



VinaCapital



VinaCapital ESG Annual Report

2022 |





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OUR PURPOSE

We recognize the importance of ESG and set a mission to fully incorporate ESG into our business and our culture. Integration in our investment process and strengthening engagement are two fundamental activities to foster ESG adoption and implementation. By having strategic plans for these essential activities, we have achieved results that demonstrate our ambitions and high standards. Although we present our achievements in respective categories of E, S, G, we believe that ESG as well as sustainability are integrative and holistic rather than independent, single-aspect-oriented goals. These accomplishments have been strongly driven by our leadership in this market, where we firmly hold ourselves to being a responsible investor. To give you a better sense of how we view ESG, we would like to share with you some of our engagement stories.



A MESSAGE FROM THE CEO

When my partners and I launched VinaCapital in 2003, “ESG” as a concept did not formally exist in the world. Of course, there was growing recognition by businesses of the need to be environmentally sensitive and corporate social responsibility (CSR) was starting to gain traction and attention in Vietnam, but these were largely voluntary initiatives undertaken by individual companies.

Indeed, CSR initiatives have been a cornerstone of VinaCapital almost since the day we started the company 20 years ago. We have always felt that we have a duty to help Vietnam’s less fortunate and vulnerable communities and help ensure they have opportunities to participate in the rapid economic development the country has been undergoing. We started our VinaCapital Foundation in 2006 which is now one of the leading NGOs focusing on health and education for Vietnamese children and women from poor families thanks to support from corporate and individual donors in Vietnam and around the world.

CSR is just one element of what the world defines as “ESG.” Environment, social, and governance issues are now at the forefront of the global financial community, and there is a growing realization of ESG’s importance in Vietnam.

VinaCapital is proud to be playing a role in helping Vietnamese companies better understand why and how they need to pay more attention to the ways they manage and operate their businesses and that applying ESG best practices will ultimately make them more successful. For our part, we take a multi-faceted approach. First, we have a dedicated team of experienced ESG professionals who work closely with our investment teams to help ensure that current and prospective investees adhere to ESG standards and are committed to continually improving their practices. Further, our ESG team collaborates with our in-house research team, which has developed a proprietary ESG rating system that covers the majority of listed companies in our investment universe. We also have comprehensive policies to guide our listed and private equity investments and help ensure we are investing responsibly.

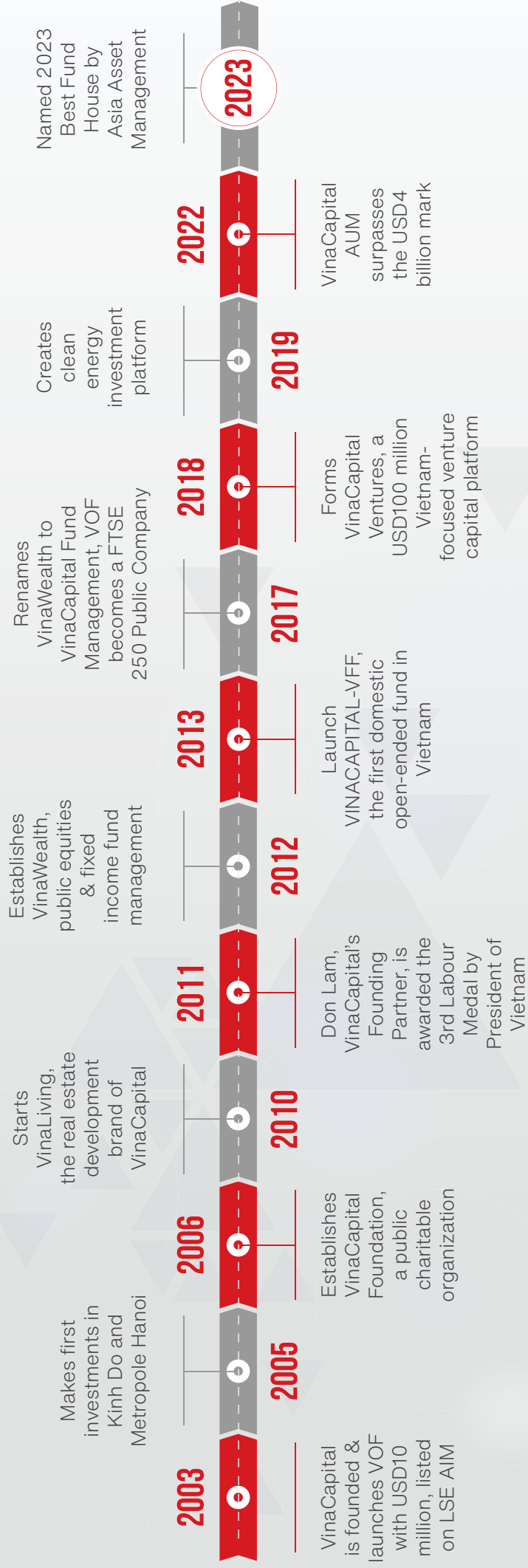
Second, we are practicing what we preach beyond listed and private equity. For several years now, we have focused on investments in clean and renewable energy and have partnered with some of the world’s leading players in the sector to help build Vietnam’s electricity generation capacity in an environmentally sensitive way that will meet growing demand and help the country meet its net zero carbon commitment by 2050. Additionally, we are looking at other potential investment platforms and vehicles that can further drive investment and contribute towards Vietnam achieving its environmental goals as well as its sustainable development.

