

# VinaCapital Group ESG Report 2025

Reporting period: 1 July 2024 – 30 June 2025





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## About this report

VinaCapital Group’s ESG Report (hereinafter referred to as “the Report”) provides stakeholders with material data and information regarding VinaCapital’s ESG practices in its investments from 1 July 2024 to 30 June 2025. The content of the Report is based on internal analysis and reliable documents and sources. Throughout the Report, terms such as “VinaCapital,” “VCG,” “Company,” or “We” refer to VinaCapital Group.

Readers should be aware that the report includes opinions and forward-looking statements. VinaCapital acknowledges that risks and uncertainties related to various factors could impact its future operating performance and business conditions. Therefore, we advise readers to use these forward-looking statements judiciously, as they may not necessarily reflect actual conditions in the future. The tables and charts in the Report present numeric data using standard English notation. Numerical values in the text also adhere to the English notational standard.



# Chapter 1. About VinaCapital

## Creating Prosperity Together

VinaCapital is passionate about Vietnam and its future. For over 20 years, we have been investing in the country and its people and participating in the development of this vibrant country. We are also investing for the country, working to make investments and financial planning more understandable and accessible to everyone.

At VinaCapital, responsible investment is integral to what we do. We are committed to integrating environmental, social, and governance (ESG) factors into our investment processes and decisions, to better manage risk, and ultimately, to generate sustainable, long-term returns for our investors.



## A MESSAGE FROM OUR CEO & FOUNDING PARTNER



The past 12 months have been a defining period for global sustainability. Election outcomes in more than sixty countries are reshaping energy strategies and policies, while geopolitical shifts continue to test corporate resilience. According to a report from the International Finance Corporation<sup>1</sup>, climate mitigation and adaptation needs in emerging markets and developing economies are significant, with estimates ranging between USD 1.7 trillion and USD 3.4 trillion annually by 2030 – an amount that cannot be financed by the public sector alone, underscoring the urgent need for scaled-up private capital mobilisation.

Vietnam stands at a critical turning point. As the country advances toward its 2045 vision of becoming a high-income economy, sustainable growth has become essential. Resolution No. 68/NQ-TW (2024) reinforces this direction, positioning the private sector as a key driver of national transformation and promoting a green, circular, and sustainable economic model. By encouraging innovation and responsible entrepreneurship, it lays the policy foundation for mobilising domestic and international capital to finance Vietnam's green-growth and net-zero agenda.

This includes raising transparency standards, enhancing factory productivity, and deepening international integration to ensure competitiveness in a rapidly changing global economy.

At VinaCapital, we view this shift as both a responsibility and an opportunity. This moment marks a strategic transition for our firm as we strengthen our role as a catalyst for positive change - investing not only for financial returns but also for creating long-term value for communities, the environment, and future generations.

A large part of our work involves engaging with portfolio companies to strengthen their corporate governance framework and embed environmental and social factors into their operations. We recognise that meaningful change requires time, dialogue, and trust - especially in an emerging market context. Through stewardship and collaboration, we aim to shift mindsets, build internal capacity, and demonstrate how ESG integration can enhance resilience, improve productivity, open markets, attract long-term capital, and create shared value. This report includes a case study on green building that illustrates how our approach has supported companies on their sustainability journey.

**Don Lam**

<sup>1</sup>. International Finance Corporation. (2024). Climate Finance Factsheet: IFC Financial Institutions Group.



VINACAPITAL GROUP AT A GLANCE

Vietnam’s most diversified investment manager

Founded in 2003, VinaCapital is a leading investment management firm headquartered in Vietnam, with a diversified portfolio of approximately USD 3.7 billion in assets under management. VinaCapital is the only company investing across all asset classes in Vietnam. It manages a closed-end fund listed on the London Stock Exchange as well as open-ended funds for international and local investors that are distributed within Vietnam and internationally. The company also has partnerships with international investors in real estate, venture capital, energy and infrastructure, logistics and carbon credits.

\$3.7 BN

ASSETS  
UNDER  
MANAGEMENT

22 YEARS

PASSIONATELY  
INVESTING IN  
VIETNAM

200+

PROFESSIONALS,  
GLOBAL EXPERIENCE  
LOCAL EXPERTISE

Asset Management

International funds:

- VinaCapital Vietnam Opportunity Fund (VOF)
- Forum One - VinaCapital Vietnam Fund (VVF)
- VinaCapital Ventures

Local funds:

- VinaCapital Equity Special Access Fund (VESAF)
- VinaCapital Equity Opportunity Fund (VEOF)
- VinaCapital Modern Economy Equity Fund (VMEEF)
- VinaCapital Dynamic Dividend Equity Fund (VDEF)
- VinaCapital VN100 ETF (FUEVN100)
- VinaCapital Enhanced Fixed Income Fund (VFF)
- VinaCapital Liquidity Bond Fund (VLBF)
- VinaCapital Insights Balanced Fund (VIBF)

Alternative Platforms

Real Estate  
(VinaLiving)

Energy & Infrastructure

Logistics  
(Vietnam Logistics Growth Platform)

Carbon Credits and Forestry  
(VinaCarbon)

22 YEARS: OUR ESG EVOLUTION

We continue to apply the best investment practices that create long-term value for investors, communities, and the environment

2025

VinaCarbon, a carbon credit platform is launched

VVF is classified under Article 8 Sustainable Finance Disclosure Regulation

VinaCapital Modern Economy Equity Fund (VMEEF) is launched

Launched Vietnam Logistics Growth Platform in partnership with A.P. Moller Capital

2023

Co-founded The Institute for Circular Economy Development



2020

VinaCapital Ventures, a technology venture capital platform, is launched

Sign on to the United Nations Principles for Responsible Investment

2018



Partnered with Warburg Pincus to create Lodgis, a leading hospitality platform in Southeast Asia

2016

VinaCapital Equity Opportunity Fund (VEOF) is launched

2014

VinaLiving, a real estate development brand, is launched



2010

VinaCapital is founded  
VinaCapital Vietnam Opportunity Fund (VOF) is launched on the London Stock Exchange with a \$10mn AUM

2003

2024

VinaCapital Dynamic Dividend Equity Fund (VDEF) is launched, focusing on dividend-producing equities

2021

Partnered with GS Energy to develop the Long An LNG power plant



2019

Energy investment platform is launched  
SkyX Solar is established  
Co-investment fund is established  
VIBF is launched

2017

Co-founded and sponsored the Vietnam Institute of Directors



VinaCapital Equity Special Access Fund (VESAF) is launched

2015

The Forum One - VinaCapital Vietnam Fund (VVF), a UCITS fund domiciled in Luxembourg, is launched

2013

VinaCapital Enhanced Fixed Income Fund (VFF), the first domestic open-ended fund in Vietnam, is launched

2006

VinaCapital Foundation is established as a public charitable organisation





# Chapter 2. ESG at VinaCapital Group

**At VinaCapital, our ESG journey begins with us.** We have established strong policies and governance structures to embed sustainability into our culture. Clear metrics and regular monitoring ensure accountability and progress. By leading from within, we set the standard for our partners and portfolio companies.



## FROM VISION TO ACTION: TRACKING OUR ESG ACTIONS



**Brook Taylor**  
CEO – Asset Management  
Group COO

“

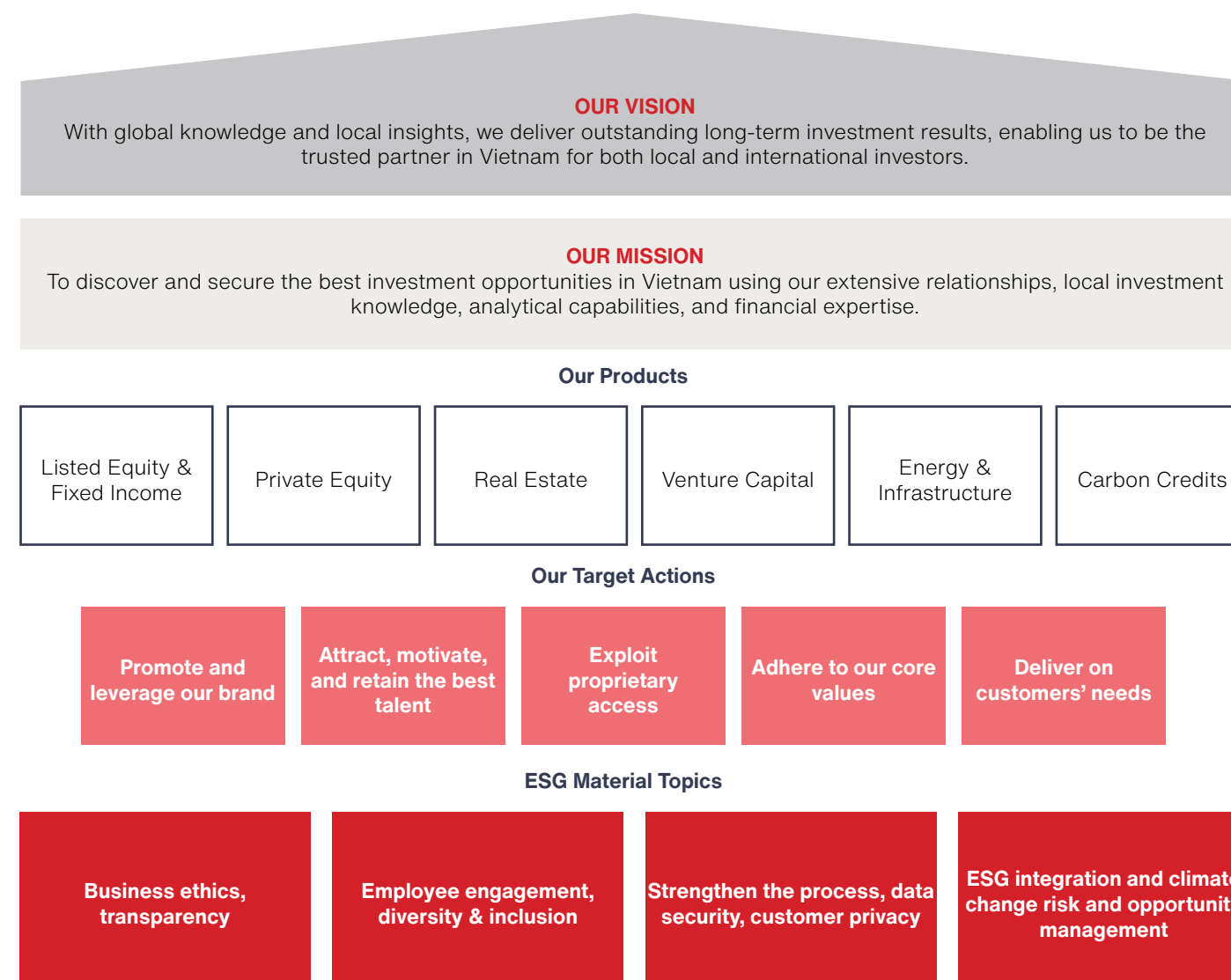
**By pinpointing the most relevant ESG-related risks specific to our business, we can make an impact that truly matters.**

”

We identified our most relevant material ESG topics (see *VinaCapital Group’s ESG report 2024*) including:

- Business Ethics, Transparency & Fair Advice for Customers
- ESG Integration, Climate Change
- Data Security, Customer Privacy
- Diversity, Engagement & Inclusion

**Figure 2.1: ESG Vision and Mission**





Integrating ESG into investment decisions enables VinaCapital to safeguard long-term value and meet client needs while strengthening its reputation as a responsible asset manager. By supporting United Nations Sustainable Development Goal (UNSDG) 12 on Responsible Consumption and Production through circular economy and sustainable real estate, and UNSDG 13 on Climate Action via renewable energy and net-zero strategies, we advance sustainable growth. Collaboration with regulators, industry peers, and global networks also drives UNSDG 17 on Partnerships for the Goals, ensuring our growth aligns with national and global climate commitments.

