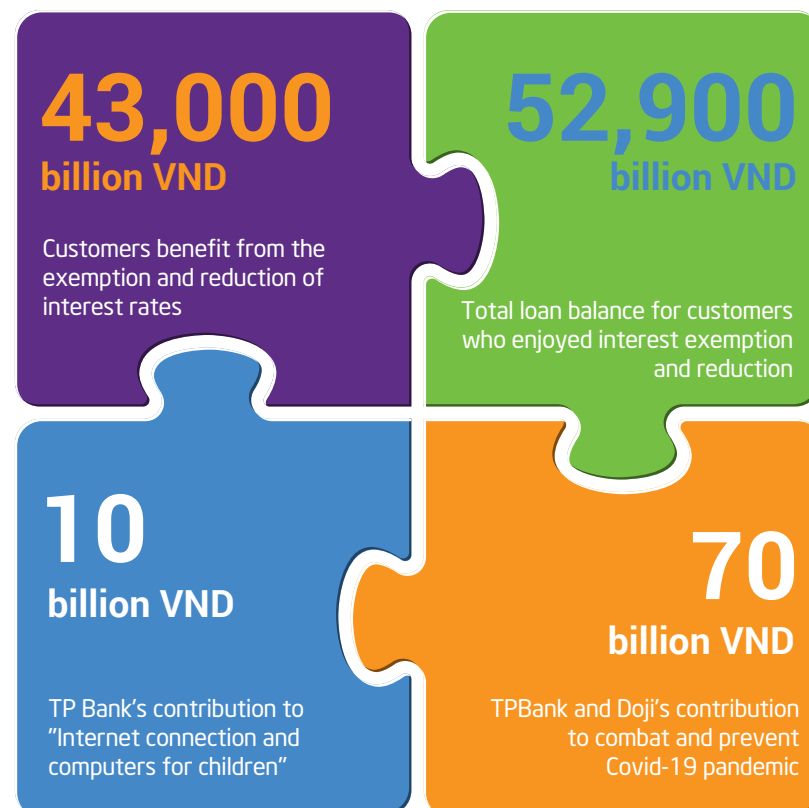
## SOCIAL RESPONSIBILITY AND PROMOTING SUSTAINABLE DEVELOPMENT

### SOCIAL RESPONSIBILITY

In 2021, TPBank not only strived to overcome many difficulties and challenges to maintain its growth momentum, but also continued to pioneer in sharing difficulties with the Government on the journey to combat the Covid-19 pandemic. Hundreds of high-end ventilators and a lot of essential medical equipment and supplies have been gifted by the Bank to hospitals on the front lines of the pandemic in Hanoi, Ho Chi Minh City and many provinces and cities across the country, bringing the total amount that TPBank and DOJl have contributed to the fight against the pandemic to over 70 billion VND.

In July 2021, the Bank had proactively developed programs and packages of interest rate exemption and reduction for customers in the last 6 months of the year, with a reduction of 0.5 -1.2%. Total outstanding loans to support customers by TPBank this time were estimated at nearly 52,900 billion VND. Since 2020, TPBank has exempted, reduced and lowered interest rates for about 43,000 customers.

Along with that, with a clear awareness and implementation of social responsibility in “the cause for human development”, TPBank has donated 10 billion VND for the “Internet connection and computers for children” - an online learning device support program for disadvantaged students across the country.