Finally, we have embedded ESG in our corporate culture, continually encouraging our staff to think of innovative ways we can do more as a company to embrace ESG principles.

We are gratified that our ESG efforts are being noticed: VinaCapital was recently named as the “Best Fund House 2023” in Vietnam by Asia Asset Management magazine and “Most Responsible Investor 2022/2023” by the Pacific Basin Economic Council. The recognition is certainly appreciated, but it does not drive what we are doing around ESG. As you’ll read in the pages that follow, VinaCapital is committed to ESG in both principle and practice. We recognize that there is always more to do, and we remain focused on continuing to advance the importance of these issues in Vietnam.

Sincerely,

Don Lam



GROWING SUSTAINABLY TOGETHER

AT A GLANCE

RESPONSIBLE INVESTMENT



INVESTMENT

Integrate ESG into the investment processes and monitor ESG performance of all portfolios across asset classes



RESEARCH

Rate over 100 listed companies and continue ESG engagement with portfolio companies



PRIVATE EQUITY

Conduct ESG Due Diligence and integrate ESG into business enhancement



REAL ESTATE

Practice green building design, pursue EDGE Green Building Certificate and commit to be an EDGE Champion



CLEAN & RENEWABLE ENERGY

Invest in solar energy, LNG, extend our business to onshore and offshore wind power



VINACAPITAL VENTURES

Invest in startups that are committed to sustainability and have a positive impact on the environment

EMPLOYEE EXPERIENCE

GENDER RATIO

Overall ratio
57% female,
43% male



ESG AWARDS

Celebration and recognition of employees' ESG initiatives

HUMAN CAPITAL DEVELOPMENT

Regular trainings on human capital development topics for employees and scholarship programs

PARTNERSHIPS AND RECOGNITION



Most Responsible Investor





ESG INTEGRATION IN OUR BUSINESS

ASSET MANAGEMENT

OUR RESPONSIBLE INVESTMENT POLICY AND FRAMEWORK

Our enhanced and comprehensive Responsible Investment Policy was approved by the Board of Directors in 2020. Our Responsible Investment Framework by asset class, which is included in our policy, is designed to cover the four key steps in the investment process: screening and research, investment decision, stewardship, and exit. The policy and framework are fundamental tools in our portfolio management activities.



Screening and Research

We do not invest in companies involved in specific activities identified in our exclusion list, which is based on international practices.

We assign ESG ratings to listed equities in our investment universe to identify ESG risks and opportunities.

We integrate substantial ESG metrics into financial analysis and valuation models.

Investment Decision

We undertake further ESG due diligence for private equity, and private debt investment.

We identify opportunities for ESG improvement and associated costs and benefits.

Our Investment Committee and Risk Management Committee consider ESG risks in their assessment of opportunities.

We prepare ESG action plans for private equity investments and ESG engagement plans for listed equity investments.

Stewardship

We review ESG ratings of portfolio companies to identify new risks and/ or improvements.

We communicate with management of listed companies we invest in to improve their ESG practices.

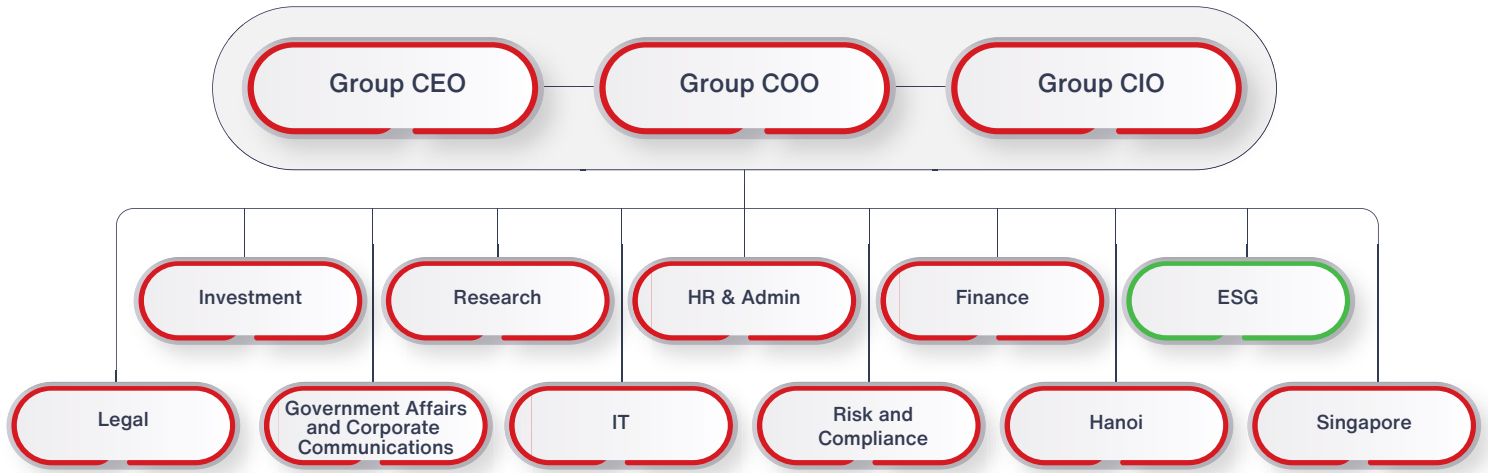
We engage with management of private equity investments to improve their ESG practices.

