



# CAPITAL ADEQUACY RATIO DISCLOSURE

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Issue 30/06/2026

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According to Circular No. 41/2016/TT-NHNN dated December 30, 2016, issued by the Governor of the State Bank of Vietnam, about the Regulation on the capital adequacy ratio for banks and foreign bank branches.



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## DISCLOSURE OF CAPITAL ADEQUACY RATIO OF SHB

(As of June 30, 2026)

### Scope of capital adequacy ratio calculation

This is the disclosure related to the capital adequacy ratio (CAR) of Saigon – Hanoi Commercial Joint Stock Bank (“the Bank”) and its subsidiaries (collectively referred to as “SHB”) as of June 30, 2026. The information is disclosed in accordance with Circular 41/2016/TT-NHNN dated December 30, 2016 of the State Bank of Vietnam (SBV) regulating the capital adequacy ratio for banks and branches of foreign banks (Appendix 5 - Disclosure content) and amending documents.

As of June 30, 2026, the Consolidated CAR for SHB was calculated by including its subsidiaries and affiliates:

### Subsidiaries

| No. | Company name                                                                                                             | Charter capital<br>(million VND) | Business lines                         | Bank ownership ratio |
|-----|--------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------------|----------------------|
| 1   | Debt Management and Asset Exploitation One Member Company Limited Saigon – Hanoi Commercial Joint Stock Bank (“SHB AMC”) | 20,000                           | Debt management and asset exploitation | 100%                 |
| 2   | Saigon – Hanoi Laos One Member LLC Bank (“SHB Laos”)                                                                     | 1,279,488                        | Finance/<br>Banking                    | 100%                 |
| 3   | Saigon – Hanoi Cambodia One Member LLC Bank (“SHB Cambodia”)                                                             | 1,744,452                        | Finance/<br>Banking                    | 100%                 |

### Affiliates

| No. | Company name                                                                  | Charter capital<br>(million VND) | Business lines   | Bank ownership ratio |
|-----|-------------------------------------------------------------------------------|----------------------------------|------------------|----------------------|
| 1   | Saigon – Hanoi Commercial Joint Stock Bank Finance Company Limited (“SHB FC”) | 1,000,000                        | Consumer Finance | 50%                  |

As of June 30, 2026, SHB has no subsidiaries or affiliates that were excluded from consolidation in accordance with the regulations on financial reporting applicable to credit institutions and foreign bank branches.



## 1. REGULATORY CAPITAL STRUCTURE

- a) The main components of SHB's capital include:
- (i) Main components of Tier 1 Capital:
- Charter capital
  - Reserve fund to supplement charter capital
  - Professional development investment fund
  - Financial provision fund
  - Retained earnings
- (ii) Main components of Tier 2 Capital:
- 80% of the general provision in compliance with the regulations of the SBV on classification of assets, provisioning ratio, provisioning method and usage for credit institutions and foreign bank branches.
  - Subordinated debts issued by SHB in compliance with the SBV's requirements are included in Tier 2 capital.
- b) The table below presents the detailed composition of Tier 1 and Tier 2 capital, including applicable deductions, for the purpose of calculating SHB's separate and consolidated equity as of June 30, 2026:

Unit: Million VND

| Equity                           | Separate          | Consolidated      |
|----------------------------------|-------------------|-------------------|
| <b>1. Deductions from equity</b> |                   |                   |
| Deductions from Tier 1 capital   | 5,260             | 5,260             |
| Deductions from Tier 2 capital   | 0                 | 0                 |
| Other                            | 3,567,955         | 470,369           |
| <b>Total deductions</b>          | <b>3,573,215</b>  | <b>475,629</b>    |
| <b>2. Available Capital</b>      |                   |                   |
| Tier 1 capital (after deduction) | 73,964,966        | 75,019,055        |
| Tier 2 capital (after deduction) | 23,804,646        | 23,902,423        |
| <b>Total equity</b>              | <b>94,201,658</b> | <b>98,451,108</b> |



## 2. CAPITAL ADEQUACY RATIO (CAR)

### a) Qualitative content

#### (i) Procedure for calculating CAR:

SHB has developed an automated system to calculate the CAR on a monthly basis. Additionally, SHB has implemented internal regulations and processes that define the responsibilities and authority of the relevant departments in calculating and managing the CAR in accordance with Circular 41/2016/TT-NHNN and amending documents.

