

SOUTHEAST ASIA JOINT STOCK COMMERCIAL BANK
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SeABank

**CAPITAL ADEQUACY
RATIO DISCLOSURE**

**DEC 31
2024**



CAPITAL ADEQUACY RATIO DISCLOSURE

DEC 31, 2024

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GENERAL INTRO- DUCTION

On October 29 of 2019, SeABank received formal regulatory recognition from the State Bank of Vietnam (“SBV”) in achieving, among other things, a satisfactory capital adequacy ratio in line with Basel II, as specified in Decision 2263/QD-NHNN of the SBV. The application of Basel II into SeABank’s business activities delivered a positive impact, in particular:

- The capital adequacy ratio (CAR) now forms part of SeABank’s risk appetite and is a key basis for implementing business plans and risk management in the short and medium term.
- Business units are improving customer data (such as financial statements of SME customers, collateral security and credit limits, etc.).
- Improved awareness of business units in reviewing and granting credit limits to customers.
- Clear understanding by the Board of Management of capital adequacy

requirements for risk provisions, including regulatory capital (stipulated in Circular 41 for credit risk, market risk and operational risk) and other material risks (stipulated in Circular 13 for interest rate risk in banking book, concentration risk, etc.).

Scope of disclosure

This report is made as at Dec 31, 2024 and is made in accordance with Circular 41/2016/TT-NHNN dated December 30, 2016 stipulating capital adequacy ratio and information disclosure requirements for commercial banks and the foreign banks’ branches.

Scope of capital adequacy ratio calculation

Consolidated CAR is calculated on the basis of the consolidated financial statement of SeABank and its subsidiaries, which are SeABank Asset Management Company Limited (SeABank AMC) and Post & Telecommunication Finance Company Limited (PTF Vietnam) which is 100% owned by SeABank and has no insurance business subsidiary. Both companies financial statements are consolidated in accordance with accounting standards.

Unit: million VND

	Investment Amount	Proportion of ownership (%)
Capital contribution		
1. SeABank Assets Management One Member Company Limited	1,000,000	100%
2. Post and Telecommunication Finance Company Limited (*)	1,760,000	100%
TOTAL	2,760,000	

(*) The investment in Post and Telecommunication Finance Company Limited was divested in February 2025.

CAPITAL ADEQUACY RATIO

Process of calculating the capital adequacy ratio

SeABank has issued an internal regulation managing its capital adequacy ratio (“CAR”) in line with Circular 41, to provide the CAR principles, CAR model management, requirements of SeABank’s IT system and the responsibilities of stakeholders in CAR measurement, monitoring and reporting.

The CAR calculation system of SeABank is automated on the basis of data extracted from the core banking system. Data for CAR calculations is regularly reviewed and collated to ensure accuracy. The CAR report is also reviewed and approved before being issued.

CAR calculation process include 3 steps:

- Collecting and validating data;
- Automatic calculation in the system;

- Analysis reporting, providing results, and archiving.

Capital plan

SeABank’s capital plan is built in accordance with the capital requirements of Circular 41 to ensure capital adequacy so that it can:

- Meet requirements in terms of SeABank’s own risk appetite and commitments;
- Successfully comply with the minimum 8% CAR stipulated by legal regulations to ensure stable implementation of business strategies.
- Allow SeABank to operate with stability, even during periods of recession or adverse market volatility.
- Be aligned with the strategic and operational targets of SeABank, the expectation of shareholders and investors.

Unit: million VND

Table 1: Capital adequacy ratio & Risk-weighted assets

	SEPARATE	CONSOLIDATED
(1) Total of tier-1 capital (after deduction)	34,956,298	34,735,834
(2) Total of tier-2 capital (after deduction)	(363,360)	(343,193)
(3) Items deducted when calculating equity	1,763,300	-
Total equity	32,829,638	34,392,641
(4) Credit risk-weighted assets	228,522,449	228,721,696
(5) Counterparty credit risk-weighted assets	2,288,581	2,288,581
(6) Regulatory capital for operational risk	1,655,995	1,771,986
(7) Regulatory capital for market risk	1,182,389	1,182,389
Total risk-weighted assets	266,290,838	267,939,969
Minimum regulatory capital	21,303,267	21,435,198
Tier-1 capital adequacy ratio	13.13%	12.96%
Capital adequacy ratio (CAR)	12.33%	12.84%

EQUITY

Components of equity:

According to SBV regulations, SeABank's own capital is divided into two main types: Tier 1 capital and Tier 2 capital, based on the holding time and the ability to absorb capital losses.