Exit

We consider exiting investments where there is ongoing evidence of major ESG violations and/ or an ongoing failure to address identified ESG risks.

Our Group CEO and the head of our risk management committee are responsible for overseeing ESG. Our ESG and research teams have the experience, training, and tools to identify and assess existing and potential environmental, social, and corporate governance risks, which helps provide our investment teams with important information to guide and support their investment decisions.

CORPORATE STRUCTURE



RESEARCH

VinaCapital has implemented a rigorous framework to assess ESG risks and encourage companies to improve their practices. Our research analysts have actively engaged with listed companies in our investment universe to explore any ESG risks and opportunities for enhancement. We have developed an internal ESG rating, which has been applied to listed companies in Vietnam. Our Research Department has rated 112 listed companies in 10 different sectors.

RATINGS

We have completed ESG ratings for 112 out of 131 companies in our coverage universe. We aim to extend this to cover 100% of the companies in our universe by the end of 2023.

For listed companies, VinaCapital has implemented a rigorous framework to assess ESG risks and encourage companies to improve their practices when warranted. Our portfolio managers, and in-house ESG and research teams regularly engage with management on ESG policies and practices. The discussions around ESG revolve around our proprietary framework of over 200 questions, covering 20 areas of focus including: management and corporate structure; business ethics; energy, water, pollution, waste management, and greenhouse gas emission; biodiversity; employee-related issues such as wage, health, and employment conditions; and community impact. These questions result in a transparent and quantitative grading system for each publicly listed company. We periodically review the ESG scores of our portfolios and investee companies and look for ways to improve.

We have incorporated each ESG score into our investment decision making process.

VINACAPITAL'S ESG RATING FRAMEWORK

VinaCapital identifies 20 material ESG issues and integrates these into our ESG rating framework as below. Final ESG score of a company will be calculated using an industry-specific weighting scheme which were established based on international best practices and adopted to the context of Vietnam.

	General	Real Estate	Financials	Consumer Staples	Industrials	Utilities	Materials	Consumer Discretionary	Energy	Information Technology	Health Care	Communication Services
Management & structure	8%	10%	10%	8%	7%	8%	9%	9%	6%	10%	10%	10%
Energy	4%	5%	2%	4%	6%	5%	6%	3%	6%	3%	5%	3%
Water	4%	4%	2%	3%	5%	5%	5%	2%	5%	2%	4%	2%
Pollution	7%	3%	4%	5%	8%	5%	8%	4%	9%	3%	5%	3%
GHG emissions	8%	3%	5%	6%	8%	5%	8%	5%	10%	3%	5%	3%
Waste	4%	4%	2%	3%	5%	5%	5%	3%	5%	2%	4%	2%
Biodiversity	4%	2%	2%	3%	5%	6%	5%	2%	6%	2%	2%	2%
Product Management	3%	4%	3%	6%	3%	4%	3%	6%	4%	5%	5%	5%
Procurement	3%	6%	3%	5%	3%	3%	3%	5%	3%	6%	5%	6%
Employee wages	7%	5%	6%	5%	6%	4%	5%	5%	6%	6%	4%	6%
Employee health	4%	6%	4%	5%	4%	6%	3%	4%	4%	5%	4%	5%
Employment terms	4%	4%	4%	5%	4%	4%	3%	4%	4%	5%	4%	5%
Discrimination	3%	3%	3%	3%	3%	3%	3%	3%	3%	5%	3%	5%
Employee concerns	3%	3%	3%	4%	3%	3%	3%	3%	3%	5%	3%	5%
Community impacts	8%	8%	7%	8%	7%	7%	5%	9%	7%	8%	7%	8%
Corporate structure	5%	9%	10%	6%	5%	6%	6%	9%	4%	9%	9%	9%
Business ethics	4%	6%	7%	6%	4%	4%	5%	7%	3%	6%	6%	6%
Shareholder interest	10%	6%	8%	8%	8%	10%	9%	9%	7%	6%	6%	6%
Anti-corruption	4%	4%	5%	4%	3%	4%	3%	4%	3%	4%	4%	4%
Investments	3%	5%	10%	3%	3%	3%	3%	4%	2%	5%	5%	5%

INVESTMENT INTEGRATION

We record and monitor ESG performance of our fund portfolios*. This includes calculating their weighted average ESG scores, tracking voting activities, and ESG training activities.