Figure 2.2: 2025 Achievements and Moving Forward



Topic	2025 Achievements	2026 and Looking Forward
ESG Training & Internal Sharing	<ul style="list-style-type: none"><li>Delivered responsible investment training for new hires through online and offline sessions with assessments, and hosted a quarterly knowledge sharing meetings</li></ul>	<ul style="list-style-type: none"><li>Conduct responsible investment refresher training annually</li></ul>
Funds & Platforms ESG Integration	<ul style="list-style-type: none"><li>Established ESG integration policies</li></ul>	<ul style="list-style-type: none"><li>Achieve full ESG integration across all funds and platforms, tailored to the characteristics of each asset-management service</li></ul>
Climate Risk & Opportunity Assessment	<ul style="list-style-type: none"><li>Deployed Climate Policy and conducted initial climate risk assessments</li></ul>	<ul style="list-style-type: none"><li>Complete climate-risks and opportunities assessments for all funds/platforms;</li><li>Integrate findings into investment strategy and public reporting</li></ul>
GHG Emissions Scope 1 & 2	<ul style="list-style-type: none"><li>Monitored annual inventory for 2023 and 2024</li></ul>	<ul style="list-style-type: none"><li>Set and disclose annual reduction targets; publish trend analyses to show progress</li></ul>
GHG Emissions Scope 3	<ul style="list-style-type: none"><li>Initiated data collection from investee companies</li></ul>	<ul style="list-style-type: none"><li>Initiate data collection from investee companies; set intensity-reduction targets and integrate into investment decision-making</li></ul>
Net Zero 2050 Commitment	<ul style="list-style-type: none"><li>Reviewed net zero 2050 commitment</li></ul>	<ul style="list-style-type: none"><li>Prepare a science-based net-zero strategy;</li><li>Implement roadmap with interim targets; align investments with Vietnam’s net-zero 2050 commitment</li></ul>
Proxy Voting Policy & System	<ul style="list-style-type: none"><li>Established an e-voting system to record proxy votings at investee companies</li></ul>	<ul style="list-style-type: none"><li>Conduct annual policy reviews;</li><li>Integrate ESG-linked voting guidelines</li></ul>
Stewardship & Engagement	<ul style="list-style-type: none"><li>Defined key stewardship themes</li></ul>	<ul style="list-style-type: none"><li>Publish and execute a rolling five-year stewardship plan; embed engagement outcomes into investment decisions; disclose progress in ESG reports</li></ul>

VCG believes that responsible businesses and good workplaces are key drivers of the UN Sustainable Development Goals. By strengthening ethics, transparency, and accountability, we help build institutions that foster trust under SDG 16 – Peace, Justice and Strong Institutions. Our focus on inclusion, diversity, and employee growth promotes equal opportunity and decent work under SDG 5 – Gender Equality and SDG 8 – Decent Work and Economic Growth. Strengthened data security and responsible practices further support innovation and sustainable production under SDG 9 – Industry, Innovation and Infrastructure and SDG 12 – Responsible Consumption and Production.

Figure 2.2: 2025 Achievements and Moving Forward (cont.)



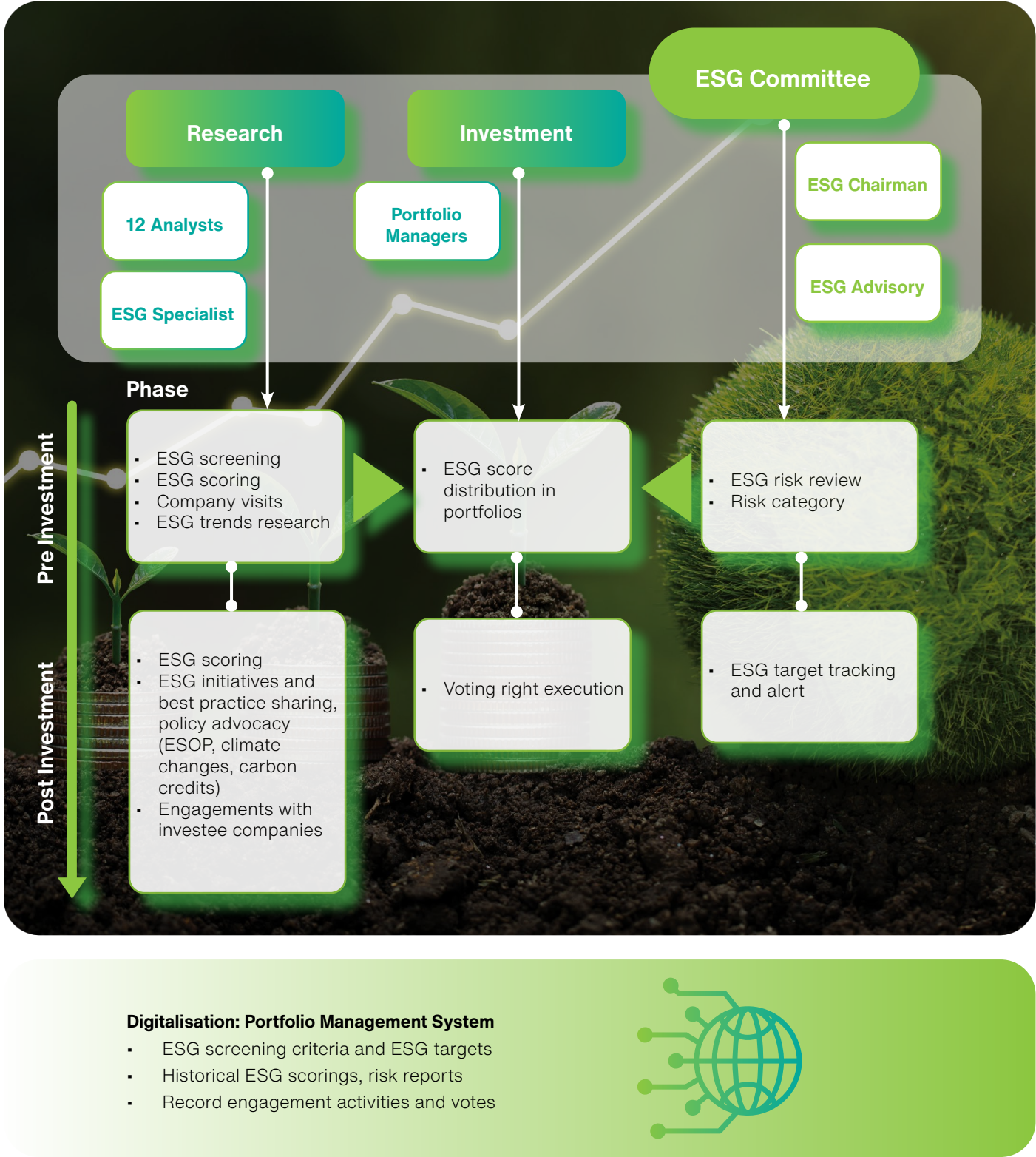
Topic	2025 Achievements	2026 and Looking Forward
Business Ethics, Transparency	<ul style="list-style-type: none"><li>Trainings</li><li>Reviewed compliance processes on insider trading, anti-trust, and market conduct; enhanced whistle-blower channels.</li><li>Tracked and reported legal proceedings or monetary losses, targeting zero incidents</li></ul>	<ul style="list-style-type: none"><li>Maintain robust internal controls to minimise legal/regulatory risks and build client trust</li><li>Publicly disclose progress on governance, compliance, and incident prevention as part of ESG reporting</li><li>Strengthen a culture of ethics and transparency through consistent communication, role-modeling by leadership, and periodic learning and dialogue—going beyond traditional training</li></ul>
Employee Engagement Diversity & Inclusion	<ul style="list-style-type: none"><li>Provided onboard training programs</li><li>Professional development &amp; employee training sponsorship (CFA, Fund Management License)</li><li>Monitored turnover rates</li><li>Monitored training hours</li></ul>	<ul style="list-style-type: none"><li>Build an inclusive, skillful workforce with strong internal mobility and low turnover</li><li>Achieve measurable progress in gender representation and leadership diversity (&gt;20% females on the Board of Management)</li><li>Maintain VinaCapital’s position as an employer of choice in Vietnam’s financial sector by preserving clear career paths and a strong culture of continuous learning</li></ul>
Strengthen the System, Data Security & Customer Privacy	<ul style="list-style-type: none"><li>Number of process reviews/audits: 10</li><li>Average time to close audit findings: 3 months</li><li>Number of process improvements implemented: 30</li></ul>	<ul style="list-style-type: none"><li>Achieve best-in-class international data security and privacy standards</li><li>Advance system upgrades and digital safeguards to stay ahead of evolving cybersecurity and privacy expectations</li><li>Expand company-wide training so every employee understands and applies best practices in compliance, risk management, and data protection</li><li>Enrich client communication and disclosure on products and responsible-investment standards to reinforce trust and transparency</li></ul>



GOVERNANCE INDICATORS

ESG responsibilities are embedded across all levels of VinaCapital, with strategic oversight from the Board and support from a cross-functional core ESG team. The Investment Team integrates ESG factors throughout the investment process, while the ESG Committee ensures independent oversight. A digital portfolio management system tracks ESG scores, targets, and engagement, enabling consistent application and continuous improvement of ESG practices firm-wide.

Figure 2.3: ESG roles and responsibilities in our investment process



Risk Management System

VinaCapital maintains a comprehensive risk management system that integrates international best practices with strong internal oversight to ensure integrity, compliance, and data protection. We have a dedicated Risk and Compliance Department and an Internal Audit team that provide ongoing review and continuous improvement. Our risk framework includes a wide range of policies, such as:

- Anti-Fraud and Anti-Corruption and Bribery
- Code of Conduct
- Whistleblower Policy
- Compliance Policy
- Anti-Money Laundering and Know Your Customer Policy
- Information Security Policy
- Customer Data Protection Policy
- Financial Crime and Cybersecurity Risk Awareness

We are also deeply committed to safeguarding personal data, in strict adherence with applicable laws and enhanced internal standards, reflecting our commitment to putting clients and partners at the center of everything we do.

Figure 2.4: Reporting of VCG's Governance Key Performance Indicators

Topic	Metrics	Results (30 June 2024-1 July 2025)
Compliance	Regulatory Compliance	Fully comply
	Business Ethics	Fully comply
Business Ethics	Anti Bribery & Whistleblowing System	Fully comply
	Data Privacy	No data leaks
Data Privacy & Security	Cyber Security	100% of new hires completed cybersecurity e-learning and classroom training



Our Stakeholder Engagement Plan

By actively engaging with stakeholders, VinaCapital aims to enhance its ESG performance and create long-term value. VinaCapital engages with all key stakeholder groups: investors, portfolio companies, employees, community, and government/regulators. The main engagement methods are direct business meetings, training/seminars, community programs, and regulatory collaboration. Social media and other communication channels are leveraged to ensure transparency, alignment, and broader outreach.

