

Saigon - Hanoi Commercial Joint Stock Bank (SHB)

Sustainable Finance Framework

1. About SHB

Saigon – Hanoi Commercial Joint Stock Bank (SHB), established on November 13, 1993, and listed on the Vietnam stock market in 2009, is one of the leading commercial banks in Vietnam. After more than 30 years of establishment and development, SHB has secured a strong foothold in Vietnam's financial market and has started expanding globally, significantly contributing to the country's economic growth.

As of December 31, 2025, SHB employs 6,949 employees across 584 transaction points both domestically and internationally, including 64 branches and 230 transaction offices in Vietnam, 1 wholly owned subsidiary bank with 2 branches in Laos, 1 wholly owned subsidiary bank with 4 branches in Cambodia, a representative office in Myanmar. With the domestic and international network, SHB serves over 5 million individual and corporate clients and connects with 600 correspondent banks worldwide.

Building on its current successes, SHB is committed to a future of continuous innovation and transformation. By 2030, the bank aims to become No. 1 bank in terms of efficiency, the most preferred digital bank, the best retail bank, and a top-tier provider of capital, financial products, and services for corporate customers among commercial banks in Vietnam. Looking ahead to 2035, SHB strives to become a modern, digital, and green bank among the leading group in the region.

1. Sustainability at SHB

1.1 Green initiatives

Ranked among the top five private joint stock commercial banks in Vietnam, SHB plays a vital role in the nation's ambition to achieve Net-Zero target by 2050. Prioritizing green credit growth as a key component of its strategy, SHB develops credit products and services for green sectors, gradually transforming its credit structure to prioritize environmentally friendly projects, as well as implements a comprehensive action plan to raise awareness among staff, partners, and customers. SHB prioritizes strategic national initiatives, including sustainable agriculture, clean energy, green building, and logistics. SHB's green credit portfolio includes several large-scale renewable energy projects in Vietnam to support the country's energy transition. These include the 155 MW Cho Long wind power project in Gia Lai Province, the 72 MW Hoa Dong 2 wind power project in Soc Trang Province, now Can Tho City, and the 240 MW Thien Tan solar power cluster in Ninh Thuan Province, now Khanh Hoa Province. Together, these projects represent approximately VND 14,601 billion (USD 566 million) in total investment, of which SHB financed approximately VND 11,265 billion (USD 436 million).

In 2025, SHB consecutively and successfully mobilized two medium-term syndicated ESG-linked USD loans with a total size of USD 588 million. This represents a significant step forward in financing enterprises and projects oriented toward green growth and sustainable development, thereby increasing SHB's capacity to contribute to national development goals. The participation of 26 international financial institutions in providing capital affirms SHB's attractiveness and prestige within the global investor and lending community.

In recent years, SHB has also been proactively collaborating with international financial institutions (World Bank, IFC, ADB, KfW, etc.) to secure green capital sources. Some notable projects include the Vietnam Renewable Energy Development Program (REDP) funded by the World Bank, where nearly VND 1 trillion (USD 39.3 million) was disbursed for green energy projects; the Smart Grid

Project (€65 million/ USD 70.5 million) and the Grid Efficiency Improvement Project (€350 million/ USD 379 million), supported by the German Government through KfW Bank. SHB also guarantees credit for the Vietnam Scaling Up Energy Efficiency Project (VSUEE) project, funded by the Green Climate Fund (GCF) through the World Bank, and other significant green projects.

Through these initiatives, SHB maintains a green credit ratio of over 10% as of December 31, 2025. SHB aims to increase this figure to at least 25% of total outstanding loans by 2028 (categorized according to green definition from the State Bank of Vietnam).

1.2 Social initiatives

On the social side, SHB has identified MSME financing and women empowerment two key development areas.

Since the beginning of 2025, SHB has implemented an interest rate incentive programme with a total scale of VND 11,000 billion to support SMEs and micro-enterprises in supplementing working capital, investing in production and business activities, and purchasing transportation vehicles. Under this programme, SHB allocates VND 10,000 billion for credit facilities with interest rates from 6.2% per annum to support working capital and production/business investment needs, and VND 1,000 billion for loans for transportation vehicle purchases with interest rates from 6.5% per annum. In addition, import-export enterprises may benefit from fee waivers and reductions across international payment and account service fees, as well as preferential foreign exchange margins for major currencies.

SHB also participates in the indirect lending programme of the Small and Medium Enterprise Development Fund (SMEDF), a state-owned off-budget financial fund established to support SMEs, including innovative start-ups and SMEs participating in industry clusters and value chains. Through SHB and other participating commercial banks, eligible SMEs may access preferential funding from SMEDF at low interest rates fixed for the loan tenor in accordance with SMEDF's policy and announcements from time to time.

SHB has also strengthened cooperation with international development partners, including the World Bank, IFC and ADB, to mobilize competitive funding and technical assistance for SHB and its customers. In 2023, SHB and IFC signed a USD 120 million senior loan agreement to support the expansion of SHB's SME loan portfolio, including women-owned SMEs and SMEs participating in supply chains. SHB has drawn USD 80 million under this facility to support eligible SME and WSME financing. In connection with the facility, SHB was also expected to receive performance-based grant support of up to USD 226,000 from We-Fi and WEOF, while IFC also expected to provide SHB with a USD 75 million trade finance guarantee facility under its Global Trade Finance Program (GTFP).

To improve customers' access to finance, SHB continues to promote digital transformation, reform and simplify internal processes and procedures, shorten loan approval time, and diversify credit products tailored to customers' use-of-proceeds needs. SHB also actively participates in bank-business connection programmes, engages directly with customers to understand their needs, and provides financial and non-financial solutions to help customers overcome difficulties and access funding for production and business activities.

