Second-Party Opinion

Vingroup Sustainable Finance Framework

Evaluation Summary

Sustainalytics is of the opinion that the Vingroup Sustainable Finance Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, Social Loan Principles 2021, ASEAN Social Bond Standard 2018, ASEAN Green Bond Standard 2018, and ASEAN Sustainability Bond Standards 2018. This assessment is based on the following:

**USE OF PROCEEDS**
The eligible use of proceeds categories are aligned with those recognized by the Green Bond Principles, Social Bond Principles, Green Loan Principles, Social Loan Principles, ASEAN Social Bond Standard 2018, ASEAN Green Bond Standard 2018, and ASEAN Sustainability Bond Standard 2018. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals: SDG 3, 6, 7, 9, 11, 12 and 15.

**PROJECT EVALUATION / SELECTION**
Vingroup’s Sustainable Financing Working Group (SFWG) is responsible for governing and monitoring the Framework. It is in charge of reviewing, selecting and validating eligible projects and will meet on a semi-annual basis. The SFWG is co-chaired by the Group Chief Investment Officer and Chief Accountant. Sustainalytics considers the project selection process in line with market practice.

**MANAGEMENT OF PROCEEDS**
Vingroup’s processes for management of proceeds is jointly overseen by the Finance and External Finance Department. Vingroup will track bond proceeds by establishing a Sustainable Financing Register to earmark proceeds following a portfolio approach. The Issuer has incorporated a lookback period of 36 months and is committed to allocating all proceeds on a best effort basis within one year of the transaction date. This is in line with market practice.

**REPORTING**
Vingroup Joint Stock Company intends to report on allocation of proceeds on its website on an annual basis until no Sustainable Financing Transactions are outstanding. Allocation reporting will include amongst others the amount allocated to eligible projects, the unallocated amount and type of temporary investment. Impact reporting will include quantitative metrics, such as annual energy savings. Sustainalytics views this as in line with market practice.

Alignment with the ASEAN Green Bond Standards

The ASEAN Sustainability Bond Standards provide guidance to issuers and communicate more specifically what an issuer should do to issue a credible sustainable bond within Southeast Asia. Sustainalytics is of the opinion that the green and social categories under the Framework align with the ASEAN Sustainability Bond Standards.
Introduction

Vingroup Joint Stock Company ("Vingroup", the "Company", or the "Issuer", and together with its subsidiaries and affiliates, the "Group") is a corporation active in multiple areas of business that span the industrials and technology, real estate and social services sectors. Vingroup is based in Hanoi, Vietnam and currently employs around 42,000 people.

Vingroup has developed the Vingroup Sustainable Finance Framework (the "Framework") under which the Group intends to issue sustainable financing instruments and use and/or allocate the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that aim to reduce the carbon footprint of the Company, enhance resource efficiency, prevent pollution, support ecosystems and provide social benefits in Vietnam.

The Framework defines eligible green categories in the following six areas:

1. Clean Transportation
2. Green Buildings
3. Sustainable Water and Wastewater Management
4. Pollution Prevention and Control
5. Energy Efficiency
6. Renewable Energy

The Framework defines eligible social categories in the following two areas:

1. Access to Essential Services - Healthcare
2. Affordable Housing

Vingroup engaged Sustainalytics to review the Vingroup Sustainable Finance Framework, dated September 2021, and to provide a Second-Party Opinion on the Framework’s environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), Social Bond Principles 2021 (SBP), Green Loan Principles 2021 (GLP), Social Loan Principles 2021 (SLP), the ASEAN Green Bond Standards 2018 (ASEAN GBS), the ASEAN Social Bond Standards 2018 (ASEAN SBS), and the ASEAN Sustainability Bonds Standard 2018 (ASEAN SUS). This Framework has been published on Vingroup’s website.  

