
SSI
SUSTAINABLE
DEVELOPMENT REPORT
2018

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MESSAGE FROM THE CHAIRMAN ON SUSTAINABLE DEVELOPMENT

Dear Valued Shareholders,

There were ups and downs in the global stock markets in general and Vietnam stock market in particular in 2018. The market was down for the first time ever after 5 previous consecutive years of growth in line with the positive momentum of the economy. Specifically, the VN-Index fell by 26.3% after setting an all-time peak (1,211 points) and was 9.32% lower than that at the end of 2017. The instabilities in the global markets such as the US - China trade war, higher interest rates set by the US Federal Reserve (FED), and slowing global growth, etc., all negatively affected to the market sentiment. In addition, the competition in commercial activities is becoming stronger between securities companies. The market is now open to wider participation of foreign competitors with potentials in capital, human resources and technology, as well as stronger competition in the application of technology, artificial intelligence and development of trading system etc. On this background, SSI recognizes the importance of integration of sustainable development objectives in its business strategies. This would enhance SSI's adaptation to all market conditions, continue to exceed its business targets while improving its prestige and market competitiveness, attracting local and foreign investors' interest, building a stronger team by engaging high quality human resources, thereby efficiently contributing to the market, community and society.

In 2018, SSI continued to obtain positive achievements in sustainable development activities. The Company's decent business performance over recent years has directly contributed to the State budget by means of taxes and other payables. Apart from this, indirect contributions have been made to the overall development of the economy in general and the stock market in particular, namely: consultancy for enterprises' fund-raising, contributing to the formation of a channel to direct and distribute capital to the economy in the long term; active participation in market development; job creation and generation of stable income for employees. Corporate governance at SSI is delivered effectively to gradually fulfill the best regional standards and enhance transparency, seeing this as a guiding principle in all of its activities to assist the Company in risk management, legal compliance, protection of rights and benefits, and ensuring fairness to all shareholders.

The sustainable development of SSI will not be made possible without strong support from our customers; thus, the customer centric approach is adopted for all activities of the Company. SSI manages to bring customer satisfaction by constantly improving the quality of our products and services, development of new products, adoption of flexible and dynamic customer service, sharing of market information, and building public awareness on the stock market.

A responsible investment strategy to accompany and create shared development space with our associated companies and investee companies has also been pursued by SSI for many years.

For SSI, human capital is the most valuable asset. Thus, SSI has striven incessantly to build an organization where each member finds peace of mind and feels satisfied at work. This has been made possible by facilitating and promoting work-life balance, continuous training and development, and intensification of compliance to realize sustainable goals as opposed to short-term benefits.

In addition, under a commitment "We strive the better the communities in which we work", throughout its course of growth, SSI has proactively developed education programs for young generations and joined local communities in poverty reduction, addressing challenges and building a better society.

At the start of another year in its connecting journey, SSI will continue to execute its chosen mission and undertake to secure sustainable development steps for itself, its Shareholders, Customers, Employees, Partners, and the Community. I'd like to extend my thanks to our Shareholders, Customers, Partners and Employees for your valuable support and companionship.

We wish You good health and success!

Nguyen Duy Hung

Chairman cum Chief Executive Officer

GENERAL INFORMATION OF THE COMPANY

GRI 100: UNIVERSAL STANDARDS



VISION:
THE BUSINESS OF SUCCESS

SSI Securities Corporation (SSI) operates based on the vision “The Business of Success”.

At the heart of all our products and services is a drive for achieving success. We help unlock opportunities in financial markets and turn these into prosperity and growth.

We put all our resources and ideas behind bringing success to our clients, our people, our shareholders and the communities we operate in.

MISSION:
CONNECTING CAPITAL TO OPPORTUNITIES

SSI’s mission is to connect capital to opportunities.

This mission unifies all the businesses under the SSI brand and will guide any future opportunities, which the brand may take on.