Figure 2.5: Stakeholder engagement plan

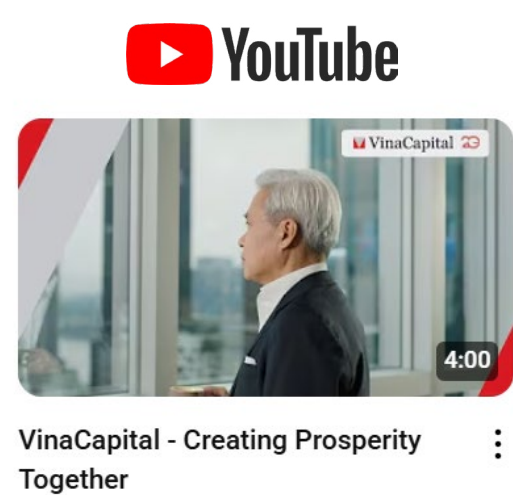
Stakeholders	Engagement method	Reference in the Report
Investors	Reports Announcements General and other investor meetings Company website Social media Quarterly webinars	Annual Investor Conference
Portfolio companies	Business meetings Site visits AGMs/EGMs Correspondence	AGM Voting in Numbers Engagement in Numbers
Employees	Training activities/seminars Annual Staff Conference Quarterly internal newsletters	Employee programs
Community	Community events Training/knowledge sharing VinaCapital Foundation activities	Onsite activities
Government	Regulated reports Written and electronic correspondence Forum discussions	VinaCapital facilitates dialogue with authorities to capitalize on opportunities in Vietnam

**VinaCapital Investor Conference:** we have hosted conferences for international investors to share insights about Vietnam since 2005. In the last three years, we have hosted annual investor conference for our local funds and ETFs investors.

We continuously provide updates to investors via our website and a range of social media channels including YouTube and LinkedIn. Our market insights cover a range of topics such as:

- Vietnam Economic and Market Updates
- Vietnam by Numbers - A set of key economic and sector data compiled and updated by VinaCapital's research team
- Periodic Economist's Notes, covering timely issues relating to Vietnam's economy

Figure 2.6: Our YouTube channel



ENVIRONMENTAL INDICATORS

VinaCapital fully complies with environmental protection regulations in both its operations and investments. With an office for more than 200 employees, VinaCapital's greenhouse gas (GHG) emissions primarily stem from energy usage, such as fuel consumption for company-owned vehicles and electricity consumption in office spaces. On average, VinaCapital's GHG emissions and water consumption per employee in the reporting period were 1.63 tons of CO2 per person and 17.5 m³ per person, respectively. Total GHG emissions increased slightly from 314 to 338 tons CO₂e, mainly due to the rise in employee numbers. During this reporting period, the company began reporting electricity and water consumption. The environmental reporting metrics VinaCapital reports are presented in the table below:

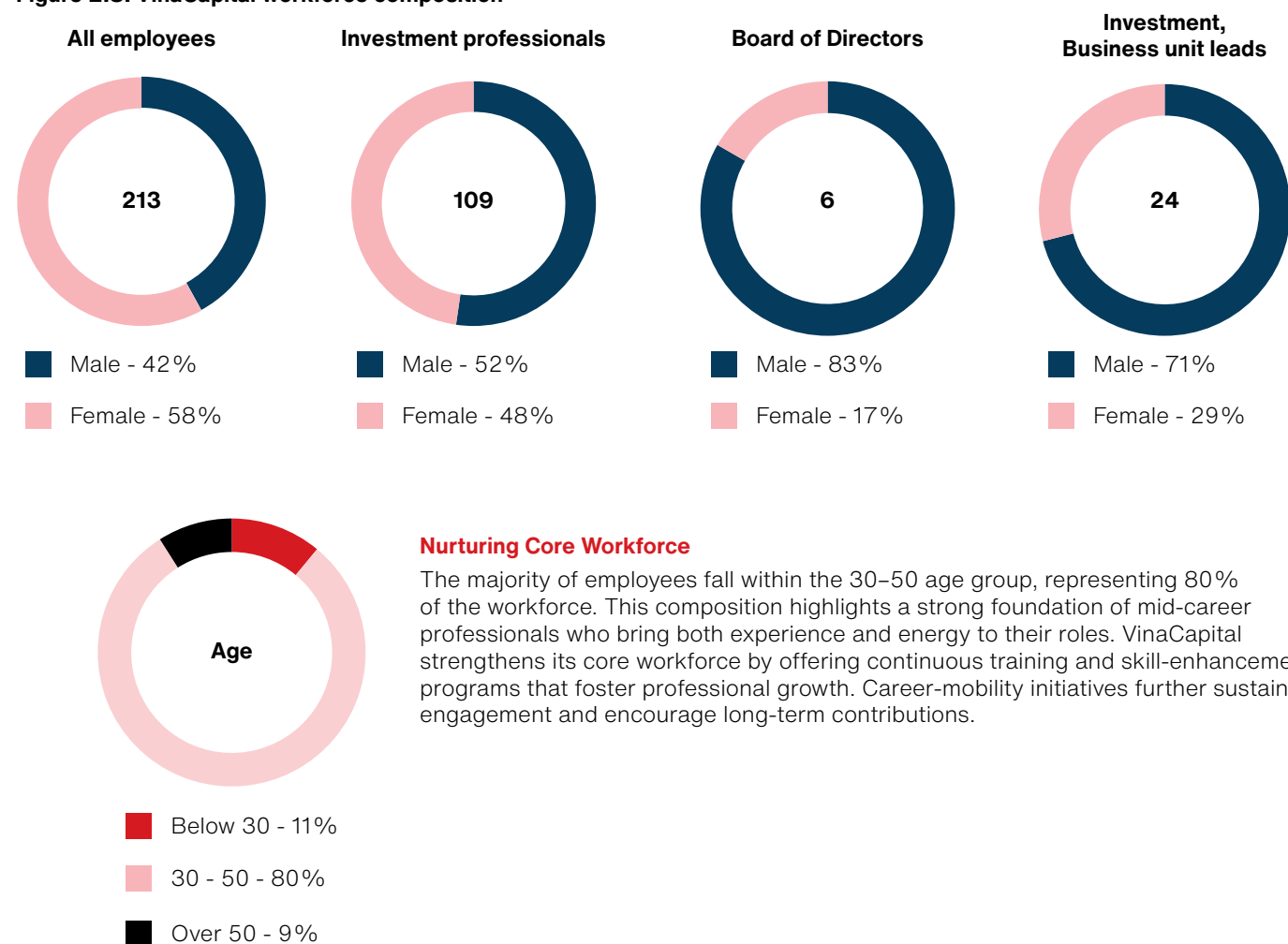
Figure 2.7: VinaCapital Group's Environmental Performance

No.	Reporting Metrics	Unit of Measurement	1 July 2023 to 30 June 2024	1 July 2024 to 30 June 2025
	Total direct GHG emissions (Scope 1) and indirect (Scope 2).	ton CO <sub>2</sub> equivalent	314	338
1	Scope 1 GHG emission (from the consumption of fuel in company-owned vehicles)	ton CO <sub>2</sub> equivalent	43	56
	Scope 2 GHG emission (from the consumption of electricity in Ho Chi Minh City, Hanoi and Singapore offices)	ton CO <sub>2</sub> equivalent	271	282
2	Total electricity consumption	kWh	-	513,295
3	Total water consumption	m³	-	3,548
4	Fines for violating environmental regulations	Time(s)	0	0



## SOCIAL INDICATORS

Figure 2.8: VinaCapital workforce composition



### Nurturing Core Workforce

The majority of employees fall within the 30–50 age group, representing 80% of the workforce. This composition highlights a strong foundation of mid-career professionals who bring both experience and energy to their roles. VinaCapital strengthens its core workforce by offering continuous training and skill-enhancement programs that foster professional growth. Career-mobility initiatives further sustain engagement and encourage long-term contributions.

Figure 2.9: VCG trainings and social club



### New Hire Orientation Training

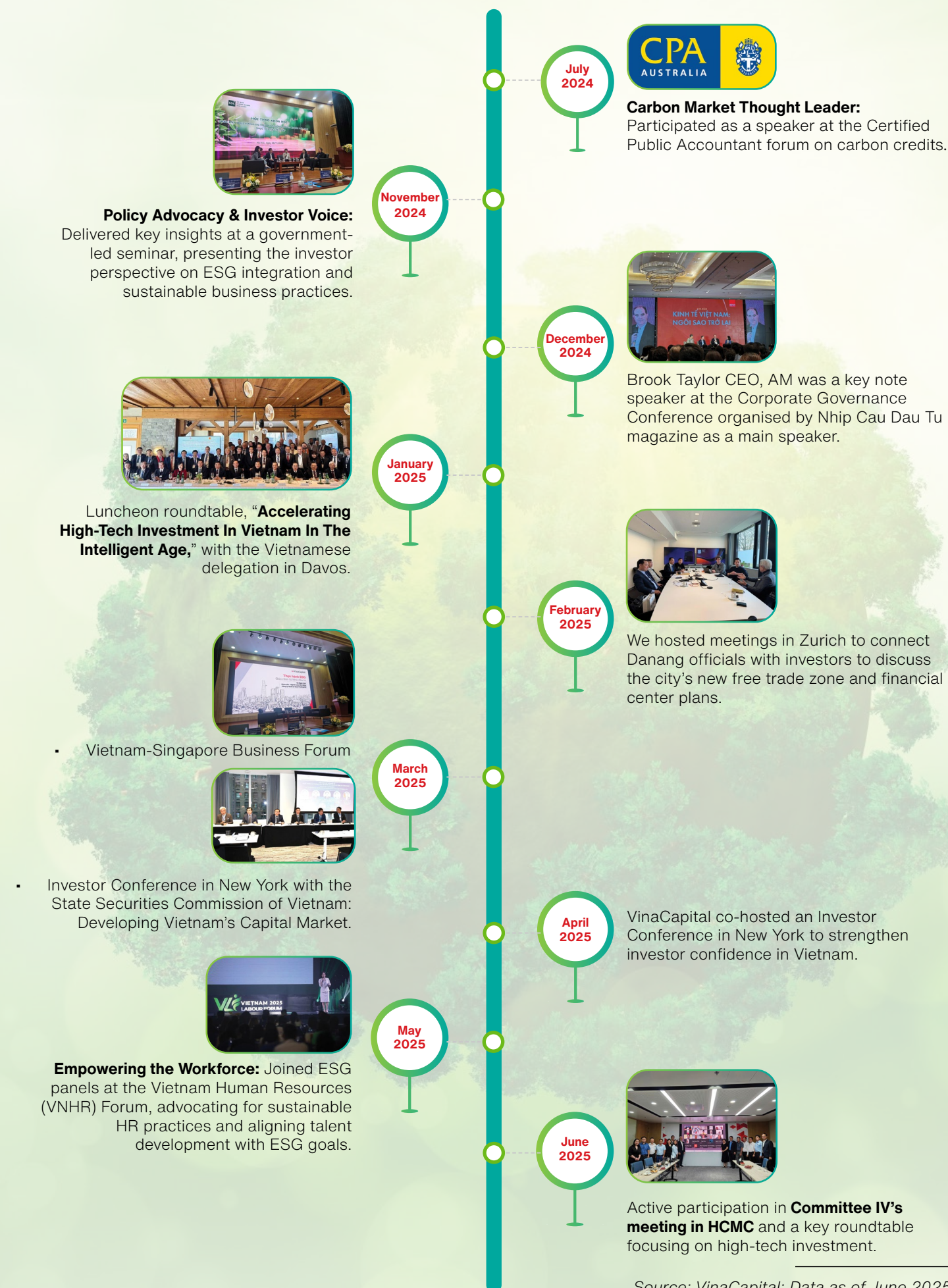
We provide orientation through classroom sessions and online modules. This year, we added an ESG module with assessments and refreshed cybersecurity training to improve threat detection and prevention.

### Professional Development

The Company offers each employee an average of three to four days of training annually.