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021, as administered by ICMA, the Green Loan Principles 2021 and Social Loan Principles 2021, as administered by LMA, APLMA, and LSTA, and the ASEAN GBS 2018, ASEAN SBS 2018, and ASEAN SUS 2018, as administered by ACMF;
- The credibility and anticipated positive impacts of the use of proceeds; and

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2. The Green Loan Principles and Social Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at: https://www.lsta.org/content/green-loan-principles/# and https://www.lsta.org/content/social-loan-principles-slp/  
3. The ASEAN Green Bond Standards are administered by the ASEAN Capital Markets Forum, and are available at: https://www.theacmf.org/initiatives/sustainable-finance/asean-green-bond-standards  
4. The ASEAN Social Bond Standards are administered by the ASEAN Capital Markets Forum, and are available at: https://www.theacmf.org/initiatives/sustainable-finance/asean-social-bond-standards  
5. The ASEAN Sustainability Bonds Standards are administered by the ASEAN Capital Markets Forum, and are available at: https://www.theacmf.org/initiatives/sustainable-finance/asean-sustainability-bond-standards  
6. The Vingroup Sustainable Finance Framework is available on Vingroup Joint Stock Company’s website at: https://vingroup.net/en  
7. When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.
• The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.10.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Vingroup’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Vingroup representatives have confirmed (1) they understand it is the sole responsibility of Vingroup to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Vingroup.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Vingroup has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics’ Opinion

Section 1: Sustainalytics’ Opinion on the Vingroup Sustainable Finance Framework

Sustainalytics is of the opinion that the Vingroup Sustainable Finance Framework is credible, impactful and aligns with the four core components of the SBG, GBP, SBP, GLP, SLP, ASEAN GBS, ASEAN SBS, and ASEAN SUS. Sustainalytics highlights the following elements of Vingroup’s Sustainable Finance Framework:

• Use of Proceeds:
  - The eligible categories – Green Buildings, Clean Transportation, Sustainable Water and Wastewater Management, Pollution Prevention and Control, Energy Efficiency, Renewable Energy, Affordable Housing and Access to Essential Services - Healthcare – are aligned with those recognized by the GBP, SBP, GLP, SLP, ASEAN GBS, ASEAN SBS, and ASEAN SUS.
  - Under the Green Buildings category, Vingroup may finance or refinance the acquisition, construction, development, operation and/or maintenance of new or existing buildings and/or associated areas, eco-urban areas, properties and real estate projects that have or will receive any one of the following certifications: LEED “Gold” or above, BEAM “Plus Gold” or above, BREEAM “Excellent” or above, BCA Green Mark “Gold” or above, Singapore BCA Green Mark “GoldPlus” or above, NABERS “5 Star” or above, GBCA Green “Star 5 Star” or any equivalent certification. Sustainalytics notes that it is market expectation to specify all eligible schemes and encourages issuer to report on any other schemes they intend to include.
    - See Appendix 1 for Sustainalytics’ assessment of these certifications.
  - Under the Clean Transportation category, Vingroup may finance or refinance the following:
The development and production activities of zero emission vehicles such as smart electric vehicles, including electric cars, buses and motorcycles. Development and production activities may include:

- Construction of new EV manufacturing facilities production of EVs. The Issuer confirmed that new facilities will be 100% dedicated to EVs;
- Upgrading and retrofitting of manufacturing facilities for the purpose of enabling and or expanding EV production and associated components. The Issuer confirmed that financing of existing facilities will be allocated on a pro-rata basis to EV production costs;
- Research and Development: this includes electrified drivetrain systems including sourcing, tooling and testing concepts, products and production process. Sustainalytics notes that R&D financing may account for a significant portion of the total net proceeds, which is not standard market practice. Nevertheless, targeted R&D expenditures which are solely focused on the development of zero-emissions vehicles and assets are considered to contribute to positively environmental impacts. Furthermore, R&D expenditures will exclude early development phases.
- Construction and installing of electric charging/ battery exchanging infrastructure and facilities.
  - Under the Sustainable Water and Wastewater Management category, Vingroup may finance or refinance activities related to water source reuse and wastewater treatment as well as the maintenance of wastewater treatment stations. Sustainalytics notes that these facilities will not be intended to treat wastewater from fossil fuel operations, which is aligned with market practice.
  - Under the Pollution Prevention and Control category, the Issuer may finance or refinance the following:
    - The development of emissions control systems, such as semi-automatic dry separation systems for example EcoDry X systems. Vingroup confirmed that this is not related to any carbon intensive or heavy industry.
    - Waste prevention, treatment, management and recycling. Projects examples include but are not limited to municipal waste treatment following the waste hierarchy (e.g. waste to energy, facilities to promote proper waste management).
  - Under the Energy Efficiency category, Vingroup may finance or refinance projects that will achieve a minimum of 20% energy efficiency improvements such as production process energy efficiency improvement including lighting, ventilation, heating/cooling and building insulation. The Issuer has confirmed that this will be in the green buildings sector and positively notes the threshold of 20% for energy efficiency improvements.
  - Under the Renewable Energy category, Vingroup may finance or refinance the generation of solar energy.
  - Under the Affordable Housing category, Vingroup may finance or refinance expenditures related to the development, construction and renovation of affordable housing units. The target population is low-income households or workers as defined by the Vietnam government, which is <11 mio VND/monthly. Sustainalytics notes the provision of affordable housing to low-income groups is aligned with market practice.
  - Under the Access to Essential Services - Healthcare category, Vingroup may finance or refinance the manufacture, procurement or distribution of medical supplies and equipment, virus testing, hygienic supplies, and other supplies and services associated with emergency response caused by natural disasters or pandemics/epidemics. The Issuer may also finance or refinance projects to develop medical and healthcare facilities in targeted communities for general public or vulnerable groups, including the elderly. These include investments and expenditures in hospitals and medical equipment and related technologies.
  - The Issuer has confirmed that the following industries and activities are excluded from financing: adult entertainment, alcohol, tobacco, child labour or forced labour, fossil fuels, conflict minerals and luxury sectors.

Project Evaluation and Selection:

- The Sustainable Financing Working Group (SFWG) is responsible for governing and monitoring the Framework and is formed by Vingroup External Finance, Finance and Environmental Protection and Resource Optimization Divisions. It is in charge of reviewing, selecting and validating eligible projects and will meet on a semi-annual basis. The SFWG is co-chaired by the Group Chief Investment Officer and Chief Accountant.
- The process the Issuer has put in place is also in charge of excluding projects that no longer meet eligibility criteria and replaces them on a best-effort basis with new eligible projects during an annual review; it replaces projects if validated eligible projects repay during the life of an instrument with an equivalent value of new eligible projects; and manages future updates of the Framework.
- Vingroup has an overall risk management framework in accordance with certification standard ISO 31000 wherein risk management responsibilities are assigned to the board, management and divisions. Environmental and social risk is identified as one priority within Vingroup. Every project undertaken pays attention to potential environmental impact such as air, noise or water pollution. Prior to commencement a project undergoes social and environmental analysis by local and international experts.
- Based on the clear allocation of responsibilities and the risk management systems, Sustainalytics considers this process to be in line with market practice.

• Management of Proceeds:
  - The Company's management of proceeds is jointly overseen by the Finance and External Finance Department which are also part of the SFWG. Vingroup will track bond proceeds by establishing a Sustainable Financing Register to earmark proceeds following a portfolio approach.
  - Unallocated proceeds shall be invested in cash and/or cash equivalent and/or other liquid marketable instruments or used to repay existing borrowings under general credit facilities of the Company. Vingrup has confirmed that for such repayments, the exclusion criteria of the Framework still apply.
  - With regards to refinancing, the Issuer has incorporated a lookback period of 36 months from issuance. Further, Vingroup is committed to allocating all proceeds on a best effort basis within one year of the transaction date. Sustainalytics considers this to be in line with market practice.
  - Based on the above elements, Sustainalytics considers this process to be in line with market practice.