Tier 1 capital – Equity consists primarily of equity and published reserves. There is no obligation to pay interest periodically or dividends to shareholders of this type of capital. Equity can be used immediately and without limitation, to offset any risks or losses.

Tier 2 capital – Additional capital sources include: (1) Other reserve funds deducted from

profit after tax, (2) 45% of the capital increase due to revaluation of long-term investment capital contributions, (3) 50% of capital increase due to revaluation of fixed assets, (4) 80% of general provisions under the SBV's regulations on classification of assets, deduction levels, methods of making provisions and using risk provisions, (5) Capital debt instruments issued by the Bank, and (6) Subordinated debt signed by the Issuing Bank that fully satisfies the conditions of the SBV.

Equity instruments: SeABank has not yet issued any equity instruments.

Unit: million VND

Table 2: Separate equity

SEPARATE TIER 1 CAPITAL (A) = A1 – A2		34,956,298
Separate tier 1 capital components (A1) = $\sum 1\div 7$		34,956,298
1	Charter capital (allocated capital, contributed capital)	28,350,000
2	Reserve fund for charter capital supplement	853,595
3	Professional development investment fund	-
4	Financial provision fund	1,759,285
5	Capital construction investment, fixed assets procurement	-
6	Undistributed profits	3,990,250
7	Share premium	3,167
Amounts deducted from separate tier 1 capital (A2) = $\sum 8\div 10$		-
8	Goodwill	-
9	Accumulated losses	-
10	Treasury shares	-
SEPARATE TIER 2 CAPITAL (B) = B1 - B2 - 20		(363,360)
Separate tier 2 capital components (B1) = $\sum 11\div 16$		1,216,640
11	Other funds are deducted from profit after corporate income tax as prescribed by law (excluding bonus fund, welfare fund and executive bonuses)	-
12	50% of the difference due to revaluation of assets, exchange rate differences as prescribed by law	-

Table 2: Separate equity

13	45% of the increasing difference due to revaluation of contributed capitals for long-term investment according to the provisions of law	-
14	80% of the general provision in accordance with the State Bank's regulations on classification of assets, level of deduction, method of setting up risk provisions and use of risk provisions for credit institutions, foreign banks' branches	1,216,640
15	Debt instruments issued by banks or foreign bank branches	-
16	Subordinated debt of issuing bank (For details of satisfaction of conditions, refer to Section A.1, Appendix 1 of Circular 41)	-
Amounts deducted from separate tier 2 capital (B2) = (17) + (18) + (19)		1,580,000
17	The positive difference in value (Item 14) and 1.25% of "Total assets calculated according to credit risk" is prescribed in the Circular.	-
18	Positive difference in value between item (16) and 50% of A	-
19	Purchase and investment of subordinated debt issued by other credit institutions or foreign bank branches that fully meet the conditions for counting into secondary capital of such credit institutions or foreign bank branches (not including subordinated debt received as collateral, discount, rediscount of customers).	1,580,000
Additional deductions		-
20	The positive difference in value between (B1-B2) and A	-
Items deducted when calculating equity		1,763,300
21	Credit extensions for capital contribution, share purchase at other credit institutions	-
22	Capital contributions, share purchases at other credit institutions	1,760,000
23	Contribution of capital, purchase of shares in enterprises operating in the field of insurance, securities, remittances, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, services intermediary payment, credit information	3,300
24	Capital contribution and share purchase of an enterprise or an investment fund after subtracting deductible amounts prescribed in (22) and section (23) in excess of 10% of the charter capital and the reserve fund for supplementing the capital bank charter	-
25	The total of capital contributions and shares purchases of enterprises and investment funds after subtracting amounts from (22) to section (24), exceeding the level of 40% of the charter capital and the charter capital supplement reserve fund of the bank	-
SEPARATE EQUITY (C) = (A) + (B) - (21) - (22) - (23) - (24) - (25)		32,829,638