#### (ii) Capital plan to maintain CAR:

SHB actively manages its CAR to ensure compliance with the regulations of the SBV, in alignment with its Risk Appetite, while maintaining a capital safety buffer to safeguard the Bank's business activities and growth.

In particular, SHB develops an annual Capital Plan based on the Internal Capital Adequacy Assessment Process (ICAAP) with the following key components:

- The Capital Plan is prepared annually and includes a three-year forecast;
- The plan is detailed for each component, including Tier 1 capital, Tier 2 capital, and deductions, with specific plans for increasing each capital tier.
- The Capital Plan ensures compliance with the regulations of the SBV and reflects the bank's Risk Appetite under both normal and adverse business conditions.

### b) Quantitative content:

Unit: Million VND

| Indicators |                                                             | Separate           | Consolidated       |
|------------|-------------------------------------------------------------|--------------------|--------------------|
| <b>A</b>   | <b>Available Capital</b>                                    | <b>94,201,658</b>  | <b>98,451,108</b>  |
| A1         | Tier 1 capital (after deduction)                            | 73,964,966         | 75,019,055         |
| <b>B</b>   | <b>Risk-weighted Assets (RWA) (= 1 + 2 + (3+ 4) * 12.5)</b> | <b>817,364,792</b> | <b>833,733,768</b> |
| 1          | Credit risk weighted assets (RWA CR)                        | 769,103,759        | 783,917,776        |
| 2          | Counterparty risk weighted assets (RWA CCR)                 | 119,394            | 119,394            |
| 3          | Capital requirement for operational risk                    | 3,834,341          | 3,958,738          |
| 4          | Capital requirement for market risk                         | 16,990             | 16,990             |
| <b>C</b>   | <b>Tier 1 capital ratio (= A1/B)</b>                        | <b>9.05%</b>       | <b>9.00%</b>       |
| <b>D</b>   | <b>CAR (= A/B)</b>                                          | <b>11.53%</b>      | <b>11.81%</b>      |

### 3. CREDIT RISK

a) Qualitative content:

Credit risk is one of the material risks of the Bank, defined by SHB as:

- Credit risk: The risk that a customer fails, or is unable, to fulfill part or all of their debt repayment obligations under a contract or agreement with SHB. A customer means an individual or legal entity (including credit institutions and foreign bank branches) having a credit or deposit relationship with SHB;
- Counterparty credit risk: The risk that a counterparty fails to perform or is unable to perform part or all of its payment obligation before or when due for the following transactions:
  - + Proprietary trading;
  - + Repo transactions and reverse repo transactions;
  - + Trading derivatives to hedge risk;
  - + Foreign exchange, gold and financial asset trading transactions conducted to meet the needs of customers and/or counterparties, and transactions entered into to offset such transactions.

In this context, a counterparty means an individual, credit institution, foreign bank branch or other legal entity that enters into transactions with SHB, including proprietary trading; repo transactions and reverse repo transactions; trading derivatives to hedge risk; foreign exchange, gold and financial asset trading transactions conducted to meet the needs of customers and/or counterparties, and transactions entered into to offset such transactions.

(i) Credit Risk Management Policy

SHB has established a Credit Risk Management Policy to align the objectives, principles, and fundamental requirements governing credit risk management activities, ensuring alignment with applicable laws, international standards, and best practices in Vietnam for the purpose of credit risk management at SHB.