• Reporting:
  - Vingroup intends to report on the allocation and, where possible, impact of the proceeds on its website on an annual basis until Sustainable Financing Transactions (SFT) are no longer outstanding.
  - Allocation reporting will include the amount allocated to eligible projects, the unallocated amount and type of temporary investment, the share of financing versus refinancing and examples of eligible projects. Impact reporting will include indicators such as annual energy savings, annual GHG emissions reduced/ avoided, amount of water recycled and renewable energy produced. For a full list of impact indicators, please refer to Appendix 2.
  - An independent third-party will be engaged to review and verify the internal tracking and allocation of funds and the estimated/actual impact.
  - Based on commitments to both impact and allocation reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021
Sustainalytics has determined that the Vingroup Sustainable Finance Framework aligns with the four core components of the GBP, SBP, GLP, and SLP. For detailed information please refer to Appendix 2: Sustainability Bond/ Sustainability Bond Programme External Review Form.

Section 2: Contribution of framework to Vingroup’s sustainability strategy
Sustainalytics is of the opinion that Vingroup demonstrates a commitment to sustainability with a focus on human capital development, environmental protection, and corporate social responsibility.

On the environmental protection pillar, the Company and its subsidiaries having established the following green activities:
- At all its facilities, the Company controls consumption of fuel, electricity and water, and has launched initiatives to minimize energy consumption. For example, VinFast has installed for its automobile manufacturing LED lighting which helps to save energy costs equivalent to 5% of turn-over annually. 
The industrial business of Vingroup is focusing on environmentally friendly products such as electric motorcycles, electric cars and buses. For energy saving, the VinFast automobile manufacturing complex is designed to be eco-friendly⁸.

- In the hospital and entertainment segment, water source reuse and wastewater treatment are incorporated from the design phase of each property. Relevant subsidiaries in the Group have installed automated wastewater monitoring systems for facilities that generate large volumes of wastewater and developed plans to reuse-treated wastewater. Reused wastewater can account for up to 30-35% of the total water use reducing the demand for underground water and water in the reservoirs⁹.

- Vinpearl, a subsidiary of Vingroup, developed an action plan on energy saving targets, water consumption norms for domestic use and energy conservation from its business facilities. For example, in the hospitality sector, Vinpearl developed its ‘Go Green’ project to minimize the use of disposable plastic to replace it with environmentally friendly materials. For these efforts, Vinpearl received an Environmental Award from the Ministry of Natural Resources and Environment. The Vietnam Environment Award is an official national award given by the Ministry of Natural Resources and Environment⁸. Vinpearl is also working to implement a strategy to adopt solar energy on a wider scale and they have started with a few solar projects already⁸.

Sustainalytics is of the opinion that the Vingroup Sustainable Finance Framework is aligned with the Group’s overall sustainability strategy and initiatives and will further its action on its key environmental priorities.

**Well-positioned to address common environmental and social risks associated with the projects**

While Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible projects that are expected to have positive environmental and social impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include occupational health and safety, community relations/stakeholder participation, land use and biodiversity issues associated with large-scale infrastructure development, emissions, effluents, and waste generated in construction.

Sustainalytics is of the opinion that Vingroup is able to manage and/or mitigate potential risks through implementation of the following:

- For occupational health and safety work environment, the Company ensures the safety of its employees by having various procedures in place, providing training on labor safety, firefighting and fire. Vinpearl implemented a Transparency Policy applicable to all employees (including employees on probation period and trainees), suppliers and other relevant persons. This policy covered is adhering to Vietnamese laws and international standards⁸.

- On community relations and stakeholder engagement, Vingroup conducts environmental and community impact assessment studies prior to implementation of real estate developments. Moreover, the Group is in dialogues with local authorities regarding measures to improve the local environment and is helping to mobilize local work force and to create new jobs in areas where it operates.⁸

- For land use and biodiversity issues associated with large-scale infrastructure development, the Company shared that an Environmental Impact Assessment report is required as per existing Law on Environmental Protection 2014 and new Law on Environment Protection (effective from 1st January 2022)⁹. Vingroup submits its Environmental Assessment Reports to the local government which includes social considerations on land use and environmental considerations on biodiversity issues according to Environmental Impact Assessment (EIA) regulation¹⁰.