1.3 Environmental & Social Risk Management

Green credit plays an essential role in the overall strategy for sustainable development at SHB. Hence, SHB has developed and applied a set of Environmental & Social (E&S) risk assessment standards, ensuring that funded projects meet strict criteria on environmental protection and efficient resource utilization. SHB's E&S risk assessment complies with the regulatory E&S performance standards recommended by IFC. The assessment includes the impact of the business plan or project on environment, labor and working conditions, community health and safety, biodiversity, resettlement, indigenous minorities, and cultural heritage. In 2025, SHB transitioned from the stage of developing

and refining frameworks to a phase of accelerated implementation. SHB's Environmental and Social Management System (ESMS) was initially established in 2023. Through the ESMS, E&S risks are identified early, assessed systematically and controlled in line with their risk levels, and monitored continuously after disbursement. Overall, this enhances risk governance effectiveness and supports the sustainable development of the Bank's green credit portfolio.

Moving forward, SHB intends to continue improving as well as integrating policies, frameworks and taxonomies related to E&S risks and provide staff with comprehensive E&S risk management.

2. SHB Sustainable Finance Framework

2.1 Overview

Purpose of the Framework: The SHB Sustainable Finance Framework ("the Framework") is a classification tool that sets out methodology for identifying financial products and services offered by SHB as sustainable. Overall, the Framework articulates SHB's commitment towards sustainability and lays groundwork to help SHB achieve its sustainability strategy by mobilizing capital to sustainable economic activities and reducing financing that may have negative impact on the environment and society.

- **Scope of the Framework:** This Framework is not intended to be exhaustive. Given evolving scientific evidence, technological advances, and policy developments, it will be reviewed regularly and updated as needed to incorporate new eligible activities and criteria, aligning with market developments, taxonomies, and emerging sustainable finance standards and guidance.
- **Geographical scope:** The Framework is designed to cover all geographies where SHB conducts business. In the initial phase, however, it applies to transactions within the territory of Vietnam.
- **Business line and product scope:** The Framework applies across SHB's in-scope financing activities, including debt capital markets instruments (bonds), corporate lending (term loans and revolving credit facilities), trade finance (including but not limited to letters of credit, guarantee lines, receivable finance), consumer lending and green/social/sustainable deposits. Each instrument is aligned with the applicable internationally recognized principle, as mapped in the table immediately below.
- **Sustainability standards, principles, and guidance:** The SHB Sustainable Finance Framework follows the following sustainable finance principles and guidelines set out below, mapped to each instrument type. In all cases, instruments are subject to a Second Party Opinion at framework level and to independent post-issuance/post-financing review (limited assurance of allocation, and impact where feasible).

Instrument / product	Governing principle(s) and guidelines	Verification
Bonds (debt capital markets)	International Capital Market Association (ICMA) Green Bond Principles (GBP) 2025 (incl. June 2022 Appendix 1)/ Social Bond Principles (SBP) 2025/ Sustainability Bond Guidelines 2021; ASEAN GBS/SBS/Sustainability Bond Standards 2018	Framework-level SPO; post-issuance external review/limited assurance of allocation (and impact where feasible)
Corporate lending: term loans, RCF	Loan Market Association (LMA)/ Asia Pacific Loan Market Association (APLMA)/ Loan Syndications and Trading Association (LSTA) Green Loan Principles (GLP) 2025 and Social Loan Principles (SLP) 2025	Framework-level external review; lender's own evaluation & selection; post-financing review

Trade finance (LC, guarantee lines, receivables finance)	ICC Principles for Sustainable Trade & Trade Finance 2025; GLP/SLP where structured as a loan	As above
Blue instruments (bond or loan)	IFC and ICMA Guidelines for Blue Finance 2022 – Guidance for financing the Blue Economy, building on the GBP/GLP IFC Guidelines for Blue Finance v2.0 2025, applied in addition to GBP/GLP	As above
Green/social/sustainable deposits	Managed under the four core components of this Framework, applying GBP/SBP use-of-proceeds discipline by analogy	Bank-internal verification + framework-level SPO