	VinaCapital Vietnam Opportunity Fund (VOF)	Forum One – VinaCapital Vietnam Fund - VVF	VinaCapital Liquidity Bond Fund (VINACAPITAL-VLBF) **	VinaCapital Insights Balanced Fund (VINACAPITAL-VIBF)
Percentage of ESG coverage in Portfolio	100% (All 20 rated companies)	100% (All 27 rated companies)	40% (4 rated companies and 6 non-rated companies)	82% (27 rated companies and 6 non-rated companies)
Portfolio's ESG average score, changes during the year	09/2022 = 59.0 12/2022 = 59.2	09/2022 = 61.3 12/2022 = 62.2	09/2022 = 59.0 12/2022 = 60.5	09/2022 = 60.5 12/2022 = 60.1

	VinaCapital Enhanced Fixed Income Fund (VINACAPITAL-VFF)	VinaCapital Equity Special Access Fund (VINACAPITAL-VESAF)	VinaCapital Equity Opportunity Fund (VINACAPITAL-VEOF)	VinaCapital Vietnam Access Fund Limited (VAF)
Percentage of ESG coverage in Portfolio	46% (6 rated companies, and 7 non-rated companies)	92% (23 rated companies and 2 non-rated companies)	94% (34 rated companies and 2 non-rated companies)	88% (23 rated companies and 3 non-rated companies)
Portfolio's ESG average score, changes during the year	09/2022 = 58.5 12/2022 = 60.7	09/2022 = 58.7 12/2022 = 59.8	09/2022: 61.5 12/2022: 61.5	9/2022 = 58.2 12/2022 = 59.3

* As of 31 December 2022

** Fixed income funds.

VOTING

VinaCapital's Voting Rights Policy is applicable to all funds that are managed by VinaCapital. As we have adopted ESG best practices, VinaCapital will seek to actively participate and vote, directly or through proxy voting services, on all resolutions.

EXTERNAL ENGAGEMENT

VinaCapital considers the management of environmental, social and governance issues as managing investment risks and important to the generation of long-term returns. Thus, improving the ESG performance of companies in our portfolio is a potential value-creating activity for the investments we make. We have been communicating with and encourage companies in our portfolios to enhance their ESG performance. For 2022, we also conducted pilot internal review sessions to review the ESG performance and practice of our portfolios and establish action plan to improve these. This activity will be extended to cover 100% of our portfolios in the next reporting year.

Our ESG and research analysts interacted with companies to learn about updates to their businesses and operations. We have sent ESG letters to 51 key companies in across our portfolio holdings requesting that they look into recommendations to enhance their ESG practices. These letters outlined a range of recommendations that companies should consider, including:

- Establishing an ESG policy covering all business activities across all activities of the company.
- Hiring/ appointing an in-house ESG director or manager at the corporate level to oversee the implementation of ESG-related policies and practices, and to communicate these to investors.
- Undertaking an ESG audit to assess the status of ESG matters in their organizations, identify key ESG risks, and create plans to manage those risks.

Our ESG department and research analysts proactively communicate with companies and undertake company visits to discuss and engage on ESG matters.

Below is a sample letter that we have sent to our portfolio company.



10 October 2022

Mr. Do Van Nhan
Chairman
Gemadep Corporation
Gemadep Tower, 6 Le Thanh Ton, Ben Nghe Ward, District 1
HOCHIMINH

Dear Mr. Nhan,

Working together to enhance ESG practices at Gemadep Corporation

On behalf of VinaCapital, I would like to express our sincere appreciation to the Board of Directors and Management of Gemadep Corporation for their work in building your company into one of Vietnam's premier companies. As a longstanding investor, VinaCapital is pleased to have played a role in Gemadep Corporation's success.

Environmental, Social, and Governance (ESG) issues have become increasingly important all over the world. Apart from the traditional factors such as business model or revenue, investors nowadays put more considerations on the ESG risks of their investments. VinaCapital has long recognized the importance of ESG factors in managing investment risks and generating long-term returns. We conduct regular reviews of the companies in our portfolios to determine how they are addressing ESG issues and, if needed, we work with companies to help them improve their ESG performance. We believe that enhanced ESG practices create value for the companies we invest in, their shareholders, their employees, and the broader community, and that such practices are essential to long term business sustainability.

We would therefore like to make the following recommendations for the Gemadep Corporation to consider (if you have not already done so):

- Establish an ESG policy covering all business activities across the corporation.
- Hire or appoint an in-house ESG director or manager at the corporation level who to oversee the implementation of ESG-related policies and practices, and to communicate them to investors.
- Undertake an ESG audit to assess the status of ESG matters in your organization, identify key ESG risks, and create a plan to manage those risks.
- Communicate your ESG initiatives and plans to investors.

In order to build up stronger momentum for your sustainable values and long-term growth, ESG-related issues will take on a greater importance in terms of risk management and fundraising. We believe that implementing the above measures are a good start towards establishing Gemadep Corporation's credentials as a company that values sustainable growth and development.