The policy comprehensively outlines the measures required to ensure that SHB's credit activities are conducted safely and effectively, in line with the Bank's risk management orientation for each period. Specifically, it covers:

- Aligning the objectives, principles, and responsibilities of credit risk management;
- Detailing key aspects of Credit Risk Management, including: credit risk management strategy; risk limits; identification, measurement, monitoring and control of credit risks; the internal credit rating system; credit appraisal; approval of credit risk decisions; credit management; collateral management; problem credit management; provisioning policy; credit risk management for new products and markets; credit risk management data; counterparty credit risk management; and credit risk management reporting.
- Credit concentration risk management including: credit concentration risk management strategy; credit concentration risk limits; credit concentration risk identification, measurement, monitoring and control; and internal credit concentration risk reporting

SHB has implemented a credit risk limit system. The credit risk limit system is built and established based on the requirements for credit limits in the Law on Credit Institutions, regulations of the State Bank of Vietnam; SHB's risk appetite in each period; the Bank's overall business strategy and risk management strategy; the business strategy of each business segment based on a reasonable allocation from the overall business strategy; the practical and operational requirements of the business based on the availability of human resources and information technology systems for calculating, monitoring, and managing the limit; and historical data on risk limit indicators based on the assessment and analysis of trends, compliance levels, and the impact on capital and profits of each segment. SHB conducts an annual assessment of the appropriateness of the credit risk limit system to make appropriate adjustments.

SHB has developed a range of tools and models for measuring and assessing credit risk, including the Internal Credit Rating System, the Early Warning Model for Problematic Loans and the Debt Collection Management System to proactively detect and manage credit risks and implement appropriate risk prevention and mitigation measures. In addition, the Bank has also established a dedicated unit to monitor, issue early warnings, and supervise loans requiring attention to enhance credit quality, strengthen risk management capabilities, and maintain effective control over non-performing loans.

(ii) Use of independent rating

Circular 41/2016/TT-NHNN requires banks to use independent credit ratings with agreements from rating agencies that meet the prescribed conditions to determine the risk weighting for receivables from financial institutions. SHB uses the rating results of three independent credit rating agencies: Moody's, Standard & Poor's and Fitch Ratings (For further details, please see Section b. Quantitative content below).

(iii) Credit risk mitigation

According to Circular 41/2016/TT-NHNN issued by the SBV and amending documents, banks are allowed to mitigate credit risks by implementing one or a combination of the following measures to ensure that all the conditions specified in from Articles 11 to 15 of the Circular are fully satisfied:

- Collateral;
- Balance sheet offsetting;
- Third-Party guarantee;
- Credit derivatives.

As of June 30, 2026, SHB utilized balance sheet offsetting as the primary credit risk mitigation measure and did not employ credit derivative products (For further details, please see Section b. Quantitative content below).

b) Quantitative content:

- (i) The receivables are assigned risk weights based on independent credit ratings and their corresponding consolidated RWA are as follows:

Unit: Million VND

| Classification                                                                                | Credit Rating        | Risk Weight | RWA       |
|-----------------------------------------------------------------------------------------------|----------------------|-------------|-----------|
| Receivables from governments and central banks of foreign countries                           | From AAA to AA-      | 0%          | 0         |
|                                                                                               | From A+ to A-        | 20%         | 0         |
|                                                                                               | From BBB+ to BBB-    | 50%         | 0         |
|                                                                                               | From BB+ to B-       | 100%        | 0         |
|                                                                                               | Under B- or unrated  | 150%        | 1,977,233 |
| Receivables from foreign financial institutions                                               | From AAA to AA-      | 20%         | 28,328    |
|                                                                                               | From A+ to BBB-      | 50%         | 708,476   |
|                                                                                               | From BB+ to B-       | 100%        | 0         |
|                                                                                               | Under B- or unrated  | 150%        | 383,115   |
| Receivables from domestic financial institutions with original maturity of 3 months or more   | AAA to AA-           | 20%         | 0         |
|                                                                                               | A+ to BBB-           | 50%         | 0         |
|                                                                                               | BB+ to BB-           | 80%         | 106,726   |
|                                                                                               | B+ to B-             | 100%        | 0         |
|                                                                                               | Under B- and unrated | 150%        | 210,227   |
| Receivables from domestic financial institutions with original maturity of less than 3 months | AAA to AA-           | 10%         | 0         |
|                                                                                               | A+ to BBB-           | 20%         | 531,578   |
|                                                                                               | BB+ to BB-           | 40%         | 7,757,077 |
|                                                                                               | B+ to B-             | 50%         | 8,961,248 |
|                                                                                               | Under B- and unrated | 70%         | 6,544,463 |