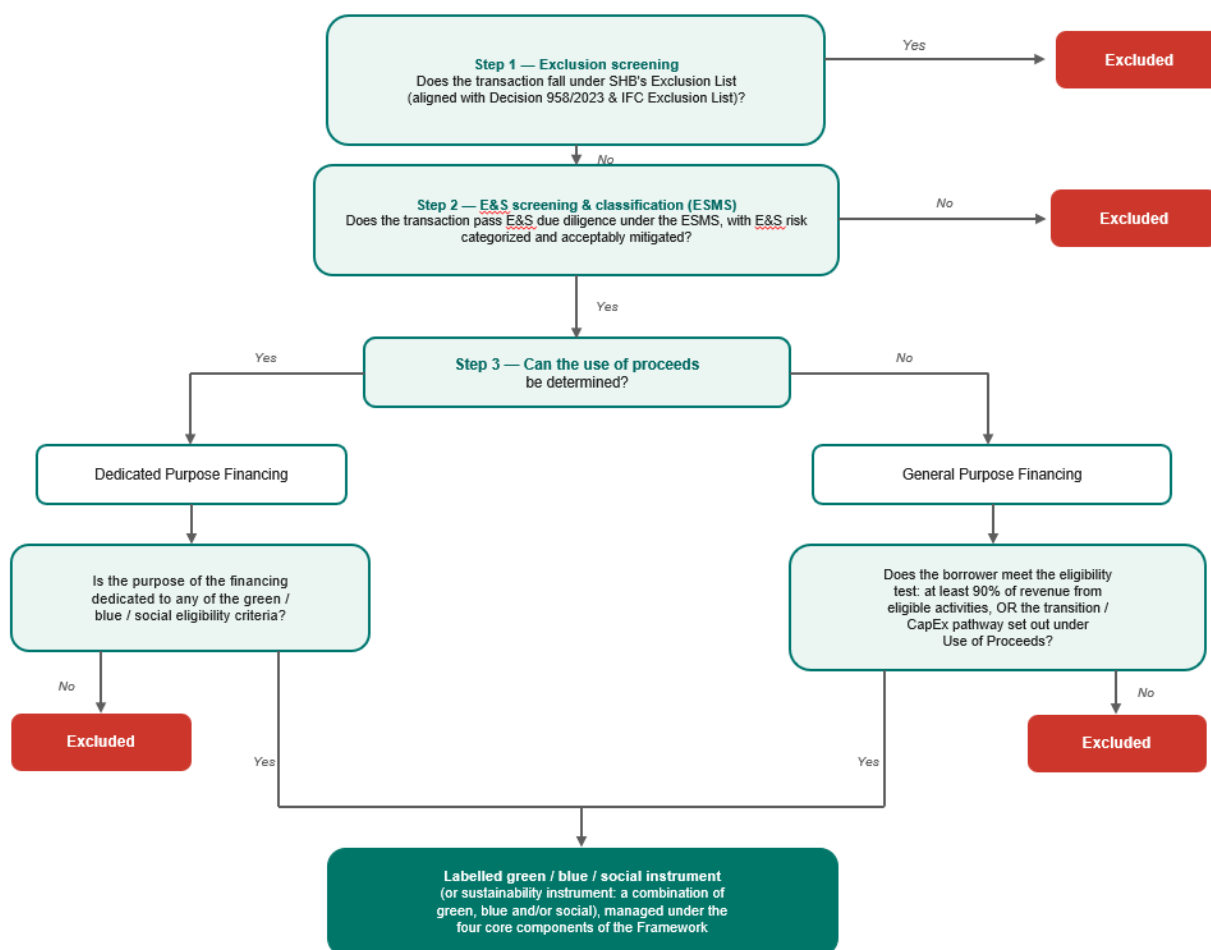
Under the above principles and guidelines, the Framework comprises four core components:

- Use of proceeds;
- Process for project evaluation and selection;
- Management of proceeds;
- Reporting.

Classification: Instruments issued under the Framework can be split into 2 key categories of financing:

- **Dedicated Purpose Financing:** where the use of proceeds is directed towards a project or facility that satisfies either the green, blue or social eligibility criteria (or in the case of sustainability financing, a combination of green, blue and/or social criteria)
- **General Purpose Financing:** Company Business Mix: general-purpose financing offered to companies whose business mix falls under the Green/ Social/ Blue eligible activities. To evaluate a company's business mix, the company must derive at least 90% of their total revenue from 'eligible activities' listed under the Green/ Social/ Blue criteria, or meeting the transition/CapEx pathway set out under Use of Proceeds.

Decision tree for identifying eligible financing activity: The decision tree describes the process used for identifying transactions that fall within the scope of this framework across all in-scope business entities and products. Transactions are assessed on a deal-by-deal basis.



2.2 Use of Proceeds

The proceeds from sustainable finance instruments (SFIs) in accordance with this framework will exclusively be used to finance and/or refinance, in whole or in part, new or existing programs and/or products to its customers or its own operations that meet eligible criteria outlined in eligible categories below.

A lookback period of 36 months from the issuance/disbursement date will apply to refinancing operating expenditures.

For this framework, an **"eligible project"** means an Eligible Green Project, Eligible Blue Project or an Eligible Social Project; a **"sustainability instrument"** (or **"sustainability financing"**) means an SFI whose proceeds are allocated to a combination of two or more of the green, blue and/or social eligible categories.

Eligible Green Projects Categories ("Eligible Green Project")

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
Renewable energy	1. Electricity Generation: To finance/ refinance eligible projects for the development, construction, management, operation, or maintenance of renewable energy projects, including: Solar PV	SDG 7. Affordable and Clean Energy

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
	• Wind • Hydropower ◦ Generating less than 10MW or run-of-river facilities, and: ◦ Life-cycle emissions less than 100g CO₂e/kWh or ◦ Power density > 5W/m² • Geothermal energy (with lifecycle GHG emissions from the generation of electricity by the entire facility <100 gCO₂e/kWh) • Biomass (with lifecycle GHG emissions from the generation of electricity by the entire facility <100 gCO₂e/kWh). Subject to the following requirements: ◦ Biomass/fuel that is derived from sources of high biodiversity, competes with food sources or that depletes carbon pools is excluded; ◦ Biomass/fuel from waste (e.g., agriculture, municipal sources) is eligible; ◦ Feedstock standards compliant with the following or equivalent: Forest Stewardship Council (FSC), Biomass Biofuels voluntary scheme (2BSvs), Bonsucro (Better Sugarcane Initiative), Roundtable of Sustainable Biomaterials (RSB), Round Table on Responsible Soy (RTRS), International Sustainability and Carbon Certification (ISCC and/or ISCC plus) and other equivalent certification schemes. 2. Related infrastructure and supply chain: • Projects for the construction and operation of electricity storage including: ◦ Mechanical energy, fuel cell, thermal energy storage systems, pumped hydropower, electrochemical and other storage systems for renewable energy projects/assets. ◦ Technologies supporting renewable energy storage capacity, including batteries, capacitors, compressed air storage, and flywheels. • Facilities dedicated to manufacturing key components for eligible facilities e.g., solar panel or wind turbine manufacture. • Transmission and distribution infrastructure dedicated to a direct connection or an expansion of connection between power plants with lifecycle emissions intensities less than 100gCO₂e/kWh, or • Transmission and distribution infrastructure dedicated to an inter-country/region direct or grid connection to access existing or new power plants with lifecycle emissions intensities less than 100gCO₂e/kWh (lifecycle emissions), or	 SDG 13. Climate Action 