CORE VALUES

***S*olutions-Led:** We are focused on the outcome of making our customers successful, and we prioritize their individual needs over existing products or processes.

***S*killed:** We are experts in our industry and in our markets and will continually enhance our professional skills to provide the highest standards of service to our customers.

***I*nventive:** We empower and encourage our people to find creative new ways to bring success to SSI and its customers.

CORPORATE INFORMATION

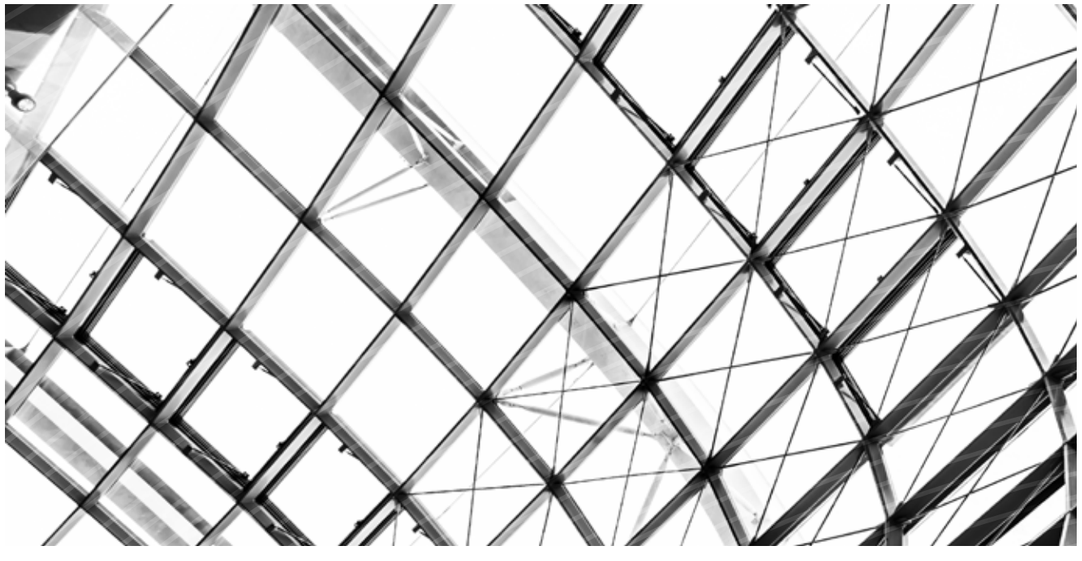


GENERAL INFORMATION OF THE COMPANY

SSI Securities Corporation (SSI – HOSE) was found in December 1999 as the first privately licensed securities firm and the smallest one in the market at that time. With more than 18 years of experience in Vietnam financial market, the Company has become a leading financial institution, which has the fastest growth rate in term of charter capital. With strong financial capability, high standard corporate governance, and professional human resource, SSI provides clients a comprehensive range of financial products and services, maximizing shareholders' value. Currently, The Company has a wide network with 14 Branches/ Transaction Offices in big cities in Vietnam, such as Hanoi, Ho Chi Minh City, Hai Phong, Nha Trang, Vung Tau.

Company name:	SSI Securities Corporation (SSI) (Formerly known as Saigon Securities Incorporation)
Legal Representative:	Mr. Nguyen Duy Hung (Chairman cum CEO)
Date of incorporation:	30/12/1999
Charter Capital (as at 31/12/2018):	VND 5,100,636,840,000
Owner's equity (as at 31/12/2018):	VND 9,155,664,527,633
Head Office:	72 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City
Website:	http://www.ssi.com.vn/
Telephone:	+84 28 38242897
Fax:	+84 28 38242997
Number of employees (as at 31/12/2018):	1,026 including 548 employees who are fully certified for securities license.