- VinSmart has developed an Environmental Management System (EMS) and certified in accordance with ISO 14001:2015 for the production of smart devices⁸.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Vingroup has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

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⁹ Allen & Gledhill, "Vietnam’s new law on Environmental Protection", (2021), at: Vietnam’s new Law on Environmental Protection partially in force from 1 February 2021 : Allen & Gledhill (allenandgledhill.com)
Section 3: Impact of Use of Proceeds

All six use of proceeds categories are aligned with those recognized by SBG, GBP, SBP, GLP, SLP, ASEAN GBS, ASEAN SBS, and ASEAN SUS. Sustainalytics has focused on green buildings below where the impact is specifically relevant in the local context.

Importance of green buildings in Vietnam

Buildings consume significant resources, including 17% of Vietnam’s freshwater, 25% of its timber, 30-40% of its total energy consumption and nearly half of its raw materials. Currently, green buildings represent an insignificant portion of the building stock in Vietnam, reaching only 150 by the end of 2019, according to the Vietnam Green Building Council. This demonstrates a substantial environmental impact from the building sector, reinforcing the need for the Country to quickly adopt measures to promote and incentivize the development of green buildings.

The significant impact of this sector also represents an opportunity for facilitating the Country’s transition to a low-carbon economy. In recognition of this, the Vietnam has enacted a number of policies to facilitate the construction of green buildings. For example, in the past five years, Vietnam’s Ministry of Construction (MoC) has completed a project to enhance energy efficiency in commercial and high-rise residential buildings (ECBB). EECB has provided several solutions to improve existing and new building’s efficiency which is estimated to save 25%-67% of energy for each building. As part of this project, the MoC has updated the economic and technical norms in the National Technical Regulation on Energy Efficient Buildings. The policy includes mandatory technical requirements for the design, construction, or renovation of skyscrapers with total floor area of 2,500 square meters and above.11

Although Vietnam is making progress towards implementing green building policies, there are still challenges in the sector. First, while the policies are a step in the right direction, they are still loose in their guidance and support, there is an overall lack of green building specialists and green buildings demand a higher initial investment as construction for green buildings can cost up to 5% more.

Based on this, Sustainalytics is of the opinion that, in order for Vietnam to meet its ambitions to transition to a low carbon economy, increased investment in certified green building will play an important role in facilitating this transition. As such, Vingroup’s financing of green buildings will contribute to Vietnam’s broader climate goals and is well positioned to issue sustainable financing instruments.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Vingroup Sustainable Finance Framework advances the following SDGs and targets:

<table>
<thead>
<tr>
<th>Use of Proceeds Category</th>
<th>SDG</th>
<th>SDG target</th>
</tr>
</thead>
</table>
| Green Buildings         | 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation  
                         | 11. Sustainable Cities and Communities   | 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities  
                         |                                           | 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management |
| Clean Transportation   | 9. Industry, Innovation and Infrastructure | 11. Sustainable Cities and Communities | 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities |

### Sustainable Water and Wastewater Management

<table>
<thead>
<tr>
<th>6. Clean Water and Sanitation</th>
<th>6.1 By 2030, achieve universal and equitable access to safe and affordable drinking water for all</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</td>
</tr>
</tbody>
</table>

### Pollution Prevention and Control

<table>
<thead>
<tr>
<th>3. Good Health and Wellbeing</th>
<th>3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. Sustainable Cities and Communities</td>
<td>11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</td>
</tr>
<tr>
<td>12. Responsible Consumption and Production</td>
<td>12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.</td>
</tr>
<tr>
<td></td>
<td>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</td>
</tr>
</tbody>
</table>

### Energy Efficiency

| 7. Affordable and Clean Energy | 7.3 By 2030, double the global rate of improvement in energy efficiency |

### Renewable Energy

| 7. Affordable and Clean Energy | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix. |

### Affordable Housing

| 11. Sustainable Cities and Communities | 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums |

### Access to Essential Services - Healthcare

| 3. Good Health and Wellbeing | 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all |

### Conclusion

Vingroup has developed the Vingroup Sustainable Finance Framework under which the Group may issue sustainable financing instruments and use and/or allocate the proceeds to finance Green Buildings, Clean Transportation, Sustainable Water and Wastewater Management, Pollution Prevention and Control, Energy Efficiency, Renewable Energy, Affordable Housing and Access to Essential Services – Healthcare projects.
Second-Party Opinion
Vingroup Sustainable Finance Framework

within different brands of the Group. Sustainalytics considers that the projects funded by the sustainability bond and loan proceeds are expected to provide positive environmental and social impact.

The Vingroup Sustainable Finance Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that Vingroup Sustainable Finance Framework is aligned with the overall sustainability strategy of the Group and that the use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 3, 6, 9, 11, 12 and 15. Additionally, Sustainalytics is of the opinion that Vingroup has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Vingroup Joint Stock Company is well-positioned to issue sustainability bonds and loans and that Vingroup Sustainable Finance Framework is robust, transparent, and in alignment with the four core components of the Sustainability Bond Guidelines (2021), Green Bond Principles (2021), Social Bond Principles (2021), Green Loan Principles (2021), Social Loan Principles (2021), ASEAN Social Bond Standard 2018, ASEAN Green Bond Standard 2018, and ASEAN Sustainability Bond Standards 2018.
## Appendix 1: Summary of Referenced Green Building Certification Schemes

<table>
<thead>
<tr>
<th>Backgroun d</th>
<th>BREEAM&lt;sup&gt;12&lt;/sup&gt;</th>
<th>LEED&lt;sup&gt;13&lt;/sup&gt;</th>
<th>Green Star</th>
<th>BCA Green Mark</th>
<th>Singapore BCA Green Mark Certification&lt;sup&gt;14&lt;/sup&gt;</th>
<th>BEAM Plus</th>
<th>NABERS</th>
<th>EDGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Certificati on levels</strong></td>
<td>Pass</td>
<td>Good</td>
<td>Very Good</td>
<td>Excellent</td>
<td>Outstanding</td>
<td>Certified</td>
<td>Silver</td>
<td>Gold</td>
</tr>
</tbody>
</table>

<sup>12</sup> BREEAM, Building Research Establishment LTD, at: https://breeam.com/
<sup>13</sup> USGBC, LEED, at: www.usgbc.org/LEED
<sup>14</sup> Singapore Building and Construction Authority, BCA Green Mark Scheme: https://www.bca.gov.sg/greenmark/green_mark_buildings.html
<sup>15</sup> About BCA Green Mark Scheme, at: https://www.bca.gov.sg/greenmark/green_mark_buildings.html
<sup>16</sup> Buildings assessed on the Design & As-Built, Interiors, and Communities criteria can achieve certifications 4-star and higher. Buildings assessed on the Performance Rating scale can achieve any score.
| Requirements | Prerequisites depending on the levels of certification and credits with associated points | Prerequisites independent of level of certification, and credits with associated points. | Point system, "category score" awarded based on performance (% of points achieved) within a given category. For some categories there is a minimum threshold (e.g. GHG/sqm/yr) and points are awarded for exceeding the minimum. Categories are weighted based on building location (to reflect that in some areas of Australia, certain metrics may be more relevant). Total score is then given out of 100. | Prerequisites for each performance area (to demonstrate minimum criteria met) + numerical scores achieved in accordance with the criteria in each performance area. Performance Areas have different weights. Depending on the level of building performance and numerical score achieved in performance area, building's level of certification is determined. Assessment of compliance with Green Mark criteria is done by the Singapore Building and Energy Use (annual CO2 emissions or energy use, energy efficient systems and equipment, energy management) | NABERS assesses the energy efficiency of commercial buildings by comparing them against benchmarks developed using actual building performance data. To achieve the EDGE standard, a building must demonstrate a minimum 20% reduction in operational energy consumption, water use and embodied energy in materials as compared to typical local practices. |  |
| --- | --- | --- | --- | --- | --- |
| BREEAM has two stages/audit reports: a BREEAM Design | Indoor environmental quality | Liveability Economic Prosperity Environment | Advanced Green Efforts | Advanced Green Efforts | Calculation of the End Use Demand |
Appendix 2: Sustainability Bond / Sustainability Bond Programme - External Review Form