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
	• Transmission and distribution infrastructure that is on a decarbonization trajectory where at least 67% of the newly connected generation capacity in the system is below the generation threshold value of 100gCO₂e/kWh measured on a Product Carbon Footprint (PCF) basis, over a rolling five-year period; or the average system grid emissions factor is below the threshold value of 100gCO₂e/kWh measured on a PCF basis, over a rolling five year average period. • Investments in new and existing infrastructure to improve energy efficiency and reduce network losses using smart grid technologies and the installation of smart meters.	
Energy efficiency	To finance/refinance eligible projects for the development, manufacturing and distribution of infrastructure, equipment and technology which yield an energy efficiency improvement of minimum 20% as compared to baseline or market average. Examples include but are not limited to: • Smart grids technologies • Waste heat recovery technologies • Energy management systems (such as improved chillers, transition to fiber networks, improved lighting technology and reduced power usage in manufacturing operations) • Building technologies (such as LED lighting, smart meters and replacement of boilers) to improve energy performance. • Fiber optic connection lines in replacement of legacy copper technologies for broadband networks.	SDG 7. Affordable and Clean Energy  SDG 9. Industry, Innovation and Infrastructure 
Green buildings	To finance/refinance eligible projects for development, construction, acquisition and retrofitting of buildings, including: • Existing or new buildings that meet national or international standards or certifications such as LEED (Gold or above), EDGE, Living Building Challenge Certified (all tiers), BREEAM Excellent, DGNB (Gold and above), GREEN STAR (5 or above), BCA Green Mark (Gold Plus and Premium), LOTUS (Gold and above) or any buildings meeting CBI Certification Criteria. Certificate validity: 5-year maximum limit if the certification does not impose a limit, or has one that is longer than 5 years. • Refurbish existing buildings for energy efficiency improvement of at least 20% energy saving or carbon emission reduction (kgCO₂e/m²) from business-as-usual baseline or market average. • Data centers with a design average annual Power Usage Effectiveness (PUE) at or below 1.4. To finance eligible projects for manufacturing energy efficient equipment or industrial products for buildings, such as:	SDG 9. Industry, Innovation and Infrastructure  SDG 11. Sustainable Cities and Communities 

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
	- Primary material supply, manufacture and installation of energy efficient technologies including ICT solutions, HVAC, energy saving equipment and appliances, light fittings, efficient utilities including heating and cooling duty related to the construction and operation of green buildings and/or increased operational efficiency.	
Clean transportation	To finance/refinance eligible projects for development or manufacturing of low-carbon passenger, freight transportation and/or related infrastructure: - Passenger non-public transportation (e.g., passenger cars and commercial vehicles): Zero direct emissions (fully electric or hydrogen) or hybrid vehicles with tailpipe emissions of below 50g CO₂e/passenger-km. - Passenger public transportation (e.g., light rail transit, metro, tram, trolleybus, bus and rail): Zero direct emissions (fully electric or hydrogen) or hybrid vehicles with tailpipe emissions of below 50g CO₂e/passenger-km. - Freight rail (Excluding rail transport dedicated to fossil fuels.): Zero direct emissions (fully electric or hydrogen) or hybrid vehicles with tailpipe emissions at or below 25gCO₂/t-km (tonne-kilometer). - Road freight (Excluding road freight dedicated to fossil fuels.): Zero direct emissions (fully electric or hydrogen) Development, manufacturing, recycling of rechargeable batteries and fuel cells for clean transportation. - Low carbon transportation infrastructures, including EV charging infrastructure, expansion of metro or train network and station upgrades, hydrogen fuel, Information and Communications Technology (ICT) such as smart cards, smart load pricing/charging, etc.	SDG 11. Sustainable Cities and Communities 
Eco-friendly and/or Circular Economy Adapted Products, Production Technologies and Processes	To finance/refinance eligible projects for development, construction, operation and upgrade sustainable waste management projects that support a circular economy, including but are not limited to: - Procurement of recycled, waste materials or resource-efficient materials as an input, such as recycled steel, glass, aluminium. - Repair activities aimed at increasing the lifespan of existing products. - Commercial-scale manufacturing /production of resource-efficient recycling materials of products - Production of products with at least 90% or more of input is recycled and/or bio-based input. - Procurement of waste or recycled material as an input, of at minimum 90% of the final product. If the materials are	SDG 3. Good Health and Well-being  SDG 12. Responsible Consumption and Production