Thank you for your consideration of this important issue.

Sincerely yours,



BROOK TAYLOR
Chief Executive Officer
VinaCapital Fund Management JSC

ALTERNATIVE INVESTMENTS

PRIVATE EQUITY

We engage with the management of Private Equity investments to improve company ESG practices based on the findings from our ESG due diligence and aim to create an incentive structure pre/post deal for ESG improvements.

ESG considerations are integrated in all Private Equity deals reviewed by our Risk Management Committee. ESG forms a core part of the due diligence and investment activities that our funds carry out, particularly when it comes to making private equity investments, as this is an area in which we can exert influence within our portfolio companies. Through our private equity investment approach, we have an opportunity to carry out ESG due diligence using external consultants or through our in-house ESG expertise.

The due diligence review typically identifies weaknesses relative to local and international standards. Such weaknesses do not necessarily deter us from an investment but rather provide a clear roadmap for improvement. Importantly, with the recommendations for change, we can gauge whether a sponsor is motivated to make these improvements to their business. We feel that the greatest value-add to the business and to society comes from the motivation for change and the actions that a company takes to improve ESG weaknesses and, thus, we gravitate more towards these types of opportunities and sponsors.



Engagement Case Study

Ngoc Nghia Industry Service Trading: ESG engagement with a company in VOF's portfolio.

Turning to our Private Equity investment, this is where we believe we can exert the most influence and measurable impact in making ESG improvements at our portfolio companies.

An example of this active engagement is Ngoc Nghia Industry Services Trading (UPCoM: NNG). In late 2019, just prior to the onslaught of the pandemic, VOF invested to take a significant minority stake in Vietnam's leading plastic packaging production firm. Ngoc Nghia has the largest plastic packaging production capacity in Vietnam, with an annual output of 3.7 billion preforms, bottles and closures at three production sites. Based in Ho Chi Minh City, the company's core business is manufacturing PET (polyethylene terephthalate) packaging, a recyclable, lightweight, resealable and shatter-resistant plastic used by many manufacturers of food and beverage as well as home and personal care products. Founded in 1993, the firm supplies its products to a range of leading international and domestic clients like Unilever, Coca-Cola, Suntory PepsiCo, and Vinamilk.

Since our investment, we supported the company in strengthening its corporate governance, restructuring its capital structure, and enhancing its process of capital expenditures and working capital management. As part of our investment, we were granted two board seats, in addition to a seat on the company's board of supervisors. The results of these initiatives are clear. NNG's net debt was significantly reduced (~30%) compared to when we made the investment. We also helped bring in professional managers to support the company's growth and helped reduce the family holdings in the company. In early 2022, both VOF and the founding family were able to successfully exit their investments through a public tender offer to one of Thailand's leading chemical producers, Indorama Ventures.

In terms of environmental impact, NNG had already implemented a long-standing and effective program of recycling and using recycled materials in their production. Aside from ensuring that they had a good program to monitor and maintain manufacturing equipment, we were also able to help improve their energy consumption and increase the amount of renewable energy used by the business.

We are encouraged that over the two and a half-year period of investment, NNG made several improvements, including implementing new and more energy efficient machinery and equipment, as well as welcoming improvements in corporate governance, which have all proved to be invaluable to NNG's new owners.

REAL ESTATE

Our real estate investment platform, VinaLiving, has become recognized for its pioneering boutique resort-style residential developments in Vietnam for homeowners who seek peace, seclusion, and privacy in a beautiful, natural environment.

We recognize the importance of designing and building hospitality properties that are sustainable as well as beautiful. We are proud to be at the forefront of furthering the adoption of green building practices in Vietnam and the region.



Our design philosophy

Holistic master planning is at the core of our project development philosophy. It is rooted in our in-depth understanding of the site and trendsetting lifestyle concepts, with the goal of sustainability. By partnering with leading design studios, we apply innovation to the latest trends while staying relevant to the Vietnamese lifestyle and preferences, all while maintaining a strong respect for the culture, nature, and environment.



Sustainable design in numbers

Landscape irrigation is 100% recycled water, environmentally friendly materials.

Installation of water saving fixtures saves more than 20% potable water consumption.

Installation of Energy Star appliances saves more than 20% energy consumption.

Solar panels are installed to generate on-site renewable energy.

Roofs are covered with high-reflective materials.

Installation of LED lighting and lighting controls contributes to energy savings.



EDGE Certificate

Our under development portfolio (54.1 ha, GFA greater than 200,000 sqm) are pursuing EDGE certifications, a green building program developed by International Finance Corporation - a member of the World Bank Group.



EDGE Champion

VinaCapital and VinaLiving have partnered with the International Finance Corporation (IFC), a member of the World Bank Group, on accelerating the adoption of green building practices through the promotion of voluntary green building certification programs based on the EDGE ("Excellence in Design for Greater Efficiencies") software, standard, and certification system.