(ii) The RWA CR and RWA CCR in the consolidated figures are as follows:

Unit: Million VND

| Indicators                               | Amount             |
|------------------------------------------|--------------------|
| <b>1. RWA CR</b>                         | <b>783,917,776</b> |
| Receivables from the Government          | 1,977,233          |
| Receivables from Financial Institutions  | 25,231,238         |
| Receivables from Corporate Customers (*) | 623,887,447        |
| Loans secured by real estate             | 42,516,907         |
| Residential mortgage loans               | 253,360            |
| Receivables from Retail Customers (**)   | 53,020,967         |
| Non-performing loan receivables          | 10,224,182         |
| Others                                   | 26,806,443         |
| <b>2. RWA CCR</b>                        | <b>119,394</b>     |

(\*) Including receivables from corporations and securities trading loans granted to corporate customers.

(\*\*) Including retail receivables, loans for agricultural and rural development, and securities trading loans granted to individual customers.

(iii) RWA by industry for loans to customers on a consolidated basis are as follows:

Unit: Million VND

| Indicator                                                                                                                                         | Amount             |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| <b>Credit RWA</b>                                                                                                                                 | <b>643,902,796</b> |
| Agriculture, forestry and fisheries                                                                                                               | 6,039,221          |
| Mining                                                                                                                                            | 1,042,357          |
| Manufacturing and processing industry                                                                                                             | 37,298,230         |
| Electricity, gas and water production and distribution                                                                                            | 35,082,630         |
| Water supply; waste management and remediation activities                                                                                         | 965,034            |
| Construction                                                                                                                                      | 79,007,714         |
| Wholesale and retail trade; repair of motor vehicles, motorcycles and other motor vehicles                                                        | 118,787,685        |
| Warehousing and transportation                                                                                                                    | 28,811,847         |
| Accommodation and food services                                                                                                                   | 14,476,620         |
| Information and communications                                                                                                                    | 48,333             |
| Financial, banking and insurance activities                                                                                                       | 23,746,907         |
| Real estate                                                                                                                                       | 240,753,319        |
| Professional, scientific and technical activities                                                                                                 | 2,854,019          |
| Administrative and support service activities                                                                                                     | 5,147,190          |
| Activities of the Communist Party, socio-political organizations, state administration, national defense, security and compulsory social security | 359,517            |
| Education and training                                                                                                                            | 128,382            |
| Human health and social work activities                                                                                                           | 323,071            |
| Arts, entertainment and recreation                                                                                                                | 979,038            |
| Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use                        | 3,318,644          |
| Other service activities                                                                                                                          | 44,733,038         |

(iv) RWA (including both on-balance sheet and off-balance sheet) are subject to the credit risk mitigation measures outlined in Circular 41/2016/TT-NHNN and amending documents, in consolidated amount as follows:

Unit: Million VND

| Indicators                             | Amount before mitigation | Amount after mitigation |
|----------------------------------------|--------------------------|-------------------------|
| <b>RWA subject to mitigation</b>       | <b>121,329,602</b>       | <b>16,034,950</b>       |
| Mitigation by collateral               | 41,649,871               | 14,412,555              |
| Mitigation by balance sheet offsetting | 79,679,731               | 1,622,395               |
| Mitigation by third party guarantees   | 0                        | 0                       |
| Mitigation by credit derivatives       | 0                        | 0                       |
| RWA subject to no mitigation           | 767,882,826              | 767,882,826             |
| <b>Total</b>                           | <b>889,212,428</b>       | <b>783,917,776</b>      |

## 4. OPERATIONAL RISK

a) Qualitative content:

Operational risk (OR) is defined as: the risk due to inadequate or erroneous internal mechanisms, policies, processes and regulations, human factors, system failures, or external factors. Operational risk includes legal risk but excludes reputational risk and strategic risk.