BRANCH NETWORK



THE NORTH

Hanoi Branch: 1C Ngo Quyen, Ly Thai To Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3936 6321 - Fax: (+84) 24 3936 6311

Tran Hung Dao Transaction Office: 10th Floor, Capital Tower, 109 Tran Hung Dao, Cua Nam Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3941 3383 - Fax: (+84) 24 3941 3385

Nguyen Chi Thanh Transaction Office: 8th Floor, TNR Tower, 54A Nguyen Chi Thanh, Lang Thuong Ward, Dong Da District, Hanoi

Tel: (+84) 24 3773 4999 - Fax: (+84) 24 3771 4999

My Dinh Branch: Floor G, The Manor Building, My Dinh, Me Tri Ward, Tu Liem District, Hanoi

Tel: (+84) 24 3794 6699 - Fax: (+84) 24 3794 6677

Hai Phong Branch: 22 Ly Tu Trong, Hong Bang District, Hai Phong City

Tel: (+84) 225 3569123 - Fax: (+84) 225 3569130

SSI Asset Management Ltd: 1C Ngo Quyen, Ly Thai To Ward, Hoan Kiem District, Hanoi

Tel: (+84) 24 3936 6321 - Fax: (+84) 24 3936 6337

THE SOUTH

Headquarter: 72 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3824 2897 - Fax: (+84) 28 3824 2997

Nguyen Cong Tru Branch: 7th Floor, TNR Building, 180-192 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3821 8567 - Fax: (+84) 28 3821 3867

Pham Ngoc Thach Transaction Office: 2nd Floor, ITower Building, 49 Pham Ngoc Thach, Ward 6, District 3, Ho Chi Minh City

Tel: (+84) 28 3824 5079 - Fax: (+84) 28 3824 5077

Nguyen Van Cu Transaction Office: 8th floor, Royal Centre Building, 235 Nguyen Van Cu Street, Cu Trinh Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3622 0123 - Fax: (+84) 28 3622 6667

Nguyen Thi Minh Khai Transaction Office: 1st Floor, Golden Tower Building, 6 Nguyen Thi Minh Khai Street, Da Kao Ward, District 1, Ho Chi Minh City

Tel: (+84) 28 3622 2666 - Fax: (+84) 28 3622 2333

Nguyen Huu Canh Transaction Office: Floor 5-6, 11 Road D2, Shophouse Sai Gon Pearl, 92 Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City

Tel: (+84) 28 3622 2233 - Fax: (+84) 28 3622 2277

Cach Mang Thang Tam Transaction Office: 6th Floor, Lim II Tower, 62A Cach Mang Thang Tam Street, Ward 6, District 3, Ho Chi Minh City

Tel: (+84) 28 3622 7788 - Fax: (+84) 28 3622 5666

Vung Tau Branch: 4 Le Loi, Vung Tau City

Tel: (+84) 254 3521906 - Fax: (+84) 254 3521907

Nha Trang Branch: 3rd Floor, Queen Tower, 50 Le Thanh Phuong, Nha Trang City

Tel: (+84) 258 3816969 - Fax: (+84) 258 3816968

HISTORY



1999 - 2002

30/12/1999: SSI was founded with its head office based in Ho Chi Minh City, with two main operations: Brokerage Services & Investment Advisory. Initial charter capital was VND 6 billion

07/2001: Charter capital was raised to VND 20 billion with 4 main operations: Investment Advisory, Brokerage Services, Principal Investment & Securities Depository

07/2002: SSI established its first branch in Hanoi, expanding its networks to Northern areas

2003 - 2005

06/2005: SSI raised charter capital to VND 52 billion with 6 operations including Investment Advisory, Brokerage Services, Principal Investment, Securities Depository and Investment Portfolio Management, Underwriting Service

2006 - 2008

11/2006: Successfully advised the issuance of the first convertible bond in the Vietnam Stock Market of SSI, introducing a new funding vehicle for public companies other than issuing common shares

12/2006: SSI's stock was listed on the Hanoi Securities Trading Center (now known as Hanoi Stock Exchange)

