

HCMC, April 10, 2025

No: 1722/SGB-HĐQT -BC

REPORT

Activities of Committees under the Board of Directors in 2024

The Board of Directors (BOD) of Saigon Bank for Industry and Trade (SAIGONBANK) is pleased to report the 2025 Annual General Meeting of Shareholders (AGM) about the 2024 activities of Committees under the BOD as below:

I. Activity outcomes of the Board Nomination Committee (BNC)

The BNC was established under Decision No.76/QĐ-HĐQT dated April 28, 2010 of the BOD in line with the law and has been improved to suit our situation from time to time. In 2024, the BNC has performed its functions, tasks and achieved the followings:

- Advising the BOD on matters within the BOD's authority including developing human resource (HR) policy, selecting and appointing personnel; defining regime on salary, remuneration, bonus for SAIGONBANK's employees; assisting the BOD's oversight on the execution of regime, policy and other HR management activities.

- Advising the BOD on handling personnel issues during the process of electing, appointing, dismissing, removing officials in accordance with statutes and regulations.

- Advising the BOD on applying Key Performance Indicators (KPI) to staff and officers in each belonging unit to improve their accountability, efficiency and productivity.

- Overseeing SAIGONBANK's compliance with the law on utilizing HR.

- Proposing to send managerial officers, staff to training programs, symposiums to keep their knowledge updated of prevailing legal requirements, to improve their professions.

- Through BNC's advisory work, the BOD has given timely attention and direction, thereby enhanced SAIGONBANK's qualified HR, developed an IT talent pool that possessed high qualification and professionalism to fulfill the personnel demand within the current context of banking digital transformation.

- Regarding organizational structure, the BNC has advised, improved organizational model in the direction of streamlining, specializing and clearly defining functions, tasks, as well as improving efficiency and productivity.

- Drawbacks: the BNC has not effectively advised the BOD on training, planning the long-term personnel for the Bank.

Activities of the BNC have effectively contributed to consolidate the personnel structure of SAIGONBANK, timely advised the BOD on building, planning the HR development at SAIGONBANK.



II. Outcomes from activities of Board Risk Committee (BRC)

The BRC was established under Decision No.77/QD-HDQT dated April 28, 2010 of the BOD in line with the law and has been improved to suit our actual operation from time to time. By being strictly bound by SAIGONBANK's 2024 business plan and operations, the BRC has performed its functions, tasks as follows:

- Strategically advising the BOD on issuing risk management policy within the BOD's authority relating to risk management in accordance with the law.
- Reviewing, assessing the congruence and effectiveness of SAIGONBANK's risk management policy to propose the BOD for required changes to current procedures, policies and strategies of SAIGONBANK (if necessary).
- Analyzing, raising potential risk warnings that could impact SAIGONBANK's safe business and suggesting risk preventing measures in the short term as well as the long term.
- Strategically advising the BOD on approving SAIGONBANK's investments, related transactions, governance and risk resolving plan within the functions assigned by the BOD.
- Reviewing and deciding SAIGONBANK's significant risk portfolio, developing active solutions in managing and mitigating risks. In particular, top priority was given to management, recovery and handling of bad debts in line with general policy of the Government and the SBV.
- Supervising the implementation of Circular No.41/2016/TT-NHNN dated December 30, 2016 (amended and supplemented) of the SBV prescribing adequacy ratios for commercial banks and Circular No.13/2018/TT-NHNN dated May 18, 2018 of the SBV prescribing internal control systems of commercial banks.
- Advising and proposing to the BOD for resolutions to apply Basel III standards in the Bank's risk management.
- Regularly monitoring the execution of SAIGONBANK's risk management policies; timely producing risk warnings and respective recommendations for SAIGONBANK's regulations, policies, products and services.
- Advising the BOD on supervising the implementation of critical risk limits, on controlling the balanced capital position and liquidity, on interest rate risk management to ensure safety, effectiveness and compliance with regulatory limits for operation.
- Advising the BOD on the execution of risk management on liquidity, market, operation and credit risks in the entire system; building, creating a governance structure that shall be systematic, consistent, effective and appropriate to the Bank's operation scale.
- Limitations on the forecasting potential risks in policies, market scenarios... and not yet strategically advising the BOD on risk mitigation policy in the long run.

The BRC has fulfilled the advisory work given to the BOD within the assigned function, obligation, positively contributed to the management of SAIGONBANK's 2024 operation.

The aforementioned narration is the 2024 business performance report of the Committees under the BOD. We are pleased to submit to the General Meeting of Shareholders for due consideration.

Regards./.

Recipients:

- SAIGONBANK's shareholders;
- The Banking Inspection and Supervision Agency;
- Board of Directors;
- Board of Supervisors;
- Board of Management;
- HR and Administration Dept., BOD office (Filing).

FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS
CHAIRMAN



VU QUANG LAM