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
	bio-based raw materials (excluding bio-based plastics), they need to be sourced from sustainable sources or crops. Examples include but are not limited to production of aluminum-based consumer products where 90% or more of input is scrap or recycled aluminum.	
Pollution prevention and control	To finance/refinance eligible projects for development, construction and operation of waste recycling and waste to energy, including: • Recycling of materials, including the prevention, collection, treatment and processing of waste. • Reuse of materials, including refurbishing or repairing products for reuse. • Reduction of air emissions, including through the installation of smokestack scrubbers or process upgrades. • Mitigation of GHG emissions, including through installation of sensors to monitor or test emissions control or compliance. • Processing of recyclable waste fractions into secondary raw materials including steel, aluminium, glass. • Recycling of e-waste or waste from electrical or electronic equipment. • Waste Management (excluding landfills) such as waste prevention, waste reduction and energy/emission-efficient co-processing with emission abatement technologies. • Projects to capture biogas from closed landfill facilities, with high gas capture efficiency of 75% or more.	SDG 11. Sustainable Cities and Communities  SDG 12. Responsible Consumption and Production 
Environmentally sustainable management of living natural resources and land use	To finance/refinance eligible projects for sustainable agriculture, animal husbandry, and forestry, including: • Improvement of farming equipment or technologies to reduce inputs such as water, fertilizers, pesticides. • Climate smart farming aligned to UN FAO that that improve efficiency or GHG emissions reduction by 20% as compared to existing baseline or market average, such as green organic fertilizers (microbial fertilizers), bio stimulants, biopesticides, agricultural robots, vertical farming, hydroponics or aeroponics. • Management of soil and biomass, erosion control and improved soil health. • Afforestation, restoration and preservation or restoration of natural landscape from a degraded state and rewilding projects. • Products with international certifications associated with natural materials such as Sustainable Rice Platform (SRP), Global Organic Textile Standard (GOTS), Forest Stewardship Council (FSC). • Agriculture activities certified by internationally renowned agricultural certification system such as Bonsucro, RSB (Roundtable on Sustainable Biomaterials), RTRS (Roundtable on Responsible Soy), Rainforest Alliance	SDG 12. Responsible Consumption and Production  SDG 15. Life On Land 

Eligible Green Categories	Eligible Criteria	Alignment with UN SDGs
	(RA)/UTZ, Fairtrade Small-Scale Producer, Fairtrade Hired Labor, Friends of Earth, Global Good Agriculture Practices (Global G.A.P), VietGAP or equivalent certifications.	

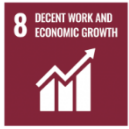
Eligible Blue Projects Categories ("Eligible Blue Project")

Eligible Blue Categories	Eligible Criteria	Alignment with UN SDGs
Marine Ecosystem Management	To finance/refinance eligible projects and investments aiming at: - Conserving, improving, and restoring marine and coastal ecosystems: - Marine Protected Areas established, or management strengthened. - Critical ecosystems (e.g., include, but not limited to mangrove forests, coral reef, seagrass meadow, coastal wetland, river embankment, or salt marsh) sustainably managed, conserved or restored. - Information systems, technology, and instruments deployed for measuring, tracking, and reporting physical and chemical indicators of the water body.	SDG 14. Life Below Water 
Fisheries, Aquaculture, and Seafood Value Chain	To finance/refinance eligible projects and investments aiming at achieving improvement in fisheries sourced from sustainable sources by a minimum of 20% from existing baseline or market average: - Developing traceability systems to ensure sustainability of operations, facilities and supply chains in the fishing industry. - Improving fisheries in sustainable production that meet, keep, or exceed the Marine Stewardship Council (MSC) Fisheries Standards, Aquaculture Stewardship Council (ASC) standards.	SDG 12. Responsible Consumption and Production  SDG 14. Life Below Water 
Sustainable water and wastewater management	To finance/refinance eligible projects and investments aiming at developing/ manufacturing infrastructure, equipment, and technology for: - Sustainable infrastructure for clean and drinking water, including - Desalination plants with average carbon intensity used for desalination at least or below 100gCO₂e/kWh. - Water distribution systems - Water recycling systems	SDG 6. Clean Water and Sanitation 

Eligible Blue Categories	Eligible Criteria	Alignment with UN SDGs
	○ Projects to develop new or repair existing water pipelines, improve water quality, or distribute water with improved quality. ○ Projects that reduce, reuse, or recycle water ○ Increase of water-use efficiency by at minimum 20% from existing baseline or market average such as digital water metering, smart control center, leakage prevention and irrigation system to promote water saving recovery. ○ Development and manufacturing water conservation products (for example, low-flow shower heads, faucet aerators, water recyclers, and low-flow toilets) for residential and commercial use that achieve at minimum 20% improvement from existing baseline. • Restoration of hydro-ecological systems. • Sustainable urban drainage systems and other forms of flooding mitigation ○ Stormwater warning systems, Floodwater warning systems, Dam failure warning systems, Storm water management systems, heavy rain drainage system, flood management or flood prevention such as wetlands, retention, berms, lagoons, sluice gates, flood mitigation tools such as storm/flood water warning systems, development of floodplain mapping and flood forecasting models etc. • Wastewater treatment – especially wastewater on a large scale, and technologies, systems or facilities that increase the efficiency of wastewater processing. ** Exclusion: water and wastewater treatment dedicated to fossil fuel operations and/ or carbon intensive sectors.	
Sustainable shipping and port logistics sectors	To finance/refinance eligible projects and investments aiming at: • Research, design, development and implementation of water, waste management, solid waste and reduction measures in shipping vessels, shipping yards and ports • Water treatment in shipping vessels. • Water treatment equipment and facilities for all blackwater and greywater generated from ports and shipping and cruising vessels. • Improvement of oil (fuel) spill prevention, risks safeguard, and recovery facilities.	SDG 6. Clean Water and Sanitation  SDG 14. Life Below Water 
Sustainable aquatic and marine tourism	To finance/refinance eligible licensed / certified sustainable tourism in the vicinity of marine conservation areas, less than 50 kilometers	SDG 14. Life Below Water