Table 3: Consolidated equity

CONSOLIDATED TIER 1 CAPITAL (A) = A1 – A2		34,735,834
Consolidated tier 1 capital components (A1) = $\sum 1\div 8$		35,002,854
1	Charter capital (allocated capital, contributed capital)	28,350,000
2	Reserve fund for charter capital supplement	872,296
3	Professional development investment fund	-
4	Financial provision fund	1,793,974
5	Capital construction investment, fixed assets procurement	-
6	Undistributed profits	3,983,417
7	Share premium	3,167
8	Differences in exchange rates derivative when consolidating financial statements	-
Amounts deducted from consolidated tier 1 capital (A2) = $\sum 9\div 11$		267,021
9	Goodwill	267,021
10	Accumulated losses	-
11	Treasury shares	-
CONSOLIDATED TIER 2 CAPITAL (B) = B1 - B2 -22		(343,193)
Consolidated tier 2 capital components (B1) = $\sum 12\div 18$		1,236,807
12	Other funds are deducted from profit after corporate income tax as prescribed by law (excluding bonus fund, welfare fund and executive bonuses)	-
13	50% of the difference due to revaluation of assets, exchange rate differences as prescribed by law	-
14	45% of the increasing difference due to revaluation of contributed capitals for long-term investment according to the provisions of law	-
15	80% of the general provision in accordance with the State Bank's regulations on classification of assets, level of deduction, method of setting up risk provisions and use of risk provisions for credit institutions, foreign banks' branches	1,236,807
16	Debt instruments issued by banks or foreign bank branches	-
17	Subordinated debt of issuing bank (For details of satisfaction of conditions, refer to Section A.1, Appendix 1 of Circular 41)	-
18	Minority interest	-
Amounts deducted from consolidated tier 2 capital (B2) = (19) + (20) + (21)		1,580,000
19	The positive difference in value (Item 15) and 1.25% of "Total assets calculated according to credit risk" is prescribed in the Circular.	-
20	Positive difference in value between item (17) and 50% of A	-
21	Purchase and investment of subordinated debt issued by other credit institutions or foreign bank branches that fully meet the conditions for counting into secondary capital of such credit institutions or foreign bank branches (not including subordinated debt received as collateral, discount, rediscount of customers).	1,580,000
Additional deductions		-
22	The positive difference in value between (B1-B2) and A	-

Table 3: Consolidated equity

Items deducted when calculating equity		-
23	Credit extensions for capital contribution, share purchase at other credit institutions	-
24	Capital contributions, share purchases at other credit institutions	-
25	Contribution of capital, purchase of shares in enterprises operating in the field of insurance, securities, remittances, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, services intermediary payment, credit information	-
26	Capital contribution and share purchase of an enterprise or an investment fund after subtracting deductible amounts prescribed in (22) and section (23) in excess of 10% of the charter capital and the reserve fund for supplementing the capital bank charter	-
27	The total of capital contributions and shares purchases of enterprises and investment funds after subtracting amounts from (22) to section (24), exceeding the level of 40% of the charter capital and the charter capital supplement reserve fund of the bank	-
CONSOLIDATED EQUITY (C)= (A) + (B) - (23) - (24) - (25) - (26) - (27)		34,392,641

RISK MANA- GEMENT

SeABank has built a system of risk management policies, regulations and procedures to manage risks that complies with Basel II, is consistent with the orientation of the SBV, which SeABank's specific requirements.

SeABank has a comprehensive suite of risk management policies covering risk appetite, risk management strategy and material risks. SeABank's risk management policies are approved by the Board of Directors, with participation of management levels based on consideration of (1) the interests of shareholders, owners, and capital contributors; (2) SeABank's capital and future available sources of capital, and (3) adaptability to ensure feasibility across economic cycles. SeABank's risk management policy is established for a minimum period of 3 years

but not more than 5 years and is reviewed at least annually unless a more immediate review is required by a change in the legal and business environment.

SeABank's risk appetite indicates the extent to which it accepts each of the material risks.