## BUSINESS LINES

### OTHER MONETARY TRADING ACTIVITIES

Receiving deposits, issuing certificates of deposit, bonds and valuable papers; borrowing capital from the State Bank of Vietnam and other credit institutions;... granting credit in various forms of lending, discounting commercial papers and valuable papers, guarantees, and financial leasing; providing payment methods, performing domestic and international payment services, collecting and paying cash on behalf of customers; organizing the internal payment system and participating in the domestic inter-bank payment system; ...contributing capital, buying shares, participating in the money market, trading foreign exchange and gold; providing insurance services, insurance business, currency consultation services for customers; preserving precious objects, valuable papers, renting safes, pawnbroking; lending offshore; debt purchase ; trading, offering interest rate derivative products and other activities under the State Bank's approval

### FUND MANAGEMENT ACTIVITIES

Investing in Government bond futures contracts (GBFC) in accordance with the law and the State Bank of Vietnam

### RETAIL SALE OF NEW OTHER GOODS IN SPECIALIZED STORES

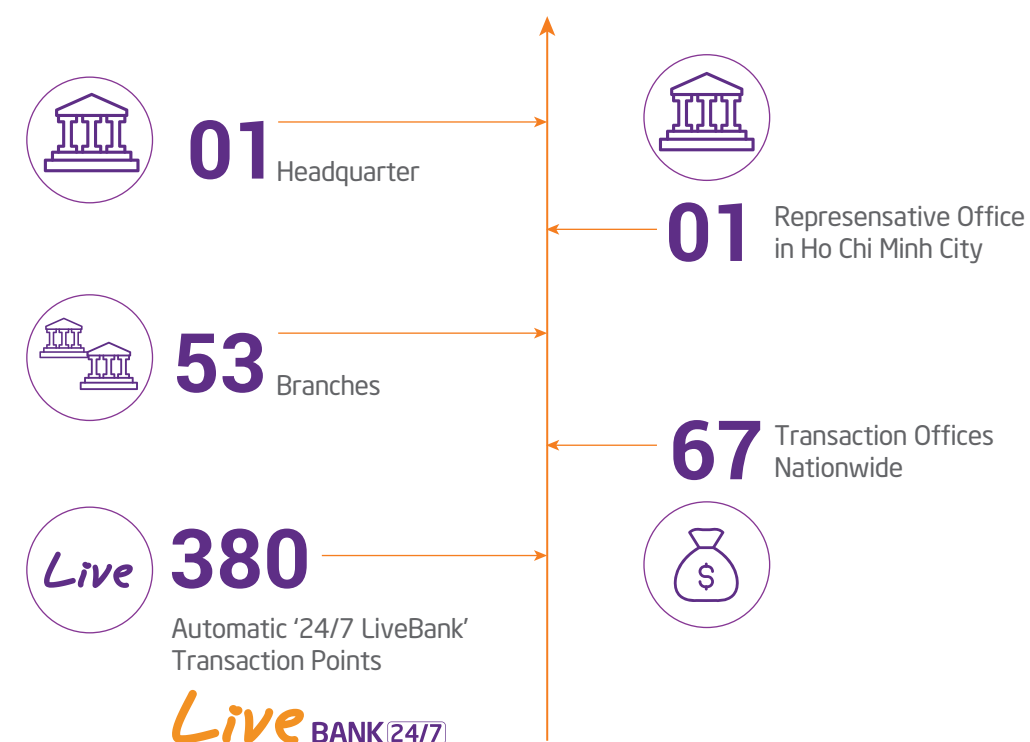
Buying and selling gold jewelry and fine art

# OUR NETWORK



## OUR NETWORK

As of December 31<sup>st</sup> 2021 TPBank network consists of:



### Northern Region:

Ha Noi	31
Hai Phong	3
Quang Ninh	2
Thanh Hoa	2
Nam Dinh	1
Bac Ninh	1
Thai Nguyen	1
Lao Cai	1

### Central Region:

Da Nang	3
Quang Nam	1
Dak Lak	2
Khanh Hoa	2
Nghe An	2
Quang Ngai	1

### Southern Region:

Ho Chi Minh City	29
Can Tho	2
Dong Nai	2
An Giang	1
Binh Duong	2
Kien Giang	2
Tien Giang	1
Ba Ria - Vung Tau	1










# ANNUAL REPORT 2021

**TIEN PHONG COMMERCIAL JOINT STOCK BANK**

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