08/2007: SSI Asset Management (SSIAM), a subsidiary of SSI, was founded

10/2007: SSI was officially listed on the Ho Chi Minh City Trading Center (now known as Ho Chi Minh Stock Exchange)

04/2008: Charter capital was raised to VND 1,366 billion

06/2008: Daiwa became Strategic Shareholder of SSI

2009 - 2011

07/2009: SSIAM became the first company to have a license to invest outside of Vietnam

05/2010: Charter capital was raised to VND 3,511 billion

2012 - 2014

03/2013: Charter capital was raised to VND 3,537.9 billion

2015 - 2017

04/2015: SSI successfully issued secured and non-transferable bonds via private placement: SSIBOND012015 bonds with total issuance value of VND 500 billion at Jan 2015 and SSIBOND022015 bonds with total issuance value of VND 300 billion at April 2015

09/2015: SSI became the first company that completed all required procedures to officially lift its limit of foreign ownership up to 100%

01/2017: Charter capital was raised to VND 4,900.6 billion

04/2017: SSI carried out successfully two private placements of corporate bonds with a total of VND 300 billion for each issue, in January and April 2017

05/2017: SSI was granted with securities trading license by the State Securities Commission for trading derivatives and providing clearing services and settlement of derivatives trading

Hanoi Stock Exchange (HNX) issued its decision to approve SSI as a trading member of derivatives market

2018

02/2018: SSI successfully issued its 3-year fixed rate convertible bonds with the total value of VND 1,150 billion at a coupon rate of 4 percent annually

12/2018: SSI celebrated its 18th anniversary and officially changed company name to SSI Securities Corporation, unifying company name with abbreviation and stock ticker

Charter capital was raised to VND 5,100.6 billion

BUSINESS UNITS



GENERAL INFORMATION OF THE COMPANY

SECURITIES SERVICES

Products and Services for enabling investing in listed stocks and mutual funds including: opening of trading accounts, brokerage, order placing, advisory, cash transactions, securities depository; consultancy and support for OTC transactions, distribution of open-ended fund certificates, and distribution of certificates of deposit and corporate bond; Initial Public Offering (IPO) auction agent;

Products and Services for derivatives market including account opening, brokerage, advisory, order placing, cash transactions;

Financial services: margin lending, and cooperation with banks to support securities trading;

E-trading services: Web Trading, Pro Trading, Mobile Trading, Smart Trading, Contact Center and SMS;

Research and Investment Advisory: macro reports, investment advisory report, daily call report, industry research report, company reports, stock valuation reports, money market reports, fund flow reports, technical analysis reports;

Corporate access: company visits to listed/unlisted companies, seminars to introduce investment opportunities to Vietnam and international investors.

TREASURY

Treasury business activities including currency transaction and investment through term-deposits contracts, loan contracts, entrustment, bond repos, fixed income instruments and other structured product transactions;

Bond services including brokerage, auctions and underwriting services;

Providing flexible structured products to optimize advantage in funding needs as well as investment capital on the market with optimal interest rates and with appropriate maturities.

INVESTMENT BANKING

Corporate financing advisory: business evaluation, corporate financing restructuring, listing and IPO advisory;

Mergers and Acquisitions (M&A) advisory;

Advisory for capital raising in domestic and international capital market: stock, bond and derivatives issuance and underwriting via public offering or private placement

SSI ASSET MANAGEMENT (SSIAM)

Fund Management: capital mobilization and management for onshore and offshore funds;

Portfolio Management: discretionary and non-discretionary portfolio management for domestic/international institutions as well as individual customers, corporate clients and Private Wealth management;

Investment Advisory: for institutional and individual, domestic and foreign customers; strategy and asset allocation advisory.