The Ocean Villas Quy Nhon is pursuing EDGE Certificate

The project is located in Nhon Hoi, this 22-ha development comprises 290 villas.

The project is a green building project that incorporates energy and water measures to reduce its environmental impact. In order to obtain the EDGE certificate, The Ocean Villas Quy Nhon has applied efficient energy solutions, helping the project's resource savings exceed the minimum target of 20% set by the EDGE system. Specifically, at this Design Certification stage, The Ocean Villas Quy Nhon achieves a 25% energy savings, 22% water savings and 46% less embodied energy in materials.

Energy saving solutions include a reduced window-to-wall ratio, high-reflective roof, high-performance glazing system, efficient exterior lighting, efficient appliances, and onsite renewable energy generation.

Water saving solutions include water-efficient showerheads and faucets in bathrooms and kitchens, efficient water closets, water-efficient landscaping.

Materials used in the project are also chosen for their efficiency. For example, material-efficient bottom floor slabs are made of concrete slab in-situ reinforced conventional slab. Material-efficient exterior walls are made of brick wall cored brick (25-40% voids) with external and internal plaster.



Social contribution – Vinh Hoi project case study

VinaLiving will develop vocational training and provide free certified skills training for local residents to improve their qualifications and develop skills. The company also aims to provide opportunities for locals to work in a professional environment according to international standards in the projects that it invests in.

For example, in The Thon tourist area project, VinaLiving has dedicated land of 6,900m² with 77 kiosks in its Vinh Hoi project to build a culinary and service business village for the local households. People in Vinh Hoi village are exempted from ground rent for three years and can build kiosks facing the sea to trade in food, coffee, entertainment, as well as souvenirs and local specialties. In addition, we will invest in advertising to attract tourists and support local residents who may be operating businesses for the first time.

The project is also expected to eventually generate 3,000-5,000 jobs for local residents. Vinh Hoi is VinaLiving's largest project currently under development. The well-being of existing homeowners is a high priority, and our board of directors instructed us to ensure that their welfare was considered. With great support from the local authorities, we have implemented a program for the local community including:

- Providing 650 scholarships for local residents to acquire tourism & hospitality skills.
- Prioritizing the hiring of local workers and training them with necessary skills.

CLEAN & RENEWABLE ENERGY

Most visible of VinaCapital's ESG related investment activity is our work around energy. We have been playing a leading role in ensuring that clean and renewable sources of electricity are being developed and utilized.

In 2018, we started SkyX Solar, a rooftop solar and distributed energy solutions provider for commercial and industrial (C&I) customers in Vietnam. In 2022, EDF Renewables, the largest renewables company in the world, made a significant investment in SkyX, which today provides 60MW of rooftop solar energy and another 100MW under construction at industrial parks and other commercial sites across Vietnam. These account for CO2 reduction of 90,000 tCO2 every year. Additionally, SkyX has been an active corporate citizen, supporting the building of housing for the poor in Dong Nai province.

We are also working on building out a significant wind power platform in Vietnam, primarily focused in the central highlands.

Our largest project to-date is the development of a 3,000MW LNG power plant in Long An province near Ho Chi Minh City in partnership with GS Energy. Originally envisioned as a coal-fired power plant, VinaCapital was instrumental in getting approval to convert it to a LNG-fired plant, with a far lower impact on the surrounding areas and residents. CSR has been an integral part of the Long An project from the very start, with key initiatives including funding clean water and educational programs, providing critical medical equipment for local hospitals, and support for poor households.



VINACAPITAL VENTURES

We believe startups should follow a build-to-last mentality rather than focusing on one-off products and an ESG DNA should be created early on in their journey to pursue long term growth, and we help them do that as part of our partnership philosophy.

With environmental and sustainability issues now at the forefront in Vietnam and the world, we strive to invest in companies that are working toward solving those issues, and we are hopeful that Vietnam and Southeast Asian startups can lead the way.

We consider ESG factors when evaluating potential investments, and those startups that are creating solutions that address environmental and sustainability issues as well as having solid business cases behind them are certainly attractive to us and many other potential investors.

We have rigorously applied ESG considerations in our venture investments, from screening, risk and compliance, to deal management, with the assistance of experts in a wide range of sectors.



Case Study

At VinaCapital Ventures, we always put more weight on the process of risk assessment and ESG to avoid unfortunate surprises.

Case studies: ESG value creation

LOGIVAN (invested in 2018): Vietnam’s largest B2B truck platform connects businesses directly with a nationwide transport network to help minimize carbon dioxide emissions and eliminate dead miles. LOGIVAN has also been featured in the Worldwide Q3 Financial Report of Nagase Corporation (TYO: 8012) under its ESG section to cut down SCOPE3 logistics emissions. Nagase is the largest chemical distributor in APAC and specializes in premium plastic resin in Vietnam, delivering to many automotive and electronics producers.