Source: VinaCapital; Data as of June 2025

## Facilitating dialogues to better capitalise on opportunities in Vietnam



Source: VinaCapital; Data as of June 2025





Founded in 2006, the VinaCapital Foundation aims to empower the children and women of Vietnam by providing opportunities for growth and improvement through health and education programs. The work of VCF touches the lives of thousands of Vietnamese children in all provinces every year.  
Find out more at: [vinacapitalfoundation.org](https://vinacapitalfoundation.org)



Source: VinaCapital Foundation, as of December 2024

## Chapter 3. ESG integration in our investments

“

ESG integration is at the core of our responsible investment approach. At VinaCapital, we incorporate environmental, social, and governance (ESG) factors into every investment decision to better manage risk and deliver sustainable, long-term returns. This chapter highlights how we evaluate and select investments using rigorous ESG criteria, ensuring alignment with global standards while adapting to the unique dynamics of the Vietnamese market.

”



Alex Hambly  
Group CIO

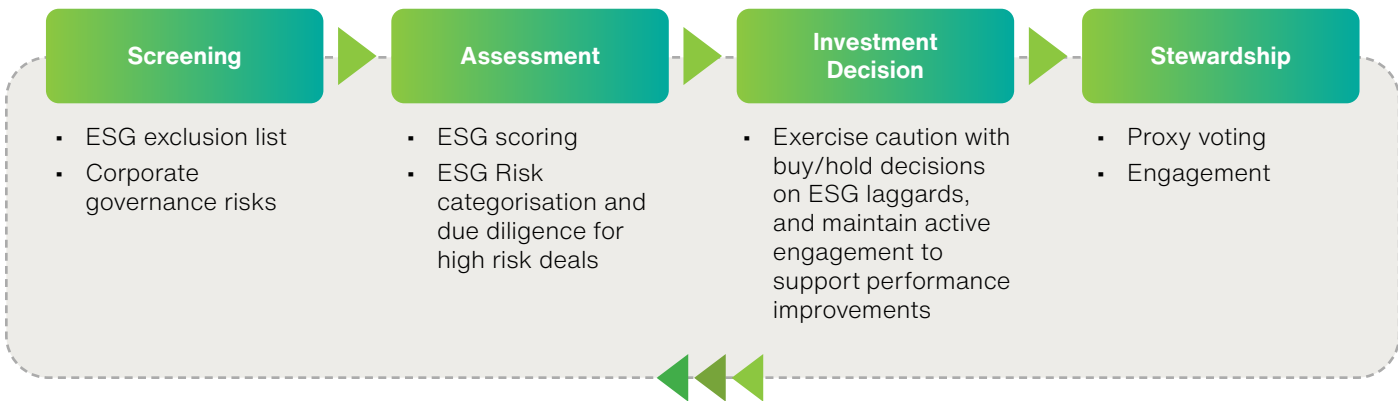




OUR APPROACH TO ESG INTEGRATION

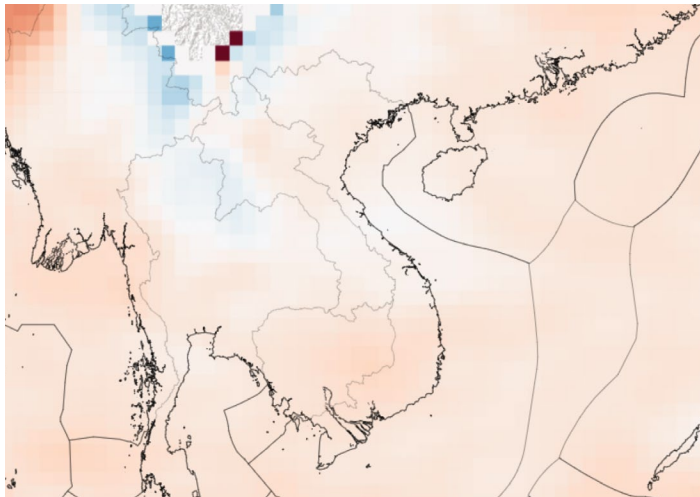
**ESG integration in our investment process** VinaCapital has been a signatory to the UN Principles for Responsible Investment since October 2018. We have continuously updated our Responsible Investment Policy as necessary as a signatory. Our approach for listed equity investment follows the globally recognised standards for responsible investment:

Figure 3.1: ESG integration in our process



We follow guidance from the Task Force on Climate-related Financial Disclosures (TCFD) to develop our **Climate Policy** (which was detailed in the 2024 VinaCapital ESG report). Our climate policy will help us assess the adaptation readiness of the investment and then facilitate engagement and discussion with the investees regarding improving climate change management

Figure 3.2: Projected tropical cyclones SSP2-4.5, 2035-2064, centered on 2050



Source: World Bank — Climate Knowledge Portal. “Projected Number of Storms per Year in a 0.5° Grid for the Selected Category and Higher (Left) vs Anomaly as Fractional Change Between the Historical and the Projected Periods Based on Selected Intensity Level or Higher (Right) (CHAZ, SSP2-4.5, 2035-2064, centred on 2050; median; Tropical Storms).” Vietnam. Accessed 19 September 2025.

Metrics and Targets

The table shows our metrics regarding our climate risk management on our investment portfolio:

Figure 3.3: Metrics and targets to manage climate risks of our investments

Desired Outcomes	Metrics
Climate adaptation strategy, policy and roadmap	Yes or No
GHG reduction/net zero	Tonnes CO <sub>2</sub> e
Energy efficiency in place	Watts
Climate risks managed	Amount or Percentage
Climate opportunities captured	Amount or Number

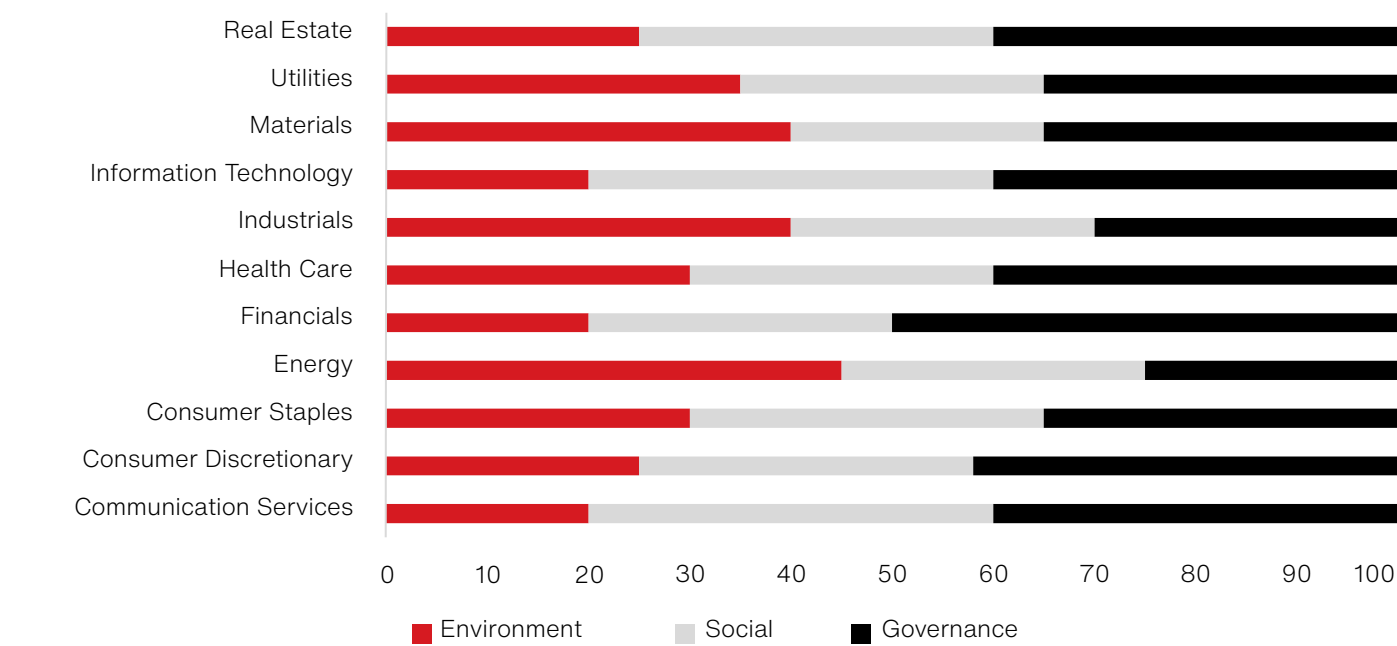
ASSET MANAGEMENT

Our ESG Scoring Methodology

Our ESG assessment tool, adapted from Sustainability Advantage and based on B Lab’s SDG Action Manager and the Future-Fit Business Benchmark, is customized for the Vietnamese market. Research analysts assign ESG scores using data from public sources, interviews, site visits, and management meetings.

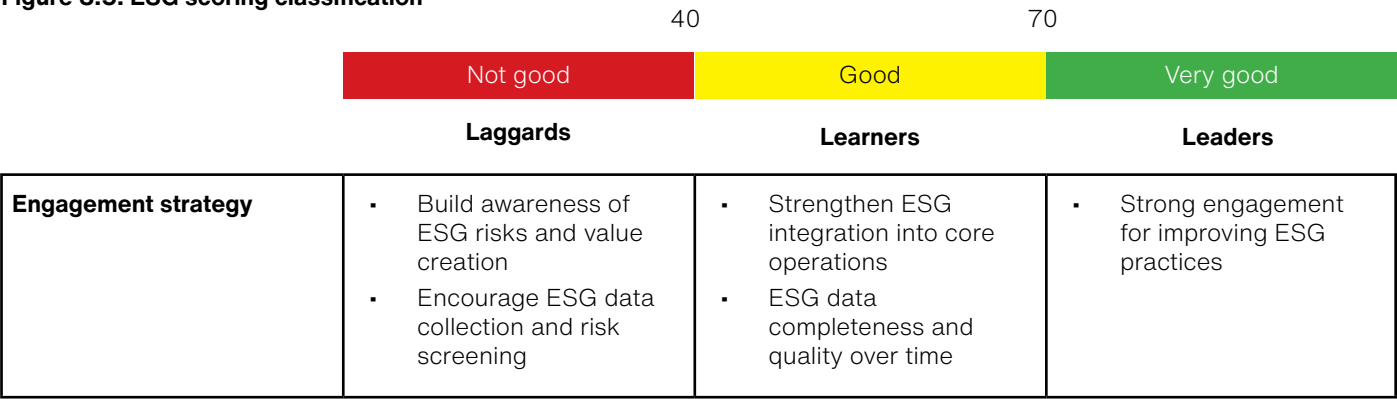
The 100-point scorecard includes 220 questions across 20 E, S, G themes—covering governance, ethics, environmental impact (e.g., energy, water, emissions), employee welfare, and community engagement. Figure 3.4 below illustrates the relative weighting of E, S, G factors across different sectors in our scoring framework.

Figure 3.4: Weight per sector



Our ESG scores are stored and tracked within our Portfolio Management System (PMS) software. Based on ESG scoring results, we classify companies into the three categories:

Figure 3.5: ESG scoring classification





ESG Scoring

Our latest assessment highlights the Top 10 ESG performers, led by FPT Corporation, Vinamilk, and Imexpharm. These companies stand out for strong governance, climate-related transparency, and sector-relevant ESG integration. Other high-performing names include Bao Viet Insurance, Gemadept and Nam Long Group.

The slight decline in FPT’s score reflects concerns over workforce restructuring. For banks, ESG scores are adjusted to account for the share of loan portfolios allocated to green financing.