Section 1. Basic Information

Issuer name: Vingroup Joint Stock Company

Sustainability Bond ISIN or Issuer Sustainability Bond Framework Name, if applicable: Vingroup Sustainable Finance Framework

Review provider’s name: Sustainalytics

Completion date of this form: September 10, 2021

Publication date of review publication:

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP and SBP:

☒ Use of Proceeds
☒ Process for Project Evaluation and Selection

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

The eligible use of proceeds categories are aligned with those recognized by the Green Bond Principles, Social Bond Principles, Green Loan Principles, Social Loan Principles, ASEAN Social Bond Standard 2018, ASEAN Green Bond Standard 2018, and ASEAN Sustainability Bond Standard 2018. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals: SDG 3, 6, 7, 9, 11, 12 and 15.

Use of proceeds categories as per GBP:

☒ Renewable energy  ☒ Energy efficiency
☒ Pollution prevention and control
☐ Environmentally sustainable management of living natural resources and land use
☐ Terrestrial and aquatic biodiversity conservation  ☒ Clean transportation
☒ Sustainable water and wastewater management
☐ Climate change adaptation
☐ Eco-efficient and/or circular economy adapted products, production technologies and processes  ☒ Green buildings
☐ Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs
☐ Other (please specify):
If applicable please specify the environmental taxonomy, if other than GBPs:

**Use of proceeds categories as per SBP:**

- ☐ Affordable basic infrastructure  ☒ Access to essential services
- ☒ Affordable housing  ☐ Employment generation (through SME financing and microfinance)
- ☐ Food security  ☐ Socioeconomic advancement and empowerment
- ☐ Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP  ☐ Other (please specify):

If applicable please specify the social taxonomy, if other than SBP:

<table>
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<tr>
<th>2. PROCESS FOR PROJECT EVALUATION AND SELECTION</th>
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<tbody>
<tr>
<td>Overall comment on section (if applicable):</td>
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</table>

Vingroup’s Sustainable Financing Working Group (SFWG) is responsible for governing and monitoring the Framework. It is in charge of reviewing, selecting and validating eligible projects and will meet on a semi-annual basis. The SFWG is co-chaired by the Group Chief Investment Officer and Chief Accountant. Sustainalytics considers the project selection process in line with market practice.

**Evaluation and selection**

- ☒ Credentials on the issuer’s social and green objectives  ☒ Documented process to determine that projects fit within defined categories
- ☒ Defined and transparent criteria for projects eligible for Sustainability Bond proceeds  ☒ Documented process to identify and manage potential ESG risks associated with the project
- ☐ Summary criteria for project evaluation and selection publicly available  ☐ Other (please specify):

**Information on Responsibilities and Accountability**

- ☒ Evaluation / Selection criteria subject to external advice or verification  ☒ In-house assessment
- ☐ Other (please specify):

<table>
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<tr>
<th>3. MANAGEMENT OF PROCEEDS</th>
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<tr>
<td>Overall comment on section <em>(if applicable):</em></td>
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</table>

Vingroup’s processes for management of proceeds is jointly overseen by the Finance and External Finance Department. Vingroup will track bond proceeds by establishing a Sustainable Financing Register to earmark proceeds following a portfolio approach. The Issuer has incorporated a lookback period of 36 months and is
committed to allocating all proceeds on a best effort basis within one year of the transaction date. This is in line with market practice.