SeABank's risk appetite ensures its ability to integrate and align with the bank's strategy, including business strategies, risk strategies and financial plans in both the short and long term as well as evaluate business performance.

The list of material risks is determined and established by SeABank on a bank-wide basis, ensuring critical risks (including credit risk, operational risk, market risk, liquidity risk, account risks, central bank interest rates, concentration risks) and other risks arising from essential activities are fully identified, accurately measured, regularly monitored for timely prevention and minimize the losses to SeABank.



CREDIT RISK

Credit risk is the risk that customers (including credit institutions and foreign bank branches) fail to perform part or all of their debt payment obligations under a contract or agreement with SeABank. This includes obligations to make payments via trusts, deposits and debt issuances.

Counterparty credit risk is the risk that a counterparty fails to perform or is unable to perform part or all of the payment obligations prior to or upon the maturity of proprietary dealing transactions; repo and reverse repo transactions; derivative trading products to manage risks and foreign currency transactions. In particular, counterparties are customers (including credit institutions and foreign bank branches) having transactions with SeABank in repo and reverse repo; derivative hedging products and trading foreign currency /financial asset to serve the needs of customers and counterparties.

Credit risk management is implemented during the appraisal, approval and credit portfolio review to ensure compliance with the provisions of the law, the SBV and SeABank.

SeABank has developed a credit risk management strategy that includes at least the following:

- Target non-performing loans (NPL) ratio, target credit extension ratio by type of customer, industry and economic sector.
- Principles to determine the cost of credit risk offset in the method of calculating interest rates, pricing credit products according to the customer's credit risk level.
- Principles of application of credit risk mitigation measures (including the competence to approve credit risk mitigation measures).

Measuring and assessing credit risk plays an important role in managing credit risk in SeABank. SeABank has developed quantitative and qualitative tools to measure the risks existing in the credit portfolio, creating a basis for credit risk management, control and adjustment.

RWA according to each criterion as follows:

Unit: million VND

		RW	RWA	
			Separate	Consolidated
1	Cash, gold, cash equivalents	0%	-	-
2	Accounts receivable from Vietnam Government, SBV, State Treasury, PSEs	0%	-	-
3	Accounts receivable from VAMC, DATC	20%	-	-
4	Accounts receivable from international organizations	0%	-	-

Table 4: Credit risk-weighted assets by each type of accounts receivable

	RW	RWA		
		Separate	Consolidated	
5	Accounts receivable from governments, central banks of countries	0%-150%	-	-
6	Accounts receivable from PSEs, local governments	0%-150%	-	-
7	Accounts receivable from foreign financial institutions	20%-150%	-	-
8	Accounts receivable from foreign bank branches operating in Vietnam	20%-150%	142,688	142,688
9	Accounts receivable from domestic credit institutions	20%-150%	23,090,440	20,892,236
10	Purchases, subordinated debt investments, debt securities of other banks	20%-150%	-	-
11	Accounts receivable from businesses not credit institutions	50%-250%	170,875,161	172,122,885
12	Lending secured by real estate	30%-160%	6,048,069	6,048,069
13	Mortgage loan	25%-200%	-	-
14	Retail credit extension	75%-100%	19,146,470	21,026,280
15	Bad debt	50%-150%	2,650,492	2,814,562
16	Receivables from selling bad debts	200%	-	-
17	Equity instruments, stocks of the enterprise, securities investment and lending business	150%	-	-
18	Financial leasing	160%	-	-
19	Acquisition of receivables with recourse of finance companies and finance leasing companies	0%-250%	-	-
20	Other assets on the balance sheet	100%	6,569,129	5,674,976
TOTAL			228,522,449	228,721,696

*Unit: million VND***Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable**

	RW	RWA		
		Separate	Consolidated	
1	Cash, gold, cash equivalents	0%	-	-
2	Accounts receivable from Vietnam Government, SBV, State Treasury, PSEs	0%	-	-
3	Accounts receivable from VAMC, DATC	20%	-	-
4	Accounts receivable from international organizations	0%	-	-
5	Accounts receivable from governments, central banks of countries	0%-150%	-	-
6	Accounts receivable from PSEs, local governments	0%-150%	-	-
7	Accounts receivable from foreign financial institutions	20%-150%	-	-

Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable

		RW	RWA	
			Separate	Consolidated
8	Accounts receivable from foreign bank branches operating in Vietnam	20%-150%	-	-
9	Accounts receivable from domestic credit institutions	20%-150%	2,120,885	2,120,885
10	Purchases, subordinated debt investments, debt securities of other banks	20%-150%	-	-
11	Accounts receivable from businesses not credit institutions	50%-250%	167,696	167,696
12	Lending secured by real estate	30%-160%	-	-
13	Mortgage loan	25%-200%	-	-
14	Retail credit extension	75%-100%	-	-
15	Bad debt	50%-150%	-	-
16	Receivables from selling bad debts	200%	-	-
17	Equity instruments, stocks of the enterprise, securities investment and lending business	150%	-	-
18	Financial leasing	160%	-	-
19	Acquisition of receivables with recourse of finance companies and finance leasing companies	0%-250%	-	-
20	Other assets on the balance sheet	100%	-	-
TOTAL			2,288,581	2,288,581

Unit: million VND

Table 6: Credit risk-weighted assets by industries

		RWA	
		Separate	Consolidated
1	Agriculture, Forestry and fishery	204,862	204,862
2	Extractive	841,962	841,962
3	Manufacturing and processing industry	18,049,813	18,202,813
4	Producing and distributing electricity, gas, hot water, steam and air-conditioning	1,785,008	1,785,008
5	Water supply, activities of management and treatment of waste and wastewater.	132	132
6	Construction	12,964,958	13,079,258
7	Wholesale and retail; Repair of automobiles, motors, motorbikes and other motor vehicles	49,171,121	49,324,121

Table 6: Credit risk-weighted assets by industries

		RWA	
		Separate	Consolidated
8	Warehouse transportation	10,508,641	10,661,641
9	Accommodation and catering services	14,610,709	14,610,709
10	Information and communication	4,175,904	4,175,904
11	Financial activities, banking and insurance	35,026,047	31,327,843
12	Real estate business	6,239,439	6,401,439
13	Professional activities, science and technology	18,170,718	18,170,718
14	Administrative activities and support services	10,979,336	10,979,336
15	Activities of the Communist Party, socio-political organizations, state agencies, national security; compulsory social security	-	-
16	Education and training	2,389	2,389
17	Health and social assistance activities	1,468,803	1,468,803
18	Arts, Entertainment and Recreation	11,709,820	11,709,820
19	Other service activities	9,086,970	9,409,170
20	Employment activities in households, production of material products and services for household self-consumption	19,077,240	21,125,299
21	Activities of international organizations and agencies	333	333
22	Others	6,736,825	7,528,717
TOTAL		230,811,030	231,010,277

Table 7: Credit risk-weighted assets under the risk mitigation method - separate

	Value before deduction	Mitigation value				<i>Unit: million VND</i>	RWA
		Netting	By collateral	3rd party guarantee	Credit derivatives	Value after deduction	
Accounts receivables from Vietnamese government and SBV	24,210,064	-	-	-	-	24,210,064	-
Accounts receivable from	98,545,199	32,005,100	14,179,680	-	-	52,360,420	25,354,013

Table 7: Credit risk-weighted assets under the risk mitigation method - separate	Value before deduction	Mitigation value				Value after deduction	RWA
		Netting	By collateral	3rd party guarantee	Credit derivatives		
financial institutions							
Accounts receivable from businesses	174,857,542	-	4,303,670	-	-	170,553,872	171,042,857
Accounts receivable secured by real estate	11,998,285	-	9,488	-	-	11,988,797	6,048,069
Accounts receivable are mortgage loans	-	-	-	-	-	-	-
Accounts receivable from the retail	29,231,323	-	5,174,339	-	-	24,056,984	19,146,470
Bad debt	2,232,547	-	26,462	-	-	2,206,085	2,650,492
Others	9,708,319	-	-	-	-	9,708,319	6,569,129
TOTAL	350,783,278	32,005,100	23,693,639	-	-	295,084,539	230,811,030