Figure 3.6 ESG score distribution of VCG’s investment universe

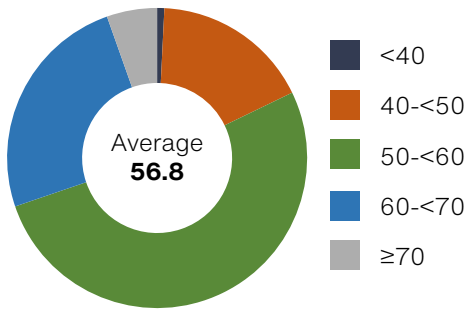


Figure. 3.7 Top 10 best ESG performance in our listed investment universe

No.	Company Name	Ticker		Sector	ESG Score 2024	ESG Score 2025
1	<a href="#">FPT Corporation</a>	FPT		Information technology	81.8	76.8
2	<a href="#">Vietnam Dairy Products</a>	VNM		Dairy	70.8	75.8
3	<a href="#">Imexpharm Pharmaceutical</a>	IMP		Pharmaceuticals	73.8	73.8
4	<a href="#">Bao Viet Insurance</a>	BVH		Insurance	64.7	70.7
5	<a href="#">FPT Telecom</a>	FOX		Telecom	70.3	70.0
6	<a href="#">Gemadept</a>	GMD		Logistics	71.1	69.0
7	<a href="#">Nam Long Group</a>	NLG		Real estate	67.9	68.8
8	<a href="#">Bank for Investment and Development of Vietnam</a>	BID		Bank	62.5	67.5
9	<a href="#">Vietinbank</a>	CTG		Bank	66.8	67.4
10	<a href="#">Asia Commercial Bank</a>	ACB		Bank	72.8	67.4

Additionally, we recognize notable year-on-year ESG improvements from companies such as **HPG**, **REE**, **BVH**, and **BID**, driven by initiatives like GHG inventory reporting, improved board structures, and the adoption of green building or climate resilience certifications.

Figure 3.8: Top 5 best improvements in ESG performance in the reporting period

Company	2025	Delta	Reasons
<b>HPG</b>	60.0	+6.0	<ul style="list-style-type: none"><li>Completed GHG Inventory Report (ISO 14064-1:2018) and Product Carbon Footprint Report (ISO 14067:2018) in Q2 2024, accompanied by a comprehensive list of energy efficiency initiatives and greenhouse gas (GHG) reduction measures.</li><li>Strong gender diversity at leadership level</li></ul>
<b>REE</b>	57.7	+6.1	<ul style="list-style-type: none"><li>Completed E.Town 6, which achieved Platinum LEED certification by Q2 2024, and E.Town 5, which earned EDGE certification.</li></ul>
<b>BVH</b>	70.7	+6.0	<ul style="list-style-type: none"><li>Calibrated to reflect the good practice of BVH regarding ESG disclosure information.</li></ul>
<b>DBC</b>	48.3	+5.9	<ul style="list-style-type: none"><li>Top management is increasingly more open to discussing ESG topics during business updates.</li></ul>
<b>BID</b>	67.5	+5.0	<ul style="list-style-type: none"><li>Sustainability Bond Framework (USD 122 million) in August 2024, becoming with the largest lender of green/sustainable loans to Dec 2024.</li></ul>

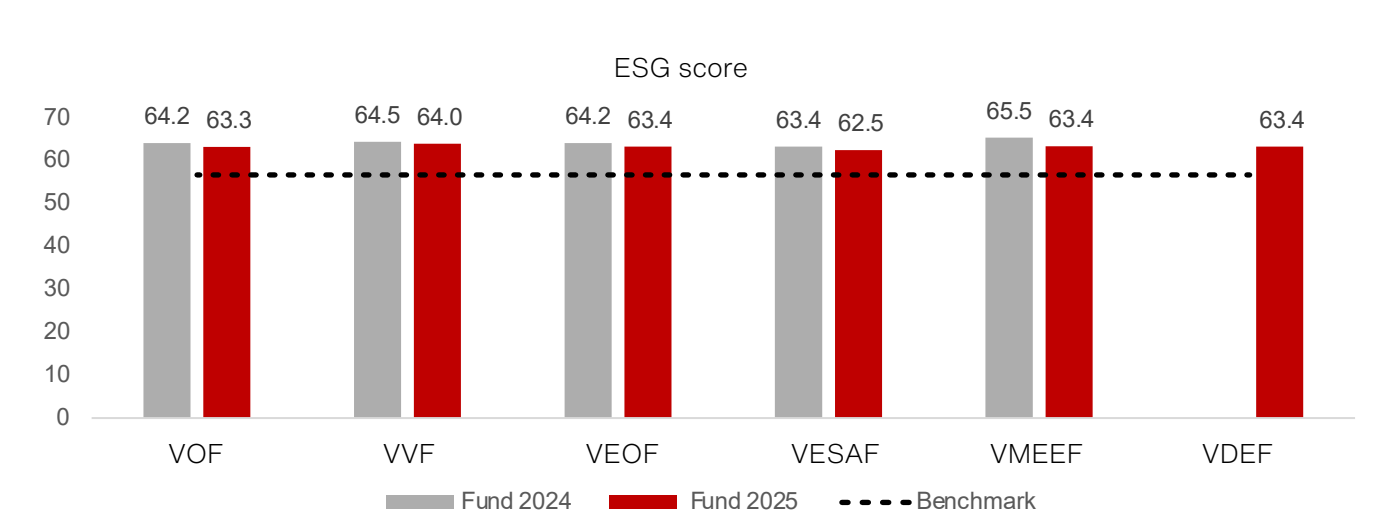
Source: VinaCapital; Data as of May 2025



Each of our funds typically holds 20–30 stocks. During the reporting period, we assessed the ESG performance of each fund based on its respective ESG score; each individual fund is benchmarked against VinaCapital’s investment universe. Across the portfolio, most funds maintained relatively stable performance year-on-year, with slight variations reflecting changes in underlying company ESG practices. Overall, the average fund scoring in 2025 was marginally lower than in 2024, reflecting ongoing adjustments in company practices and regulatory expectations. The gradual process signals that today’s disciplined stewardship will translate into stronger, more ESG performance in the years ahead.

VDEF, assessed for the first time, scored 61.5—positioning itself above the benchmark and demonstrating strong ESG characteristics.

Figure 3.9: 2025 ESG scoring of each fund



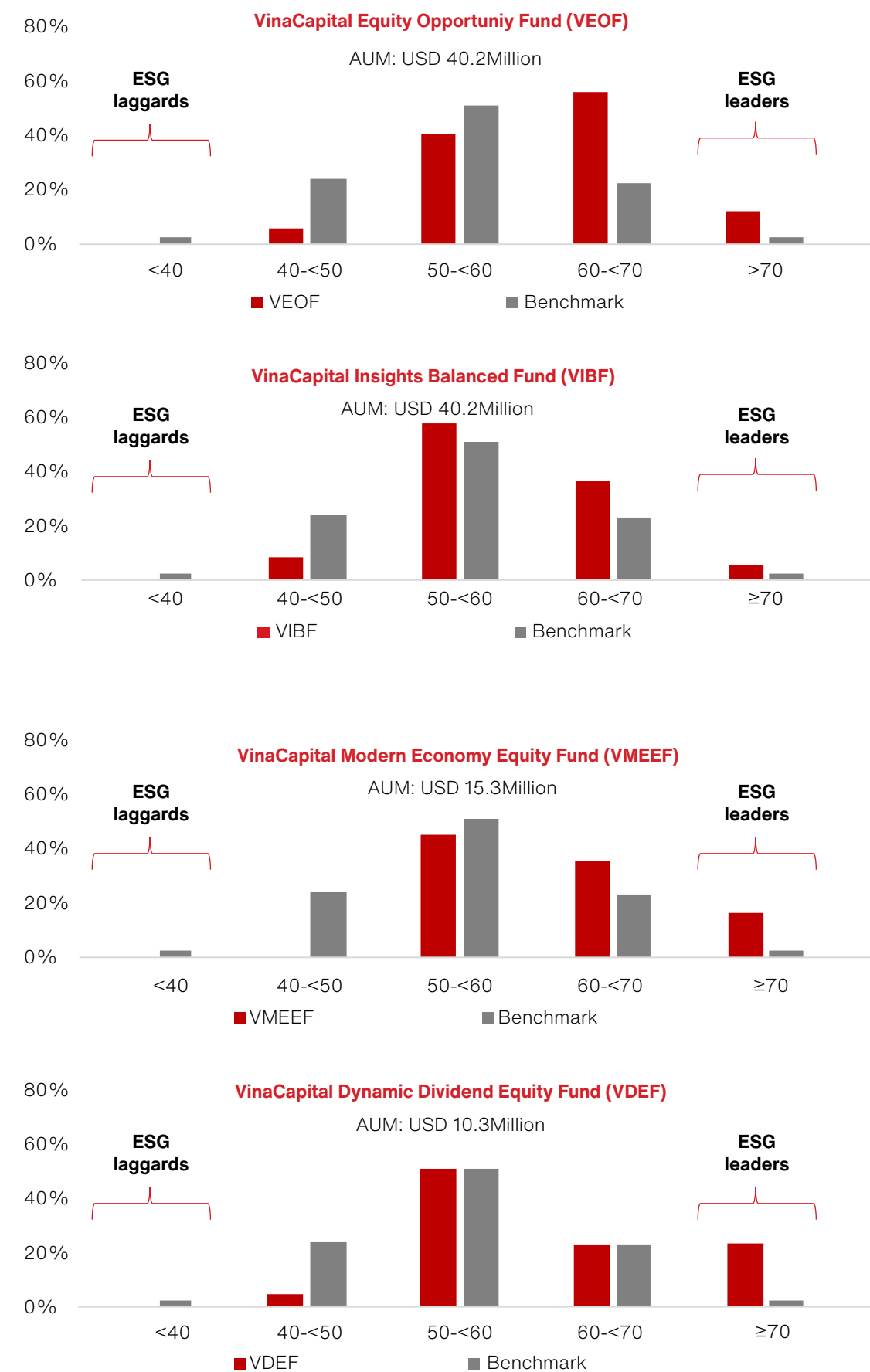
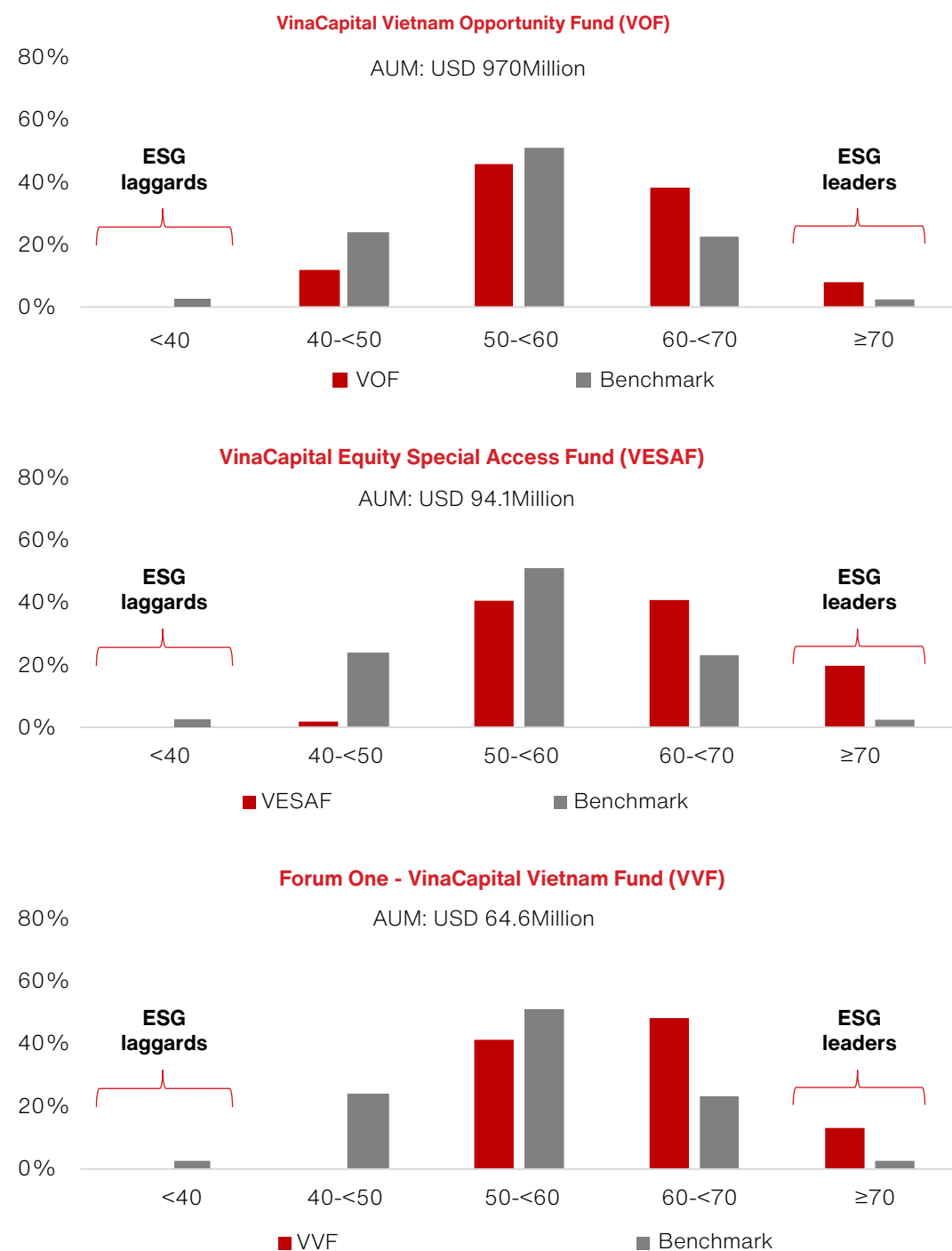
Source VinaCapital, as of June 2025