AWARDS



GENERAL INFORMATION OF THE COMPANY

BROKERS POLL 2018 ASIAMONEY

Awards from Asiamoney Brokers Poll for consecutive 6 years. In 2018, there are 22 awards including 3 ones for the company and 19 ones for 16 individuals, in 4 main categories:

- **Award for SSI:**

  "Best Local Brokerage in Vietnam"

- **Award for SSI Research and Investment Advisory:**

  "Best for Overall Country Research in Vietnam"

  "Best research coverage" for several SSI analysts covering different sectors (17 out of 19 categories)

- **Award for SSI Institutional Brokerage:**

  "Best overall sales services"

  "Best Salestrader in Vietnam" in 2018: Ms. Ngo Thu Nga (Director) – 1st position, Mr. Banh Chan Oai (Deputy Manager) – 2nd position, Mr. Duong Quoc Thinh (Deputy Manager) – 3rd position

Other Awards from Asiamoney

- "Best Securities House in Vietnam" in 2018

Award from Euromoney

- "Best Bank in Vietnam for Equity Finance for Real Estate services" in 2018

Award from The Asset

- "Asset Management company of the year" in 2012 – 2014 – 2015 – 2016 – 2017 – 2018
- "Best Brokerage" in 2018
- "Best corporate and institutional adviser – Domestic" in 2018
- "Best IPO: Vinhomes US$1.35 billion IPO" in 2018

Award from FinanceAsia

- "Best Broker" in Vietnam in 2008 – 2009 – 2010 – 2011 – 2014 – 2015 – 2016
- "Best Equity House" in Vietnam in 2008 – 2009 – 2010 – 2012 – 2016
- "Best ECM House" in Vietnam in 2014 – 2015 – 2018
- "Best Investment Bank" in Vietnam in 2010 – 2011 – 2014 – 2016 – 2018
- "Best IPO" and "Best Vietnam Deal" in 2018 - Vinhomes VND30.8 trillion ($1.349 billion) Initial Equity Offering

Award from Asian Investor

- "Vietnam Onshore Fund House of the Year" in 2010 – 2016 – 2017 – 2018

Award from Alpha Southeast Asia

- "Best retail brokerage in Vietnam" in 2018

Award from Forbes

- Top 50 Best Listed Companies in Vietnam in 2014 – 2015 – 2016 – 2017 – 2018
- Top 40 Most Valuable Brands Vietnam in 2016 – 2017 – 2018

Award from Vietnam M&A Forum

- The most outstanding securities company of IPO Advisory and Private Placement category in the period 2017 – 2018