Eligible Blue Categories	Eligible Criteria	Alignment with UN SDGs
	from the marine-protected areas and internationally recognized areas, with inclusive livelihood elements and business opportunities.	
Ocean-friendly products, marine biotechnology and chemicals	To finance/refinance eligible projects and investments aiming at: - Alternative low carbon and biodegradable fibers (such as Lyocell) substituting for fossil-based fibers (for example, polyester) in the value chains of the medical, apparel, and other industries. - Biodegradable plant-based plastics and packaging, or compostable plastics and packaging. - Plastics collection and recycling facilities, substitution of plastic packaging with sustainable and biodegradable materials and reusing or repurposing of plastics in areas close to a water body. - At least a 20% reduction per unit of product or replacement of phosphate-based or nitrogen-based synthetic fertilizers with sustainable alternatives and biodegradable fertilizers and supplements, in areas connected to rivers or coastal water basins.	SDG 9. Industry, Innovation and Infrastructure  SDG 14. Life Below Water 

Eligible Social Projects Categories ("Eligible Social Project")

Eligible Social Categories	Eligible Criteria	Target Population	Alignment with UN SDGs
Access to Essential Services 1) <i>Financing and Financial Services / Financial Inclusion</i> 2) <i>Employment Generation</i> 3) <i>Socioeconomic advancement and empowerment</i>	To finance/refinance eligible projects aiming at: - The development, distribution, and expansion of financial products and services to MSME and Women-Led MSMEs. - The development, distribution, and expansion of digital services aiming at increasing access to financial services for MSMEs. - Projects or activities that promote MSMEs institutions participation of activities in the digital economy, e-commerce and their digital transformation.	MSMEs, Women-Led MSMEs	SDG 1. No Poverty  SDG 5. Gender Equality  SDG 8. Decent work and economic growth 

Eligible Social Categories	Eligible Criteria	Target Population	Alignment with UN SDGs
Access to Essential Services <i>Healthcare</i>	To finance/refinance eligible projects aiming at: - Expanding universal health coverage, including access to quality essential healthcare services and access to safe, effective, quality, and affordable. essential medicines and vaccines for all. - Increasing health financing and the recruitment, development, training, and retention of the health workforce. - Healthcare infrastructure comprising land and buildings as well as property adaptations, renovations, improvements and associated fixtures and fittings. - Healthcare machinery, equipment and related digital infrastructure and software especially digital tools for delivering telehealth services. Vehicle associated with health provision. - Hospitals, clinics, or healthcare centers providing free or subsidized care. - Facilities providing programs which support the well-being of vulnerable and disadvantaged communities, such as elderly / disabled care homes or hospices. - Pharmaceutical manufacturers (minimum 80% of revenues to generic medicines), distributors and traders, drugstores. - Sale of affordably priced or subsidized medicines on the WHO essential medicines list.	Rural and remote areas, underdeveloped regions, vulnerable individuals with medical issues and/ or disabilities, the elderly, the unemployed. Enhance health care for the general population	SDG 3. Good Health and Well-being 
Access to Essential Services <i>Education and vocational training</i>	To finance/refinance eligible projects aiming at: - Provision of affordable and quality pre-primary, primary, lower secondary, upper secondary education, and vocational training. - Maintenance and upgrade of education facilities for children and People with Disabilities. - Supply of teachers, teacher training and materials.	Promote comprehensive education for children and People with Disabilities	SDG 4. Quality Education 
Affordable Housing <i>Affordable Housing</i>	To finance/refinance eligible projects aiming at enabling access to housing for underserved purchasers including costs related to: - Offering mortgages to underserved buyers. - Providing house improvement loans to underserved homeowners.	Underserved marginalized home buyers	SDG 11. Sustainable Cities and Communities

Eligible Social Categories	Eligible Criteria	Target Population	Alignment with UN SDGs
	Invest, build, repair or renovate social housing in accordance with national law		
Affordable Basic Infrastructure 1) <i>Clean drinking water/ Sanitation</i> 2) <i>Transport</i> 3) <i>Telecom network</i>	To finance/refinance eligible projects aiming at: - Provision of access to safe and affordable sanitation and clean water facilities. - Development of transportation system and related infrastructure in underserved areas. - Development of telecom networks and related infrastructure including transmission lines, data transmission in low penetration areas, data centers in low density regions, specifically designed to reach previously underserved communities, such as rural communities or purposed to provide services related to access to government services, healthcare information, education and other social services.	Support sustainable infrastructure in underserved areas addressing needs for water, sanitation, and telecom connectivity	SDG 6. Clean Water and Sanitation  SDG 7. Affordable and Clean Energy  SDG 11. Sustainable Cities and Communities 

2.3 Process for project evaluation and selection

SHB commits to integrate evaluation and selection process into its business operations by leveraging on the company's existing loan approval process, while ensuring that all eligible sustainable finance instruments meet eligible criteria prescribed in this framework. The selection of Eligible Green, Blue and Social assets will be conducted by the credit business units who will nominate loans or projects in line with the Eligible Green, Blue, or Social Categories. These nominations will be assessed based on SHB's credit policy and Environmental & Social (E&S) criteria. Once the projects are selected, they will be submitted by the relevant business units to the competent approval authority, including the CEO or the person duly authorised by the CEO, for approval in accordance with SHB's internal approval process and delegation of authority.

The amount equal to the net proceed of each SFIs will be tracked within SHB's pool of funds and will be allocated to eligible projects set out in this framework. Allocation is managed through the bank's internal systems, with proceeds earmarked for qualifying projects until full allocation is achieved.