## ESG Score Distribution

Based on VinaCapital's ESG Score criteria, companies with scores above 70 are ESG leaders, while those below 40 are ESG laggards. Generally, VCG's funds hold fewer ESG laggards and more ESG leaders compared to the benchmark. The benchmark is detailed in appendix 2.

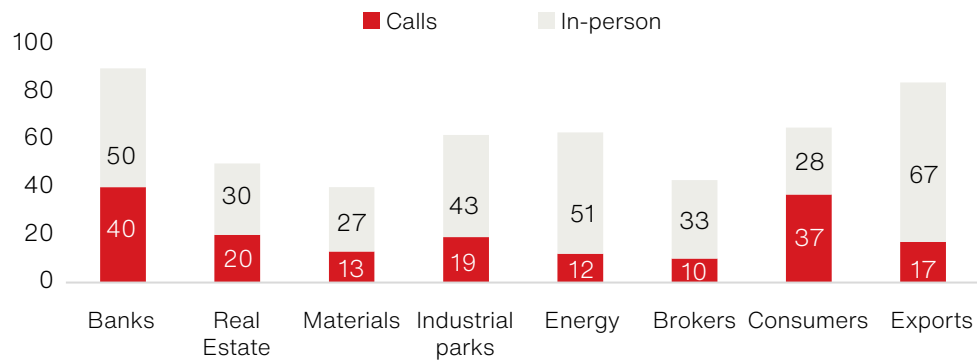
Figure 3.10: 2025 ESG score distribution of each fund





Engagement In Numbers

Figure 3.11: Number of in-person and telephonic engagements



During the reporting period, we engaged with investee companies in a total of 494 meetings. Among these, there were 168 calls and a notably higher number of 326 in-person meetings, reflecting our preference for face-to-face interactions across various sectors. We organized many engagements in sectors such as Banks, Exports, and Consumers with 90, 84 and 65 engagements, respectively.

Proxy Voting

We achieved a 91% voting participation rate. We voted for 1,234 out of 1,352 voting resolutions presented by 62 different companies. Of these, we agreed with management’s recommendation on 1,219, voted against on 6, and abstained on 9.

The majority of votes fell under the following categories:

- 476 routine business (33%)
- 215 ESG (mainly governance) (17%)
- 197 capitalisation (16%)

Figure 3.12: AGM voting results

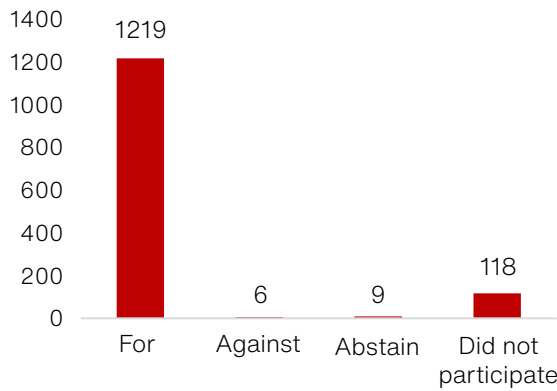
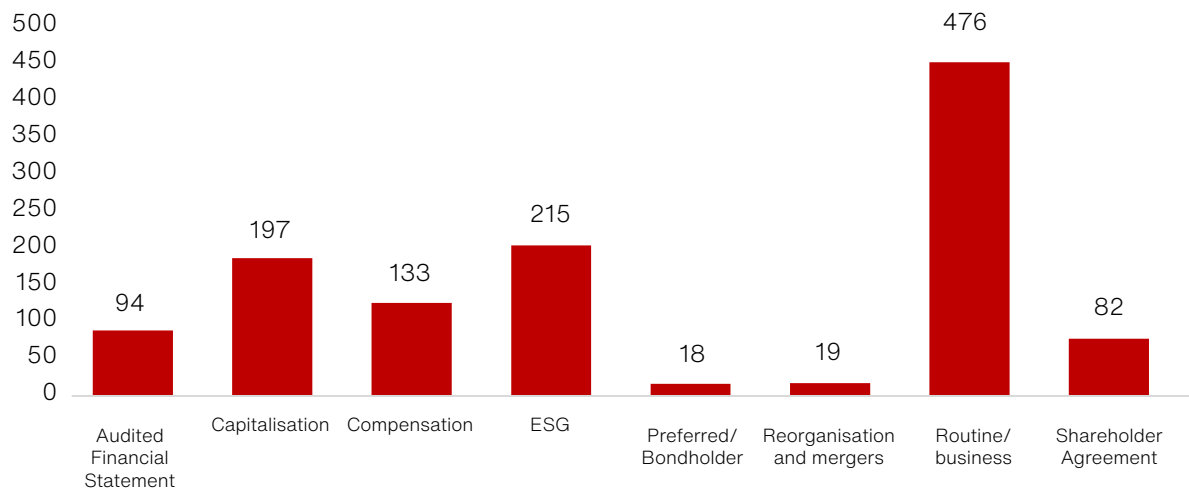


Figure 3.13: AGM resolution per topic



Source: VinaCapital; Data as of June 2025

ALTERNATIVE PLATFORMS

VinaLiving

Sustainable Design Integration

At VinaLiving, our passion lies in creating and delivering hospitality properties that blend beauty with sustainability. We firmly believe that the hospitality industry can and should adopt a more resource-efficient, lower-carbon approach. To demonstrate our commitment, we aim to achieve Excellence in Design for Greater Efficiencies (EDGE) certification—an international green building standard by IFC that promotes energy, water, and material efficiency—for 100% of our upcoming hospitality portfolio. Our vision goes beyond environmental impact to embrace social responsibility and strong governance. We create jobs, enhance community livelihoods, and balance shareholder interests through fair, effective project management.

VinaLiving hospitality portfolio is designed with a strong focus on environmental protection, resulting in lower GHG emissions compared to typical operations of similar properties. In September 2025, Maia Quy Nhon achieved the EDGE Final Certificate, with total GHG emissions amounting to 7,264 tons of CO<sub>2</sub> equivalent for the period from 1 July 2024 to 30 June 2025.

Figure 3.14: Our hospitality portfolio’s environmental performance



No.	Reporting metrics of Maia Quy Nhon	Previous period (ton CO <sub>2</sub> equivalent)	Current period (ton CO <sub>2</sub> equivalent)
1	Solar GHG savings	-	785
2	Total GHG emissions	8,535	7,264





## Energy And Infrastructure Platform

### Aligning with Vietnam's low carbon economy transition plan

Energy and Infrastructure investment platform's goals:

- Broaden our thematic investments to cleaner energy and sustainable infrastructure
- Develop essential renewable projects to improve the quality of the community
- Construct using sustainable principles

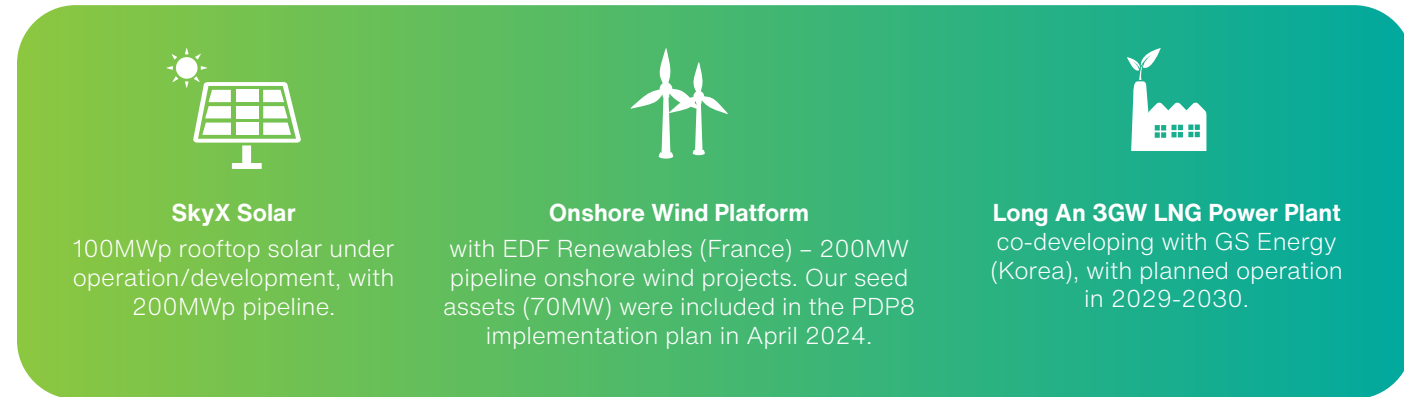


Figure 3.15: Our energy platform portfolio



## VinaCapital Ventures

### Digital transformation

We recognize that startup ventures face a wide range of challenges, resulting in them prioritising other aspects of their business beyond ESG. However, we encourage the startups we invest in to recognize the long-term value of ESG and encourage its integration via creating economic growth from their products/solutions, the social value creation, and the ability to create more jobs. VinaCapital Ventures' unique value proposition is that it can act as a launch pad for groundbreaking entrepreneurs to challenge the world and connect them with large corporates that are seeking technology innovation. By way of example:



INNOHAS, a South Korea-based food-tech startup, develops plant-based home meal replacements with a patented technology that naturally removes off-odors and enhances meat-like texture. Founded in 2021, the company promotes sustainable food innovation by advancing the taste and appeal of alternative proteins.



Sygnum is a global digital asset bank rooted in Swiss and Singaporean heritage, enabling secure crypto ownership through regulated infrastructure. Committed to ESG, Sygnum promotes a more inclusive, transparent, and sustainable digital finance ecosystem.