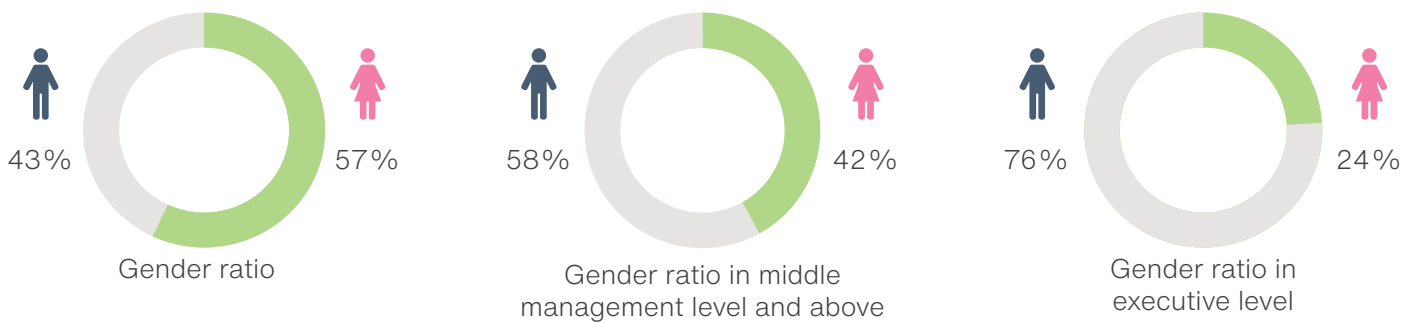
Koina (invested in 4Q2022): Agriculture is the backbone of Vietnam. Koina aims to build Vietnam’s most extensive and most efficient agri-ecosystem, applying technology and creating new standards for Vietnamese agriculture products. The company helps the local community with financing, transparent and fair prices, and teaches farmers the best practices. Not only will Koina’s solutions help to generate higher crop yields, but also protect the land for long-term sustainable production. Creating value for the farmers means creating value for the country.



Sustainable Investing for a Brighter Future



EMPLOYEE EXPERIENCE



Gender ratio 57% of female vs 43% of male among 213 employees.

Gender ratio in middle management level and above are 42% female vs 58% male.

Gender ratio in executive level 24% female vs 76% male.

Our pay strategy is based on the 3P model: the employee’s potential, position and performance. We build a salary range based on the internal grade using the 3P assessment. Gender is not a factor considered for a salary proposal.

Our diversity goals and actions have been created to achieve those goals and enhance this program: As Vietnam’s only multi-disciplinary investment manager, we are positioned to accommodate a diverse group of professionals coming from different educational, cultural backgrounds and bringing unique expertise and skill sets.

We deeply value diversity and inclusion and believe those characteristics contribute significantly to our safe, happy, and productive working environment.

We are an organization that possesses a diverse board of management coming from different countries including the US, Canada, Australia, New Zealand, Ireland, Denmark, India and Vietnam; and our employees have diverse backgrounds, come from the north and the south of the country, hold different religions, and span from Gen X to Gen Z.

In addition, our HR department deeply cares about the well-being of our employees, and, we consider health-related programs are critically important. We conduct quarterly health talk sessions on workplace-related topics for our employees. In addition to the state required health insurances, we also provide our employees with additional health insurance package, annual health checkup, and vital immunizations on an annual basis.

The senior management team is open and encourages all employees to develop and maximize their capabilities



and potential. The onboarding process for new employees helps them become familiar with the company culture, environment, processes and policy. Our senior staff always support, guide and train junior staff within the team. We implement coaching programs for executives and senior leaders to build a coaching culture for our workplace.

Human Capital Development

Talent recruitment and retention are always one of our important priorities. We strive to promote VinaCapital as an employer of choice in the industry, which helps to attract top talent. VinaCapital has been ranked in the top three of the financial service industry of best places to work in Vietnam. We also have a training and development policy for employees to have the opportunity to study and develop themselves to attain professional and personal goals.

We conduct an annual performance reviews, and organize a range of training programs/sessions for staff development throughout the year.



INTERNAL ENGAGEMENT

We conduct ESG training to foster a collective effort to achieve our ESG goals.

We launched our quarterly ESG Awards to encourage and inspire our staff to continually think about ways we can better implement ESG.

Our ESG department actively communicates across departments to further integrate ESG in day-to-day business activities as well as gather feedback to improve our processes.

We conduct annual internal ESG review with Portfolio Managers.



ESG AWARDS

ESG Awards recognize and celebrate staff who have made ESG an integral part of their business practices. This award program is part of our effort toward furthering VinaCapital. We would like to motivate each awardee continue their ESG initiatives and inspire other colleagues to integrate ESG into their day-to-day business practices.





VINACAPITAL FOUNDATION

Founded in 2006 as a USA-registered 501-c3 public charitable organization, The VinaCapital Foundation (VCF) is one of the first foreign philanthropic organizations registered in Vietnam and remains one of the largest and most effective. The Foundation was established to enable companies and individuals to support community activities and demonstrate the importance of philanthropic programs.