(i) Current operational risk management policy of SHB:

SHB has promulgated its Operational Risk Management Policy (ORM) and conducted annual review and evaluation to ensure compliance with current practices, align the ORM framework with the requirements of the SBV and meet international standards and best practices. The policy covers the following key aspects:

- Alignment of definitions, classification, and general principles of OR;
- Regulations on the three lines of defense model to manage operational risks, detailing the roles and responsibilities of all parties involved in ORM across the Bank, including the Board of Directors, Risk Management Committee, Chief Executive Officer/Board of Management, Risk Management Council, Risk Management Division, Compliance Department, and all individuals and units at SHB; dedicated ORM employees are assigned at each branch/business center;
- Guidelines on ORM strategies, risk appetite, and risk limits;
- Methods for identifying, measuring, monitoring, and controlling operational risks and specific measures;
- ORM for new products and operations in new markets, technology applications and outsourcing activities;
- Regulations on the Business Continuity Plan (BCP);
- Insurance policies aimed at minimizing OR losses;
- Capital requirements for OR;
- ORM reporting, communication, and early warning mechanisms.

SHB has issued specific regulations and implemented the contents of its OR management policy. In the first 6 months of 2026, SHB continued to implement several methods for identifying, measuring, and controlling OR, including: (1) Collection and analysis of internal and external loss data; (2) Risk self-assessment and control; (3) Business process mapping; and (4) Initial research and application of key risk indicators at selected units in compliance with the requirements under Circular 83/2025/TT-NHNN on the implementation of at least two operational risk management methods, while continuing to enhance and refine these practices going forward.

In addition to regulatory insurance policies, SHB has also signed and maintained several insurance contracts since 2023 to further mitigate OR losses. These include Cyber Risk Insurance, Financial Institution Professional Indemnity (FIPI) Insurance, and Bankers Blanket Bond & Electronic Computer Crime (BBB & ECC) Insurance.

(ii) Business Continuity Plan (BCP):

SHB has issued all necessary documents and developed a specific BCP to address disruption events in accordance with Circular 83/2025/TT-NHNN. In the first 6 months of 2026, SHB has implemented the following activities:

- Developing, revising, and updating BCPs for 138 affiliated branches and transaction offices.
- Conducting business continuity testing:
  - + Level-3 information technology systems: rotation-based operation testing for all 25 Level-3 IT systems;
  - + Head Office units performing critical operations: testing scenarios involving fire or explosion requiring emergency evacuation from office premises and relocation to backup sites;
  - + Branches/Transaction Offices: conducting simulation tests for the following disruption scenarios: (1) power outages and internal network disruptions; and (2) anti-robbery drills.
- Strengthening risk communication, risk alerts, and awareness of business continuity: Issuing periodic and ad hoc bulletins focusing on key areas such as safety and security measures to prevent robbery and smuggling, as well as safety measures for operations during severe weather conditions, including storms and flooding.

b) Quantitative content<sup>1</sup>:

The required capital for OR is calculated at 15% of the average Business Indicator (BI) over the past three years, as of the time of calculation, and is outlined in accordance with Appendix 3 of Circular 41/2016/TT-NHNN and amending documents. The specific consolidated figures are as follows:

Unit: Million VND

| Components                                                       | Separate          | Consolidated      |
|------------------------------------------------------------------|-------------------|-------------------|
| IC                                                               | 60,817,696        | 63,039,076        |
| SC                                                               | 14,176,119        | 14,433,029        |
| FC                                                               | 1,693,014         | 1,702,660         |
| BI (= IC + SC + FC)                                              | 76,686,829        | 79,174,765        |
| <b>Required capital for OR: <math>KOR = BI / 3 * 15\%</math></b> | <b>3,834,341</b>  | <b>3,958,738</b>  |
| <b>Total RWA for OR: <math>12.5 * KOR</math></b>                 | <b>47,929,268</b> | <b>49,484,228</b> |

<sup>1</sup> Effective from the reporting period ended 30 June 2026, SHB presents the components of the Business Indicator based on the aggregate figures for the three most recent years, instead of the figures for the most recent year as presented in previous disclosure periods. This change relates solely to the presentation methodology and has no impact on SHB's operational risk capital requirement, operational risk-weighted assets, or capital adequacy ratio.