2.4 Management of proceeds

The proceeds will be managed centrally using a portfolio approach. SHB will maintain a Green, Blue and Social Finance Register to earmark and manage the allocation of the eligible green, social and blue issuance as follows:

- Green proceeds to the Eligible Green Portfolio

- Social proceeds to the Eligible Social Portfolio
- Blue proceeds to the Eligible Blue Portfolio
- Sustainability proceeds to both Eligible Green Portfolio and Eligible Social Portfolio

The level of allocation for the Eligible Green, Blue and Social Portfolio will at least match or exceed the net proceeds from its Green, Blue and Social finance issuance. During the life of the instrument, if an asset (i) ceases to fulfill the eligibility criteria or (ii) is repaid from the proceeds of any disposal of a project, the asset shall be removed from the relevant asset portfolio and be replaced it with eligible asset(s) at least equivalent in amount to the asset that was removed, when necessary, as soon as reasonably practicable. To prevent double counting, any Eligible Green, Blue and Social Assets (especially those with more than one affiliation with the Use of Proceeds category) will not be listed more than once in either the Eligible Green Portfolio, Blue or Social Portfolio. Where a multi-tranche facility is being considered, only those tranches of such facility whose proceeds will be allocated according to the green, social, or blue eligibility criteria of this framework are labelled.

Regular review of allocation of the proceeds raised under the framework will be conducted within the bank. The balance of proceeds is monitored on an ongoing basis to ensure that the inflow of funds does not exceed the value of the eligible portfolio. Any unallocated amount will be temporarily invested in cash or a cash-equivalent instrument in accordance with SHB's cash management policies.

SHB is committed to allocating all proceeds from the SFIs to eligible projects on a best-efforts basis within two years from issuance date of the SFIs in accordance with the evaluation and selection process set out above.

2.5 Reporting

Allocation and impact reports will be provided to the relevant lenders, investors and stakeholders a year following the issuance of the applicable Green, Blue and Social finance instrument and will be renewed annually and when a material change occurs, until full allocation of the net proceeds. The contents of report will include:

Allocation reporting

- List of SFIs issued under this framework, issuance date, amount maturity date.
- Summary of allocated amount of proceeds in each eligible project categories.
- Short description of selected eligible projects.
- Share of proceeds allocated for financing and refinancing.
- The remaining balance of unallocated proceeds and their management (if any).

Impact reporting

SHB will, on the best effort basis, provide qualitative and where possible quantitative impact indicators resulting from eligible projects in alignment with the ICMA Harmonized Framework for Impact Reporting.

Eligible Projects	Potential impact indicators
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Renewable energy	• Installed capacity (MW) or renewable energy generated (MWh for electricity or GJ for other energy savings); • GHGs emission reduction (tCO₂e/year); • Additional indicators.
Energy efficiency	• Annual energy saving (MWh for electricity or GJ for other energy savings); • GHGs emission reduction (tCO₂e/year); • Additional indicators.
Green buildings	• Number of green building certification obtained; • Energy consumption reduction (%) compared to baseline/local standards; Percentage reduction of carbon emissions intensity (kgCO₂e/m²).
Clean transportation	• Number of charging stations/ electric vehicles • Annual GHG emissions reduced/ avoided (tCO₂e/year) • Additional indicators.
Eco-friendly and/or Circular Economy Adapted Products, Production Technologies and Processes	• Percentage or amount of waste prevented, minimized, reused or recycled (in tonnes) • Products changed to increase waste reduction • Tons of secondary raw materials or compost produced
Pollution prevention and control	• Reduction of particulate matter vs local baseline: sulphur oxides (SO_x), and nitrogen oxides (NO_x), carbon monoxide (CO), (PM_{2.5}/PM₁₀) and non- methane volatile organic compounds (NMVOCs) • Waste prevented, minimised, reused, or recycled before and after the project (in % of total waste) and/or in absolute amount (tons/year) • Annual absolute (gross) amount of wastewater treated, reused or avoided before and after the project (m³ or as %)
Sustainable water and wastewater management	• Annual volume of wastewater treated or reused (m³) • Annual volume of clean drinking water (m³) • Annual volume of water saving (m³) • % of water reduced/avoided vs local baseline/baseline certification level/IGCC/International Plumbing Code

Environmentally sustainable management of living natural resources and land use	• Areas covered by sustainable agriculture financed (m³) • Reduction of GHG emission intensity (tCO₂e/ unit of output) • Annual volume of water saving (m³)
Access to essential services <i>Financing and Financial Services / Financial Inclusion Employment Generation Socioeconomic advancement and empowerment</i>	• Number of loans to MSMEs/SMEs by gender and geographical areas • Amount of loans disbursed by gender and geographical areas
Access to essential services <i>Healthcare</i>	• Number of people with access to healthcare services
Access to essential services <i>Education and vocational training</i>	• Number of students educated • Number of teachers trained
Affordable housing	• Number of affordable/social homes built • Number of affordable housing loans disbursed
Affordable basic infrastructure <i>Clean drinking water/ Sanitation Transport Telecom network</i>	• Number of people with access to rural telecom services • Number of people with access to clean water • Number of people with access to public transportation • Sanitation products provided
Digital inclusion <i>Financial inclusion Basic infrastructure Healthcare Education/training</i>	• Number of previously unbanked borrowers benefiting from the digital platform and distribution • Number of borrowers of digital loan • Number of digital banking services active user • Number of telecommunications infrastructures, networks or R&D facilities built • Number of people benefiting from the telecommunication infrastructures, networks or R&D facilities • Number of people benefiting from the telehealth services • Number of people trained to provide telehealth services

	• Number of technological devices provided to facilitate digital learning • Number of people benefiting from the digital learning • Number of people trained to provide digital teaching and improve remote learning
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3. Future amendments to the Framework

The sustainable finance framework will be reviewed regularly and updated to reflect development of business and sustainability strategies or evolution of relevant principles and standards.