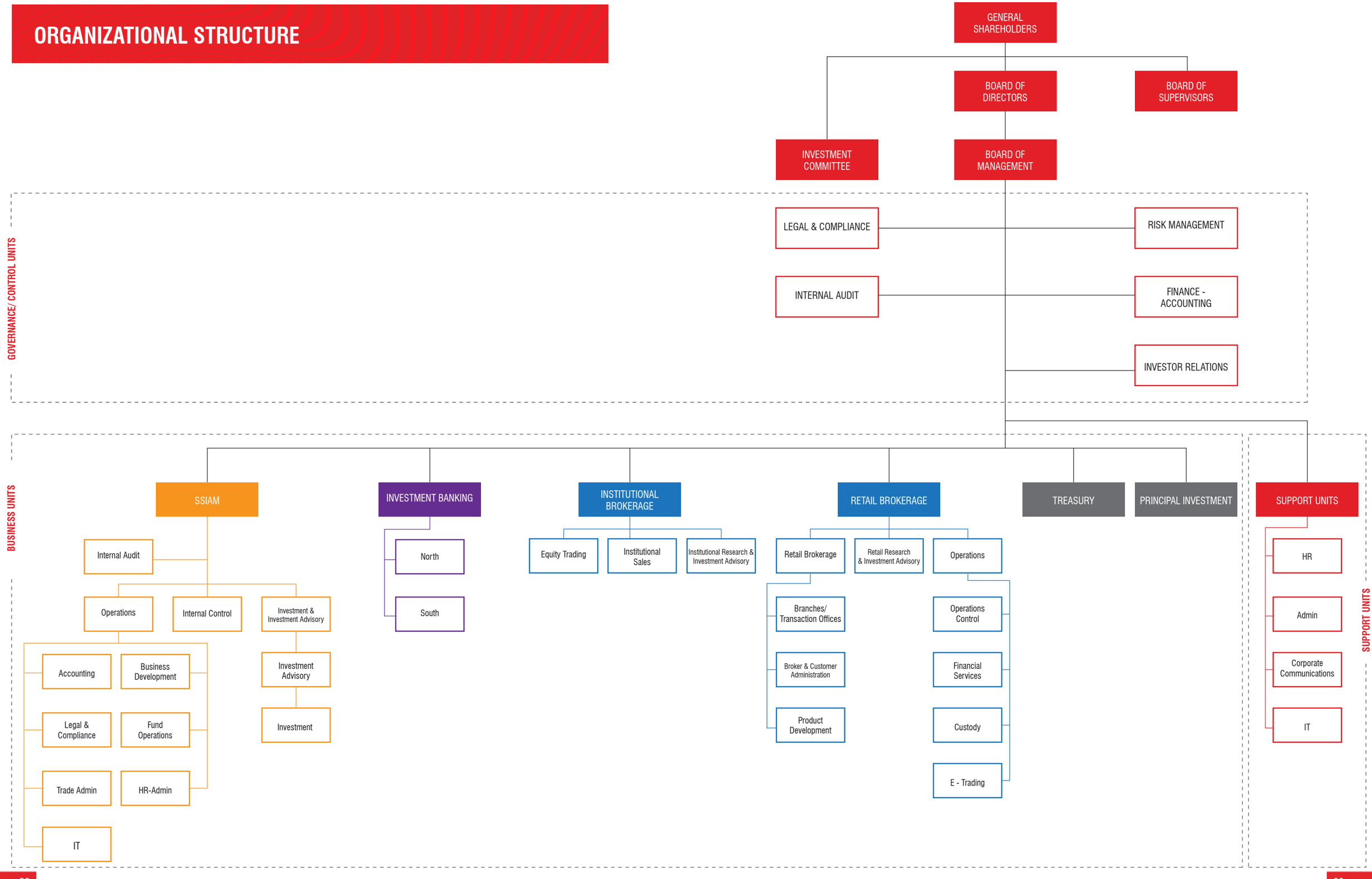
Award from Anphabe

- Top 50 Most Attractive Employer Brands of 2017 – 2018
- Top 15 Best Workplaces in Vietnam in Investing/ Finance/ Audit in 2017

"Top 10 Best Annual Report – large-cap category" awarded by HOSE, HNX and Việt Nam Investment Review (VIR) magazine.

- **Top 1000 Enterprises with Largest Tax Contribution in Vietnam** (V1000) for 7 consecutive years.
- **Merit from Ministry of Finance** for having many achievements and contributions in building and developing Vietnam Stock Market from 2016 to 2018
- **Top 500 Most Profitable Enterprises in Vietnam** (PROFIT500) in 2018
- **Top 500 Fastest Growing Firms in Vietnam** (FAST500) in 2016 – 2017 – 2018 – 2019
- **Top 500 Vietnamese Largest Private Enterprises** (VNR500) for 11 consecutive years (2008 – 2018)
- **Top 10 outstanding Securities Company** in HNX and HOSE
- **Awards from Vietnam Securities Depository:**
  - Outstanding member in securities depository activities in 2018
  - Outstanding member in stock/ cash transaction in 2018
  - Outstanding member in derivatives transaction in 2018

ORGANIZATIONAL STRUCTURE



MEMBERS OF THE BOARD OF DIRECTORS



Mr. Nguyen Duy Hung
Chairman and Chief Executive Officer

Mr. Hung is the founder of SSI Securities Corp. He is also the founder and Chairman of The PAN Group JSC. (PAN – HOSE) - a leading company in agriculture and high-quality packaged food industry.