## 5. MARKET RISK

a) Qualitative content:

Market risk is the risk caused by adverse fluctuations in interest rates, exchange rates, stock prices and commodity prices in the market.

(i) Market risk management policy:

The Market Risk Management (MRM) policy is issued, reviewed, and evaluated on an annual or ad-hoc basis to ensure alignment with the Bank's evolving risk management strategy. In 2026, SHB reviewed, revised, and issued the MRM Policy under Decision No. 250/2026/QĐ-HĐQT dated 15 July 2026.

In line with the objectives and principles outlined in the MRM policy, SHB has developed and implemented a comprehensive system of documents, regulations, and processes for effective market risk management. These include: Regulations on the separation of trading books and banking books; Regulations for market risk measurement; Guidelines for market risk measurement; Market risk management processes and Regulations on market risk limits. This structured approach ensures that market risk management is carried out efficiently and consistently across the organization:

- The MRM Policy establishes the objectives and principles of risk management to meet the requirements of the MRM strategy and the three lines of defense.
- SHB implements a policy of managing interest rate and exchange rate risks centrally at its head office. The Bank establishes principles for managing market risk under normal and crisis conditions by setting limits/suspensions for management, developing scenarios, and conducting stress tests. Preventive measures and principles are also stipulated, such as closing positions, using derivative/hedging products, etc.
- In the implementing the Policy on MRM, SHB has fully established a system of MRM measures to manage risks, including: Dealer limit; Stop loss limit; Position/portfolio limit; Maximum holding period limit; Sensitivity limit (PV01 – present value of 01 bps), etc. Market risk limits are reviewed at least annually or on an ad-hoc basis when there are significant market fluctuations.
- Based on the established market risk limits, SHB conducts measurement, monitoring, and control to assess compliance with these limits. This process ensures the capability to provide early warnings, enabling timely and appropriate remedial actions.

(ii) Outline of the Proprietary Trading Strategy:

The Proprietary Trading Strategy is developed for proprietary activities and products for a period of three years and is reviewed annually to allow for timely adjustments in response to changing market and business conditions. SHB formulates a proprietary trading strategy for each product and currency, incorporating hedging principles for each product group based on the Bank's risk appetite. This approach ensures the optimization of capital while maintaining a balance between profit targets and the Bank's CAR.

(iii) Trading book portfolio includes:

As of 30 June 2026, SHB's trading book comprises:

- Interest rate derivatives;
- The entire forex trading portfolio includes spot, forward and swap transactions.

b) Quantitative content:

The capital required for market risk includes the capital necessary for interest rate risk and foreign exchange risk. As of June 30, 2026, SHB has not engaged in stock, commodity, or option trading activities; therefore, it has not incurred capital requirements for these associated risks.

The required capital for interest rate risk and foreign exchange risk is calculated according to the guidance in Circular 41/2016/TT-NHNN and amending documents, as follows:

*Unit: Million VND*

| Indicators                 | Separate                         |                | Consolidated                     |                |
|----------------------------|----------------------------------|----------------|----------------------------------|----------------|
|                            | Required capital for market risk | Total RWA      | Required capital for market risk | Total RWA      |
| Interest rate risk         | 16,990                           | 212,371        | 16,990                           | 212,371        |
| Stock price risk           | 0                                | 0              | 0                                | 0              |
| Foreign exchange rate risk | 0                                | 0              | 0                                | 0              |
| Commodity price risk       | 0                                | 0              | 0                                | 0              |
| Option risk                | 0                                | 0              | 0                                | 0              |
| <b>Total</b>               | <b>16,990</b>                    | <b>212,371</b> | <b>16,990</b>                    | <b>212,371</b> |



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