4. External Review

Second Party Opinion (Pre-issuance): The Framework has been reviewed by S&P Global Ratings who has issued a Second Party Opinion. SHB intends to undertake an SPO on any updates before any new version of this framework comes into effect. Such SPO will be made public on SHB website.

Post-issuance verification: SHB commits to issue a limited assurance report or verification statement for the allocation of SFI proceeds to Green, Blue and Social portfolios, starting one year after issuance and until full allocation.

SHB will, on a best-efforts basis, also seek external verification of the reported impact indicators where data availability permits. Such verification will be conducted annually until full allocation of the net proceeds, and the report(s) will be made publicly available on SHB's website.

Annexure A – Definitions

	SHB's Definition
MSME	A. Any micro, small and medium size enterprise organized and existing under the laws of Vietnam which: i. Has more have 50 per cent of its share capital owned by the private sector ii. Is neither a related party nor an affiliate of SHB iii. Conducts its business and operations primarily in Vietnam iv. Is either: a. Borrowing from SHB in an original principal amount between US\$5,000 and US\$1,000,000; or b. Meets two out of the three sub-criteria below: 1. Has between 10 to 300 employees; 2. Has total assets of more than US\$100,000 but not more than US\$15,000,000; and 3. Has annual sales of more than US\$100,000 but not more than US\$15,000,000. B. Any natural person residing in Vietnam representing any legal entity which meets the criteria set out above
Women-Led MSMEs	Any MSME (as described above): A. With at least 51 per cent of its share capital owned by a woman or women; B. Where: a. At least 20 per cent of its share capital is owned by a woman or women; b. Its most senior or second most senior executive is a woman; and c. (where a board exists) at least 30 per cent of its board members are women, or (where a board does not exist) the share of women in senior management is more than 30 per cent.

Annexure B – Exclusion List

SHB ENVIRONMENTAL AND SOCIAL (E&S) EXCLUSION LIST FOR CREDIT GRANTING

(Issued together with Decision No. 958/2023/QĐ-TGD dated 31 May 2023)

Regulation on implementation of E&S risk management in credit granting activities at SHB (Code: 958/2023/QĐ-TGD; Effective date: 01/06/2023; Issue/Revision: 02).

I. Projects and business plans that SHB shall not finance

1. Production and/or trading of any products or services that violate Vietnamese laws, or applicable international regulations, conventions or agreements, or are subject to international bans, such as banned pharmaceuticals, pesticides/herbicides, ozone-depleting substances, PCBs, wildlife or wildlife products regulated under the CITES Convention.
2. The following sectors/activities, where revenue from such activities is equal to or greater than 20% of total annual revenue (based on the immediately preceding financial year, or the investment plan/business plan in the case of projects not yet in operation):
 - a) Production and/or trading of weapons and ammunition.
 - b) Production and/or trading of alcoholic beverages (excluding beer and wine).
 - c) Casino business, gambling and/or similar activities.
 - d) Production or trading of tobacco products.
3. Production and/or trading of radioactive materials. This does not apply to medical equipment, quality monitoring (measurement) equipment and any sources deemed insignificant or adequately shielded (fully shielded to control radiation exposure).
4. Production and/or trading of raw unbonded asbestos. This provision does not apply to the trading and use of bonded asbestos cement sheets with asbestos content below 20%.
5. Fishing using drift nets in marine areas where the net length exceeds 2.5 km.
6. Production or services involving forced labor and/or hazardous child labor.
7. Commercial logging in primary tropical moist forests for use.
8. Production or trading of timber or other forestry products that violate regulations on sustainable forest management or protection.
9. Fossil fuel related extraction and power generation and oil and gas activities.

II. Additional exclusions applicable to IFC-funded credit facilities

For credit facilities financed from IFC funds, in addition to the exclusions in Section I of this Appendix, SHB shall not provide credit to the following sectors/activities:

1. Coal mining, coal transportation, coal-fired power plants (except captive coal-fired power plants used solely for industrial applications such as mining, metallurgical plants, cement or chemical industries), or dedicated infrastructure services supporting any of the listed activities.
2. Coal thermal mining, coal-based power generation, peat extraction, peat-based power generation and any activities in the value chain of such activities.
3. Any cultivation, processing or trading of coffee, farmed shrimp, cashew nuts, rice or rubber, unless certified supply sources or commodity production can be demonstrated, including: Aquaculture Stewardship Council (ASC) or Best Aquaculture Practices (BAP) for farmed shrimp; Sustainable Rice Platform (SRP) for rice; Rainforest Alliance or Global G.A.P. for coffee or cashew; and Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) certification for rubber.

Notes / Guidance

- The credit proposing unit shall check against the list provided by the Risk Management Block from time to time.
- Medical equipment, quality monitoring (measurement) equipment and any sources deemed insignificant under Clause 23, Article 3 of the Law on Atomic Energy No. 18/2008/QH12 (sources exempt from declaration), or adequately shielded sources, must have been declared/confirmed and licensed by competent state authorities where required.
- To be checked by the credit proposing unit against the list of asbestos materials prohibited from import and use, and the prohibited cement/building material production technologies in Viet Nam pursuant to prevailing laws.
- Forced or compulsory labor means all work or service not performed voluntarily and extracted under the threat of force or penalty.
- Hazardous child labor means the use of children in a manner that is economically exploitative, or likely to be hazardous or to interfere with the child's education, or harmful to the child's health, physical, mental, moral or social development.
- Reference: Circular No. 17/2017/TT-BNNPTNT and Circular No. 21/2016/TT-BNNPTNT on logging and harvesting of forest products; Decision No. 49/2016/QĐ-TTg promulgating the regulation on management of production forests.