Tracking of proceeds:

☒ Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner

☒ Disclosure of intended types of temporary investment instruments for unallocated proceeds

☐ Other (please specify):

Additional disclosure:

☐ Allocations to future investments only

☒ Allocations to both existing and future investments

☐ Allocation to individual disbursements

☒ Allocation to a portfolio of disbursements

☒ Disclosure of portfolio balance of unallocated proceeds

☐ Other (please specify):

4. REPORTING

Overall comment on section (if applicable):

Vingroup Joint Stock Company intends to report on allocation of proceeds on its website on an annual basis until no Sustainable Financing Transactions are outstanding. Allocation reporting will include amongst others the amount allocated to eligible projects, the unallocated amount and type of temporary investment. Impact reporting will include quantitative metrics, such as annual energy savings. Sustainalytics views this as aligned with market practice.

Use of proceeds reporting:

☐ Project-by-project

☒ On a project portfolio basis

☐ Linkage to individual bond(s)

☐ Other (please specify):

Information reported:

☒ Allocated amounts

☐ Sustainability Bond financed share of total investment

☐ Other (please specify):

Frequency:

☒ Annual

☐ Semi-annual

☐ Other (please specify):
Impact reporting:
- ☐ Project-by-project
- ☒ On a project portfolio basis
- ☐ Linkage to individual bond(s)
- ☐ Other (please specify):

Information reported (expected or ex-post):
- ☒ GHG Emissions / Savings
- ☐ Decrease in water use
- ☒ Energy Savings
- ☒ Number of beneficiaries
- ☐ Other ESG indicators (please specify): No. of green buildings meeting international/local standards; Annual energy savings; annual GHG emissions reduced/avoided in tonnes of CO2 equivalent; No. of qualified vehicles produced; Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent; Annual emission reduction of NOx, Sox; Sales volume of eligible projects to electric vehicles manufacturers (applicable to EV battery manufacturing); Amount of water recycled (litres); Amount of water reused (litres); Amount of wastewater reused; Waste that is prevented, minimised, reused or recycled before and after the project in % of total waste and/or in absolute amount in tonnes p.a.; Amount of waste reused or recycled (tons or in % of total waste); Annual energy savings in MWh/GWh (electricity) and GJ/TJ (other energy savings); Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent; Renewable energy produced (MWh); Renewable energy capacity (MW); GHG emissions avoided / reduced (tCO2e); Number of affordable housing units built/upgraded; Type/Number of target population benefited; Number of people/patient benefited by access to medicines, vaccines, testing kit or medical services; Number of medical equipment and related technologies invested; Type/Number of target population benefited;
Second-Party Opinion
Vingroup Sustainable Finance Framework

Number of hospital and other healthcare facilities built/upgraded; Number of beds provided

Frequency:
☒ Annual
☐ Semi-annual
☐ Other (please specify):

Means of Disclosure
☐ Information published in financial report
☐ Information published in sustainability report
☐ Information published in ad hoc documents
☒ Other (please specify): Sustainable Financing Transactions Annual Reporting

☒ Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): Allocation of funds, estimated/actual impact

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer’s documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:
☐ Consultancy (incl. 2nd opinion)
☐ Certification
☐ Verification / Audit
☐ Rating
☐ Other (please specify):

Review provider(s): Date of publication:

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP AND THE SBP

i. Second-Party Opinion: An institution with sustainability expertise that is independent from the issuer may provide a Second-Party Opinion. The institution should be independent from the issuer’s adviser for its Sustainability Bond framework, or appropriate procedures such as information barriers will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Principles. In particular, it can include an assessment of the issuer’s overarching objectives, strategy, policy, and/or processes relating to sustainability and an evaluation of the environmental and social features of the type of Projects intended for the Use of Proceeds.

ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or sustainability criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally or socially
sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer’s internal tracking method for use of proceeds, allocation of funds from Sustainability Bond proceeds, statement of environmental or social impact or alignment of reporting with the Principles may also be termed verification.

iii. Certification: An issuer can have its Sustainability Bond or associated Sustainability Bond framework or Use of Proceeds certified against a recognised external sustainability standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.

iv. Green, Social and Sustainability Bond Scoring/Rating: An issuer can have its Sustainability Bond, associated Sustainability Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental and/or social performance data, process relative to the Principles, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material sustainability risks.
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The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.
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