Unit: million VND

Table 8: Credit risk-weighted assets under the risk mitigation method - consolidated	The value before deduction	Mitigation value				The value after deduction	RWA
		Netting	By collateral	3rd party guarantee	Credit derivatives		
Accounts receivables from Vietnamese government and SBV	24,210,064	-	-	-	-	24,210,064	-
Accounts receivable from financial institutions	95,415,199	32,005,100	14,179,680	-	-	49,230,420	23,155,809

**Table 8:
Credit risk-
weighted
assets under
the risk
mitigation
method -
consolidated**

	The value before deduction	Mitigation value				The value after deduction	RWA
		Netting	By collateral	3rd party guarantee	Credit derivatives		
Accounts receivable from businesses	176,213,439	-	4,303,670	-	-	171,909,769	172,290,581
Accounts receivable secured by real estate	11,998,285	-	9,488	-	-	11,988,797	6,048,069
Accounts receivable are mortgage loans	-	-	-	-	-	-	-
Accounts receivable from the retail	31,728,689	-	5,174,339	-	-	26,554,350	21,026,280
Bad debt	2,864,559	-	26,462	-	-	2,838,097	2,814,562
Others	7,552,485	-	-	-	-	7,552,485	5,674,976
TOTAL	349,982,718	32,005,100	23,693,639	-	-	294,283,980	231,010,277

RWA results by rating

SeABank uses the credit ratings of the three independent credit rating agencies: - Fitch Ratings (FITCH), - Moody's Investor Service (MOODY'S), - Standard and Poor's (S&P), base on some following categories:

- Using the effective agreement of the credit rating results and updated at the time of reporting.

- In case the customer/partner has two or more credit ratings of credit rating agencies, the credit rating corresponding to the highest credit risk of customers/partners will be used.

Unit: million VND

Table 9: Credit risk-weighted assets by rating

		Rating	RW	RWA	
				Separate	Consolidated
Domestic financial institutions	The claim has original maturity of less than 3 months	AAA to AA-	10%	-	-
		A+ to BBB-	20%	160,991	160,991
		BB+ to BB-	40%	6,472,472	6,472,472
		B+ to B-	50%	5,869,958	5,869,958
		Under B- and no ratings	70%	8,071,638	5,873,435
	The claim has original term of 3 months or more	AAA to AA-	20%	-	-
		A+ to BBB-	50%	1,277	1,277
		BB+ to BB-	80%	994,588	994,588
		B+ to B-	100%	3,321,485	3,321,485
		Under B- and no ratings	150%	318,850	318,850
Foreign financial institutions	AAA to AA-	20%	93,712	93,712	
	A to BBB-	50%	49,042	49,042	
	BB to B-	100%	-	-	
	Under B- and no ratings	150%	-	-	
		TOTAL		25,354,013	23,155,809

MARKET RISK

Market risk policy

SeABank's market risk is primarily managed across two business divisions:

(1) Treasury, and (2) Investments. Market risks arising from other business units must be transferred to the market risk department. In addition:

- Financial markets products and instruments ("FMPI") must have accounting and recording regulations in either the banking book or trading book to ensure that market risks arising from the trading of FMPI is appropriate and fully recorded on a daily basis.

- Market risk in FMPI in the trading book is managed in stages. This includes: (1) identification, (2) measurement and risk mitigation, and (3) monitoring and supervision. Furthermore, proprietary trading of FMPI is managed in accordance with the three lines of defense (3LOD) methodology.

- Market risk appetite is developed and re-evaluated annually in parallel with the reassessment of market risk limits for each proprietary trading portfolio.

- The proprietary trading portfolio must be quantitatively measured and formulated stress test scenarios must clearly show the level of market risk that SeABank holds.

- An early warning system has been developed to identify and mitigate market risks.

Proprietary trading strategies & Portfolios

SeABank manages proprietary trading portfolios which include: (1) foreign exchange, (2) government bonds, and (3) corporate bonds. In particular, it is noted that:

- SeABank manages market risk in foreign exchange by limiting trading in G7 currencies (primarily USD) via setting of appropriate risk limits.

- SeABank also manages interest rate risk by limiting trading to short to medium-term, highly liquid government and corporate bond exposures.