VCF’s mission is to create healthcare and education solutions to transform the lives of underserved and marginalized children and women in Vietnam. VCF focuses its programming in three key areas: grassroots medical care, healthcare capacity building, and education.

KEY PROGRAMS		
<p>GRASSROOTS MEDICAL PROGRAMS</p> <ul style="list-style-type: none"> ▪ Heartbeat Vietnam ▪ Rural Outreach Clinics ▪ Grassroots Assistance ▪ Care to Rise 	<p>HEALTHCARE CAPACITY BUILDING</p> <ul style="list-style-type: none"> ▪ Critical Response - Survive to Thrive ▪ Clean Water ▪ National Emergencies 	<p>EDUCATION</p> <ul style="list-style-type: none"> ▪ Brighter Path Scholarship ▪ Brighter Path Girls’ Clubs

GRASSROOTS MEDICAL



SINCE
INCEPTION

9,743

Heart Surgeries

296,959

CHILDREN Screened

4,276

Covid-related
beneficiaries

IN 2022

808

Heart Surgeries

48,286

CHILDREN Screened

3,195

Covid-related
beneficiaries

HEALTHCARE CAPACITY BUILDING



SINCE
INCEPTION

18,421

PATIENTS Served

40,723

PATIENTS Served

93

WATER SYSTEMS
Installed

2,060

DIRECT
BENEFICIARIES

1,573

CLINICIANS Trained

19,969

BENEFICIARIES

IN 2022

779

PATIENTS Served

03

WATER SYSTEMS
Installed

1,862

BENEFICIARIES

EDUCATION



SINCE
INCEPTION
(2019)

2,351

SCHOLARSHIPS

900

GIRLS IN CLUBS

IN 2022

529

SCHOLARSHIPS

720

GIRLS IN CLUBS





CLIMATE CHANGE

VinaCapital recognizes the serious risks posed by climate change. We support and are an active signatory of the Task Force on Climate-Related Financial Disclosures (TCFD).

As an asset manager, our scope 1 and scope 2 emissions are negligible. We are engaging with a global consultancy on sustainability and climate change to establish our climate strategy which will include climate risks consideration into our decision making.

For scope 3 emissions, we are also actively engaging with the market and our investee companies, focusing on raising awareness on climate-related disclosures to enhance the quantity and quality of climate-data for the market. We aim to report this progress in our future ESG reports.

VinaCapital's commitment to a lower carbon economy transition is reflected in the investments we made.

Our renewable energy platform – SkyX Solar, installs rooftop solar power systems at factories, warehouses, and other large commercial buildings. In just a few years, SkyX operates a portfolio of 60MW, with plans to deploy another 100MWp by the end of this year, which will help our industrial partners reduce their carbon footprint by an aggregate of approximately 3 million tons over 30 years.

We took over and are developing the 3000 MW Long An LNG-to-power plant, which was originally approved as a coal-fired power plant. This is expected to significantly reduce greenhouse gas emissions by 60%, or the equivalent of 10 million tons of CO₂ per year.

We achieved EDGE Certification for Ocean Villas which will create 392.78 tCO₂/unit/year operational CO₂ emissions and 1,601.68 tCO₂/unit/year operational CO₂ savings.

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Climate Action 100+
Global Investors Driving Business Transition





ANTI-CORRUPTION

VinaCapital has a dedicated Risk and Compliance Department and adheres to international best practices and standards across a range of issues, including but not limited to:





CYBER RESILIENCE

We have established a rigorous Data Privacy & Security Policy and Cybersecurity Program.

We have committed to the following:



Governance structures in place for privacy management



Regular employee training on data privacy management



Data subjects can access their accounts to erase, rectify, complete or amend personal information



Clear and accessible mechanisms for data subjects to raise concerns about data privacy



Regular privacy risk assessments or audits on the company's technologies and practices affecting user data



Managed in accordance with ISO 27001



Regulatory framework for cybersecurity management in place



Operational steps to monitor and address data breaches and cyberattacks



Regularly implement internal security audits, vulnerability analyses, and penetration tests of the company's systems, processes, and procedures that touch on user data



Conduct recurring external security audits or vulnerability evaluations of our systems, products, and procedures that influence user data



Host regular training on cybersecurity issues for employees



PARTNERSHIPS

Membership/partnership: PRI, Climate 100+, SASB, TCFD. Founding member of Vietnam Institute of Directors (VIOD).

We collaborate with leading global organizations to bring ESG best practices to Vietnam. We are an active signatory of the world's leading ESG initiatives such as the UN-supported Principles for Responsible Investment (PRI) and the Sustainability Accounting Standards Board (SASB). We have also established working relationships with leading international development agencies and other leading investment managers to share the common vision of enhancing ESG capacity in Vietnam.

VinaCapital received "Most Responsible Investor" award from the Pacific Basin Economic Council.





Ho Chi Minh City | Hanoi | Singapore

17th Floor, Sun Wah Tower
115 Nguyen Hue, District 1, HCMC, Vietnam

Email: ir@vinacapital.com

Website: www.vinacapital.com

Hotline: 1900 63 65 53