## Vietnam Logistics Platform

"Doing well by doing good" - A.P. Moller Capital

Our Logistics platform has partnered with A.P. Moller Capital's Emerging Markets Infrastructure Fund II (EMIF II) to invest in ALS Cargo Terminal (ALSC), an air-cargo handling company operating at Noi Bai International Airport since 2015.

EMIF II is an Article 9 fund under the EU Sustainable Finance Disclosure Regulation, meaning it pursues sustainable investments as its primary objective—supporting environmental or social goals, avoiding significant harm, and ensuring strong governance. Our partner is committed to measuring and managing both environmental and social impacts.

Through this investment we aim to deliver an Environmental and Social Action Plan that includes reducing greenhouse-gas emissions and strengthening ESG practices by:

- Adopting an ESG code and policies aligned with IFC Performance Standards 1, 2, 3 and 5.
- Implementing a short-, medium-, and long-term ESG plan with ambitious targets jointly pursued by the investment and management teams.

Figure 3.16: Photo of ALSC





VinaCarbon

Sustainable returns. Real impact

VinaCarbon commits to lead Vietnam sustainable development by investing in robust businesses that capitalise on the green transition and carbon credit opportunities.

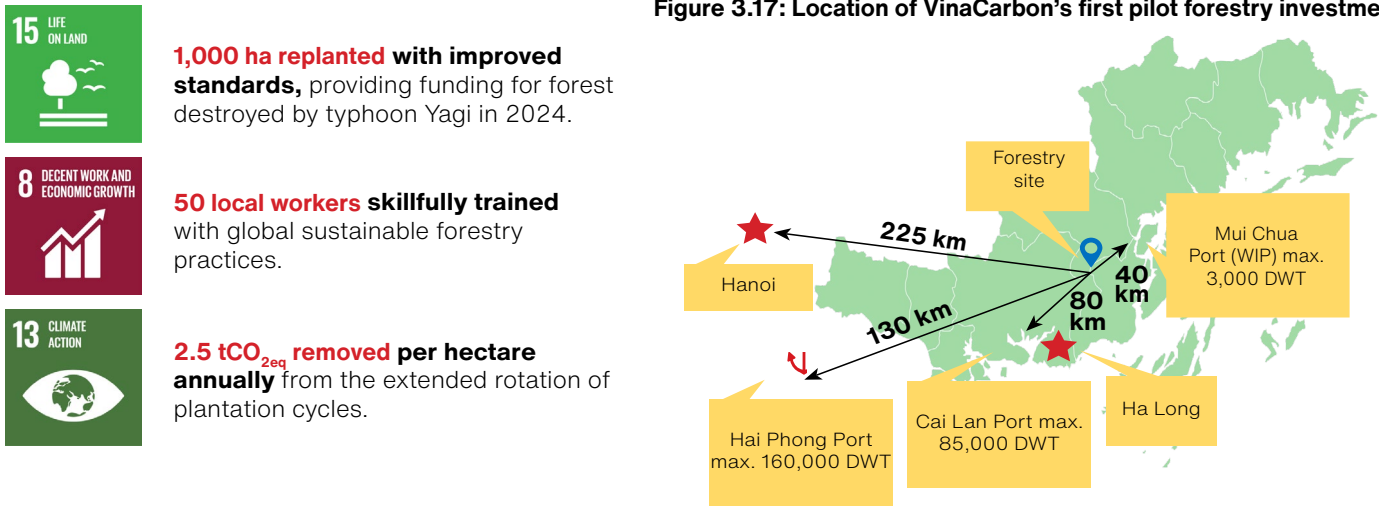
In 2025, VinaCarbon and Ba Che Forestry signed an investment partnership to enhance the economic value of planted forests while creating lasting environmental and social impact.

With over 60 years of experience and strong ties to ethnic minority communities in Quang Ninh, Ba Che Forestry manages about 3,000 hectares of planted forest — over 66% of which was severely damaged by Typhoon Yagi in September 2024, threatening both restoration efforts and local livelihoods.

The partnership will establish a sustainable forestry model in Ba Che commune, transitioning from short-cycle timber plantations to long-cycle hardwood forests. The entire area will be upgraded to FSC certification, enabling the generation of carbon credits and supporting Vietnam's national greenhouse gas reduction goals. Through this pilot we aim to: Replicate across all state-owned companies throughout province (30,000+ha) and Vietnam (100,000+ ha). Transform underutilised assets through a combination of long-term capital injection and improved forest management toward long-rotation and sustainable silviculture practices.



Figure 3.17: Location of VinaCarbon's first pilot forestry investment



Environmental and social value creation



Invest in and upgrade high-tech nurseries

- Invest in tissue culture labs to ensure quality and a long-term supply of seedlings



Invest in wood processing facilities and pellet production

- Increase the value chain from forest plantation to local wood-processing industry development



Project meets international carbon credit registration standards

- Increase carbon sequestration by extending the harvesting cycle of pine forests



Develop medicinal plants under the forest canopy

- Maximise the value per unit area of forest to enhance economic efficiency



Develop ecotourism under the forest canopy

- Developing local tourism to create additional economic value and employment opportunities for the community



# Chapter 4.

## Case study: Green building and infrastructure trends

Vietnam's real estate market is entering an ESG-focused growth phase, driven by decarbonisation, rapid urbanisation, and a golden—but aging—population. Strong policy momentum from a national green taxonomy to carbon-market incentives creates fertile ground for low-carbon, smart, and age-friendly developments. With green-certified buildings already exceeding 2030 targets and accelerating at double-digit growth, green real estate is emerging as a core engine of sustainable urban growth and long-term value. VinaCapital is well placed to capture this shift, channeling capital and expertise into projects that meet Vietnam's net-zero ambition and global ESG standards.



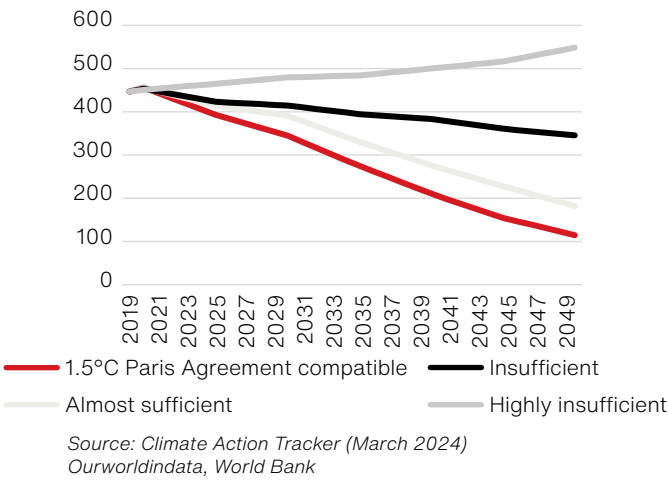
GREEN BUILDING AND INFRASTRUCTURE TRENDS:  
VIETNAM’S NEXT SUSTAINABLE GROWTH CYCLE

Decarbonisation

Vietnam, one of 140 countries committed to net-zero, plans to peak emissions by 2030 and reach net-zero by 2050, with a conditional pledge to cut up to 400 million tCO<sub>2</sub>e by 2030 compared with a business-as-usual scenario, subject to international financial support.

Vietnam’s drive to cut emissions can gain powerful momentum by electrifying the transportation system. Linked residential development with transit-oriented design (TOD) reduces individual car dependence and lowers energy use. A planned national electric railway will further enhance urban and inter-provincial public transport, boost logistics efficiency, and help replace short-haul domestic flights.

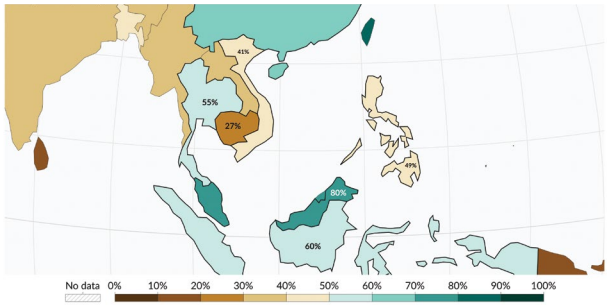
Figure 4.1: Vietnam Modelled domestic pathways, GHG emission reduction (million tCO<sub>2</sub>e)



Rapid Urbanisation

Vietnam’s urbanisation has accelerated from about 19% in the 1980s to 39% today (Fig. 4.2). It has the fastest growth rate in ASEAN, and is targeted to reach 50% by 2030 and 70% by 2050 under Decision No. 891/QĐ-TTg. To accommodate this rapid expansion without straining resources, green, compact and smart urban development should guide the nation’s urban planning direction. This approach optimises land use, cuts energy demand, and integrates renewable power while ensuring clean water and efficient waste management. It lowers long-term costs for households and municipalities by avoiding future environmental burdens. Improving air quality and community well-being is key to strengthening Vietnam’s human capital, and keeping the country’s cities resilient and high-quality for decades ahead.

Figure 4.2: Urbanisation (%)

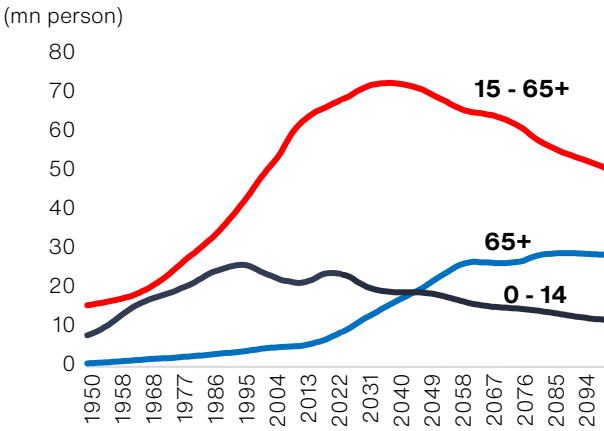


Source: Our World in Data. (2023). Share of the population living in urban areas, 2025. Data source: United Nations, Department of Economic and Social Affairs, Population Division (2018); HYDE (2023). Retrieved from <https://ourworldindata.org/urbanization>

Golden But Aging Population

Vietnam is in a golden demographic phase, with a large working-age population and relatively few dependents (Fig. 4.3 ) - an engine for economic growth and industrial development. Yet the country is aging fast, making it urgent to adopt forward-looking policies to capitalise on its current demographic window while preparing for an aging population. Green building is a way to turn today’s demographic dividend into long-term prosperity: it stimulates construction and supply-chain investment, lowers energy costs, and attracts skilled workers. At the same time, green neighborhoods foster healthier, happier communities, strengthening the nation’s human capital for the long term.

Figure 4.3: Vietnam demographic



Source: World Bank. (2016). Viet Nam: Adapting to an Aging Society (Figure 0.1, “Key Demographic Indicators”). Washington, DC: World Bank.

Policy Momentum In 2025

- Resolution No. 68/NQ-TW placed ESG integration, green finance, and carbon markets at the center of national policy.
  - Resolution 198/2025/QH15 further incentivizes green developments with interest-rate subsidies, lowering the cost of capital for projects that meet green criteria.
  - Decision No. 21/2025/QĐ-TTg introduces the Vietnam Green Taxonomy, a standardised framework that defines 45 eligible project types across seven sectors and sets unified technical screening criteria for green financing. The regulation streamlines verification—allowing either competent state agencies or independent bodies meeting ISO/IEC 17029 or ISAE 3000 standards—while maintaining transparency and credibility. This landmark policy creates the legal basis to channel capital into sustainable projects, expanding green credit, green bonds, and other climate-aligned instruments.
- Key provisions**
- Eligibility: Projects must (i) hold valid environmental approval or registration and (ii) demonstrate measurable environmental benefits.
  - Certification: Applications can be integrated into Environmental Impact Assessment (EIA) dossiers or submitted separately for state or accredited third-party verification.
  - Together, these measures mark a decisive shift from aspiration to implementation, making green real estate one of the fastest-growing and most financeable sectors in Vietnam’s sustainable growth agenda.