Unit: million VND

Table 10: Regulatory capital for Market Risk

	Separate		Consolidated	
	RWA	Capital required	RWA	Capital required
Interest rate risk	14,514,881	1,161,190	14,514,881	1,161,190
Stock price risk	-	-	-	-
Commodity price risk	-	-	-	-
Foreign exchange risk	264,987	21,199	264,987	21,199
Option price risk	-	-	-	-
TOTAL	14,779,868	1,182,389	14,779,868	1,182,389

OPERATIONAL RISK

Operational risk is the risk due to incomplete or erroneous internal processes, human factors, system failures, faults or external factors that cause financial losses. The main negative impacts were non-financial impacts on SeABank (including legal risks). Operational risks do not include reputational and strategic risks.

SeABank has developed an operational risk management policy that covers the following:

- Principles of operational risk management.
- Principles for outsourcing, insurances and application of technologies.
- Business continuity planning.

SeABank fully identifies operational risks in all products, business activities, business

processes, information technology systems and management systems.

SeABank strictly manages outsourcing activities to ensure the use of outsourced services does not cause dependence, does not compromise the security of SeABank's database and customer information and is more effective than self-implementation. The business continuity plan has been developed to meet SBV requirements and covers a number of scenarios such as loss of important documents and databases; malfunctioning of information technology systems and force majeure events, such as natural disasters and fires. The business continuity plan focuses on those key activities which may significantly impact the bank's capabilities if compromised, such as payment systems, communications and treasury.

Unit: million VND

Table 11: Regulatory capital for operational risk – separate

	IC	SC	FC	BI Total	Capital required
Quarter 4 - 2022	1,748,479	582,179	149,890	2,480,548	372,082
Quarter 3 - 2022	1,607,131	673,596	122,613	2,403,340	360,501
Quarter 2 - 2022	1,591,981	675,851	459,957	2,727,789	409,168
Quarter 1 - 2022	1,464,163	498,975	436,977	2,400,114	360,017
Quarter 4 - 2023	2,132,273	635,518	553,346	3,321,137	498,171
Quarter 3 - 2023	1,566,259	539,919	451,740	2,557,918	383,688
Quarter 2 - 2023	1,418,484	501,194	125,113	2,044,791	306,719
Quarter 1 - 2023	1,670,830	335,902	304,128	2,310,860	346,629
Quarter 4 - 2024	2,350,722	1,329,187	316,923	3,996,831	599,525
Quarter 3 - 2024	2,192,439	465,875	209,243	2,867,557	430,134
Quarter 2 - 2024	2,530,657	362,658	441,213	3,334,529	500,179
Quarter 1 - 2024	1,783,980	336,533	553,975	2,674,487	401,173
Total required capital for operational risk in the last 3 years					4,967,985
Required capital for operational risk in the current year					1,655,995

Table 12: Regulatory capital for operational risk – consolidated

	IC	SC	FC	BI Total	Capital required
Quarter 4 - 2022	1,929,176	634,307	169,356	2,732,840	409,926
Quarter 3 - 2022	1,784,554	601,027	97,609	2,483,189	372,478
Quarter 2 - 2022	1,727,626	772,316	449,949	2,949,891	442,484
Quarter 1 - 2022	1,564,571	548,565	436,977	2,550,113	382,517
Quarter 4 - 2023	2,215,184	666,203	553,346	3,434,734	515,210
Quarter 3 - 2023	1,638,020	553,600	451,740	2,643,361	396,504
Quarter 2 - 2023	1,507,547	512,645	109,566	2,129,759	319,464
Quarter 1 - 2023	1,796,094	345,446	304,128	2,445,667	366,850
Quarter 4 - 2024	2,425,898	1,352,252	316,923	4,095,073	614,261
Quarter 3 - 2024	2,797,217	494,430	209,243	3,500,890	525,134
Quarter 2 - 2024	2,741,576	384,447	441,213	3,567,237	535,086
Quarter 1 - 2024	2,001,719	351,270	553,975	2,906,964	436,045
Total required capital for operational risk in the last 3 years					5,315,958
Required capital for operational risk in the current year					1,771,986