Vietnam Green Building Market Outlook

By 2025, the country has already surpassed 250 green-certified buildings, far exceeding the original 2030 target of 150 and ranking 28th globally in certifications under the U.S. Green Building Council (USGBC). Notably, **75% of LEED-certified buildings in Vietnam fall within the industrial and office segments**, representing 80% of total certified floor area. This rapid progress underscores Vietnam’s readiness to integrate sustainability into its growth model.

With hundreds of projects already certified under LEED (US), LO pansion is expected to be among the most actively financed sectors under the new taxonomy, offering opportunities across both development and financing.

Figure 4.4: Number of green buildings

	EDGE	LEED	GREENMARK	OTHERS	TOTAL
No. of green-certified buidings	258	208	51	42	559
No. of green-certified apartment units	18,182	1,285	9,759	2,158	31,384
No. of green-certified landed houses	2,995	-	231	8	3,234
Green-certified GFA (sq.m)	5,687,647	5,354,195	1,922,883	614,863	13,579,588

Source: [www.vgbc.vn/en/green-building](http://www.vgbc.vn/en/green-building)



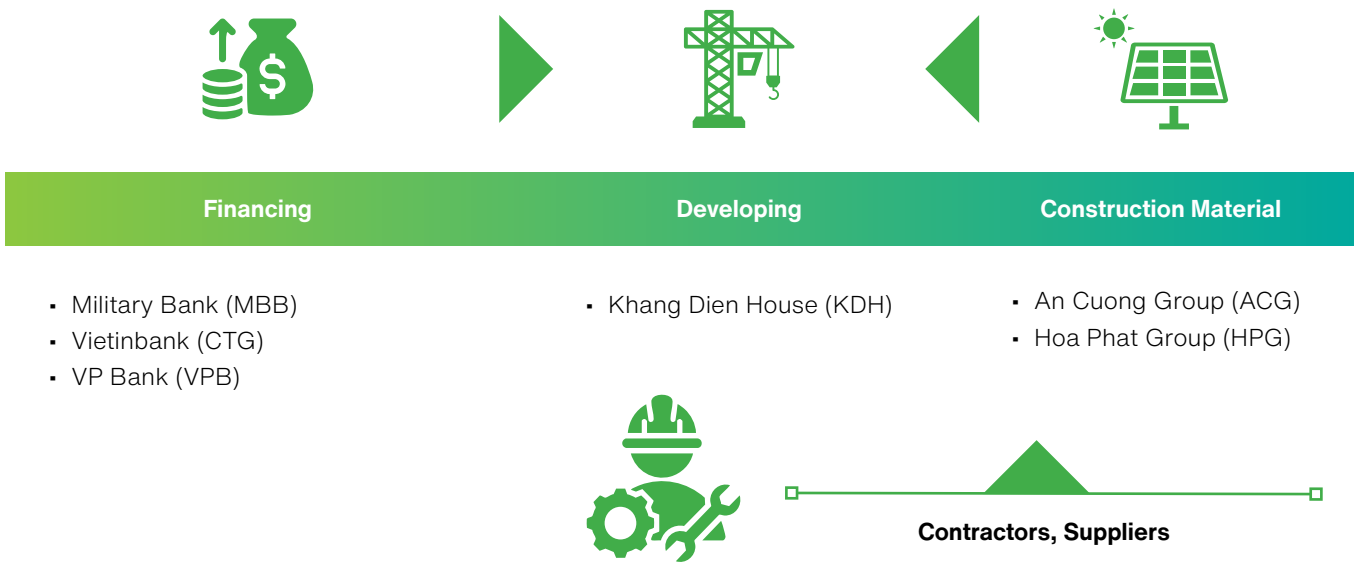
How VinaCapital Group Is Positioned

As a responsible investor, we are directly supporting and driving this trend. Our portfolio spans the full value chain of Vietnam’s green real estate ecosystem:

- **Banks** providing capital to green projects
- **Materials and manufacturers** supplying certified, sustainable building inputs
- **Contractors and developers** driving the delivery of certified projects across industrial, residential, and commercial sectors

By leveraging our multi-sector exposure, we are not only aligning with national sustainability goals but also shaping the next cycle of Vietnam’s growth—one that is greener, more resilient, and internationally competitive.

Green building value chain



- Maia Resort Quy Nhon and
- The Ocean Villas Quy Nhon

- VinaLiving aims to EDGE certify 100% of its upcoming hospitality projects.
- At VinaLiving, our passion lies in creating and delivering hospitality properties that blend beauty with sustainability.

Component	Green building impact in Vietnam compared to traditional building (base line)
Annual operating cost	-15% (energy + water)
Rental income	+7.5% premium
Resale value	+10% discount

Green Building Value Chain In Our Portfolio

An Cuong Group (ACG) – Sustainable commercial interiors

ACG offers a line of products certified with GREENGUARD Gold. GREENGUARD Gold–certified products are designed to meet strict VOC emission limits, supporting healthier indoor air quality in sensitive environments. These product lines enable ACG to support green construction projects, including those targeting certifications like LEED and EDGE.

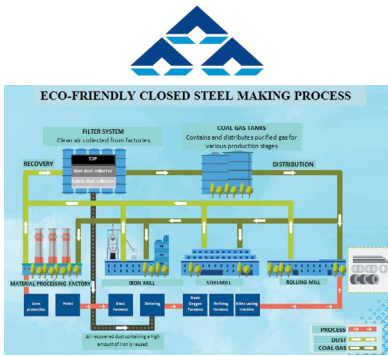
Source: [www.ancuong.com](http://www.ancuong.com)



Hoa Phat Group (HPG) - Circular production model

HPG applies a closed-loop, circular production model that recycles waste gas, heat, water, and materials to reduce emissions and improve efficiency. This system is used at both Hai Duong and Quang Ngai complexes, with up to 30 % of project investment dedicated to environmental protection. Advanced coking technology enables the group to generate up to 70 % of its own electricity. The model enhances sustainability while lowering costs and boosting competitiveness.

Source: [www.hoaphat.com.vn](http://www.hoaphat.com.vn)



Khang Dien House (KDH) – Green residential development

KDH secured green-building certifications, boosting investor appeal and positioning its properties for green financing incentives. KDH has integrated LEED-aligned sustainable design elements across its flagship residential projects, leveraging natural ventilation, optimized daylight, and native landscaping to reduce energy and water use by ~30–40 %. The lifecycle ROI model suggests a 3–7 year payback period, contributing to a projected ~20–35 % uplift over traditional builds. KDH believes that green residential assets can deliver strong investment performance and rental resilience.

Source: [www.khangdien.com.vn](http://www.khangdien.com.vn)





\*Appendices

Appendix 1: Glossary

ASEAN	The Association of Southeast Asian Nations
BAU	Business as usual scenario
CEO	Chief executive officer
CIO	Chief investment officer
CSRD	EU Corporate Sustainability Reporting Directive
EDGE	Excellence in Design for Greater Efficiencies, see more: <a href="#">About EDGE - EDGE Buildings</a>
ESG	Environment Social and Governance
EU	The European Union
FMO	Dutch Entrepreneurial Development Bank
FTSE	The Financial Times Stock Exchange
GDP	Gross Domestic Product
IEA	International Energy Agency
IFC	The International Finance Corporation
ILO	The International Labour Organisation
IPG	International Partners Group
IOSCO	International Organization of Securities Commissions
ISSB	International Sustainability Standards Board
JETP	Just Energy Transition Partnership
LSE	London Stock Exchange
MSCI	Morgan Stanley Capital International
PRI	Principles for Responsible Investment

UCITS	The Undertakings for the Collective Investment in Transferable Securities
RCP	Representative Concentration Pathways
RCP4.5	RCP4.5 is a global emissions pathway that limits the human-induced radiative forcing to 4.5 W m <sup>-2</sup> by 2100
RCP8.5	RCP8.5 represents a rise in radiative forcing to 8.5 W/m <sup>2</sup> in 2100
SASB	Sustainability Accounting Standards Board, see more: <a href="#">About us - SASB (ifrs.org)</a>
SFDR	Sustainable Finance Disclosure Regulation
SSC	State Securities Commission of Vietnam
SSP	Shared Socioeconomic Pathways
TCFD	Task Force on Climate-Related Financial Disclosures, see more: <a href="#">Task Force on Climate-Related Financial Disclosures   TCFD</a> (fsb-tcfd.org)
VCG	VinaCapital Group
VDEF	VinaCapital Dynamic Dividend Equity Fund
VEOF	VinaCapital Equity Opportunity Fund
VESAF	VinaCapital Equity Special Access Fund
VFF	VinaCapital Enhanced Fixed Income Fund
VIBF	VinaCapital Insights Balanced Fund
VMEEF	VinaCapital Modern Economy Equity Fund
VOF	VinaCapital Vietnam Opportunity Fund
VVF	Forum One – VinaCapital Vietnam Fund
WEF	World Economic Forum
WBG	World Bank Group



Appendix 2: How We Select A Benchmark For Evaluating Our Fund's ESG Performance

ESG scores are not assigned to all the approximately 1,600 stocks listed on the VN-Index. Instead, we have opted to use VCG’s listed investment universe as our benchmark, which comprises 130 listed companies. This universe represents 90-95% of the Ho Chi Minh Stock Exchange by market capitalisation, offering a thorough snapshot of the overall Vietnam stock market landscape.

ESG Score Benchmark

$$= \sum_{k=0}^n (Company's\ ESG\ Score_n \times \% Market\ Capitalisationn)$$

Each listed equities fund typically holds 20-30 stocks. During the reporting period, we assessed the ESG performance of each fund based on their respective ESG scores; each individual fund is benchmarked against VCG’s investment universe.

Fund ESG Score

$$= \sum_{k=0}^n (Company's\ ESG\ Score_n \times \%weight_n)$$

Note: %Weighting and %Market capitalisation are caculated as of 30 June 2025

Appendix 3: SASB Content Index

The following index tables summarize our disclosures against relevant SASB Standards. Reference pages within this report are labelled ➡ refers to relevant pages within the Annual Report 2023, and 📄 refers to a webpage.

Topic	Ref	Metric	Location of disclosure	Commentary
Transparent information & fair advice for customers	FN-AC-270A.1	Number of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	See Commentary	To the best of our knowledge, from 1 July 2023 to 30 June 2024, there were no known: covered employees with records of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings monetary losses as a result of legal proceedings, incidents of non-compliance associated with marketing and communications of financial product related information to new and returning clients
	FN-AC-270a.1	Percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings		
	FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers		
	FN-AC-270a.3	Description of approach to informing customers about products and services		
Employee Diversity & Inclusion	FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for: (1) executive management (2) non-executive management (3) professionals (investment) (4) all other employees	➡ See page 16	
Incorporation of ESG Factors in Investment Management & Advisory	FN-AC-410a.1	Amount of assets under management, by asset class, that employ: (1) integration of ESG issues (2) sustainability-themed investing (3) screening	➡ See Chapter 3	
	FN-AC-410a.2	Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies	➡ See page 20 📄 <a href="#">RI Policy</a>	
Incorporation of ESG Factors in Investment Management & Advisory	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures.	📄 <a href="#">Proxy Voting Policy</a>	
Business ethics	FN-AC-510a.1	Total amount of monetary losses resulting from legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	See Commentary	To the best of our knowledge, there are no known monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations in reporting period.
	FN-AC-510a.2	Description of whistleblower policies and procedures.	📄 <a href="#">Code of Conduct</a>	
Activity metrics	FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM).	➡ See Chapter 2	





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