Mr. Nguyen Hong Nam
BOD Member, Deputy CEO; Spokesman

Mr. Nam has been a successful business executive in various areas. He holds a Master of Science from Lugansk University, Ukraine.



Mr. Ngo Van Diem
BOD Member

Mr. Diem has many years of experiences in foreign and domestic investments, state-owned enterprise reform, and industrial zone development and economic integration holding middle and senior positions in Government agencies.

Mr. Diem graduated from Leipzig University and has a PhD in Economics from Martin Luther University from Germany.

GENERAL INFORMATION OF THE COMPANY



Mr. Bui Quang Nghiem
BOD Member

Mr. Nghiem is the Director of Nghiem & Chinh Lawyers and Vice Chairman of Ho Chi Minh Bar Association. Mr. Nghiem graduated from Martin Luther Halle University, Germany.



Mr. Nguyen Duy Khanh
BOD Member

Mr. Khanh holds a Bachelor of Finance, George Washington University, the United States.

Mr. Khanh used to work with SSI during the implementation of the Reforming Consultancy Project provided by McKinsey (2010). He also helped in the founding of SSI International Corp. and made significant contribution to its successes. He is a member of BOD of The PAN Group JSC. (PAN – HOSE)



Mr. Hironori Oka
BOD Member

Mr. Hironori Oka has over 20 years of experiences in the finance and securities fields, holding various positions in Japan, Hong Kong, the United States, Singapore and Taiwan. He used to be in charge of many senior positions in Daiwa Group Inc. and started to assume the leading position since 1994. Mr. Oka is currently the executive managing director, head of Asia and Oceania region, and Chairman and Chief Executive Officer of Daiwa Capital Markets Hong Kong Limited.

MEMBERS OF THE BOARD OF SUPERVISORY



Mr. Nguyen Van Khai

Mr. Khai joined the Board of Supervisory (BOS) of SSI since 1999 and has been consistently voted as the Head of the SB through the terms.

Mr. Khai is experienced in corporate management and currently is Vice Chairman of Long An Food Processing Export JSC. (LAF – HOSE), and Member of the BOD of Bentre Aquaproduct Import and Export JSC. (ABT – HOSE).

Mr. Khai holds a Master's Degree of Technology Management.



Mr. Dang Phong Luu

Mr. Luu has been a member of SSI BOS since 2005. He has held the position of Director of Tan Binh Branch - Vietnam International Commercial Joint Stock Bank (VIB). He has over 20 years of experiences in finance and banking. He graduated from University of Banking, Ho Chi Minh City.

He currently runs his own business An Bao Production Trading Co., Ltd as the Chairman of the Member Board.



Ms. Le Cam Binh

Ms. Binh had many years of experience in accounting, auditing and consulting. She has been Director of Internal Audit Department since 05/2017. Before that, she had a long time working for Auditing and Consulting Company – A&C, in charge of managing audit contracts with insurance and finance corporations.

Apart from Degree of Financing and Accounting issued by Thang Long University, she has recognized as Certified Public Accountant (CPA) by Vietnam Ministry of Finance since 2005. She completed the ICAEW IFRSs learning and assessment program from 02/2017.

GENERAL INFORMATION OF THE COMPANY



BOARD OF MANAGEMENT



Mr. Nguyen Duy Hung
Chairman cum Chief Executive Officer



Mr. Nguyen Hong Nam
Deputy Chief Executive Officer

GOVERNANCE/ CONTROL UNITS



Mr. Nguyen Kim Long
Director of Legal & Compliance



Ms. Le Cam Binh
Director of Internal Audit



Ms. Nguyen Thi Thanh Ha
Chief Financial Officer



Ms. Hoang Thi Minh Thuy
Chief Accountant



Mr. Dang Manh Cuong
Director of Risk Management



Ms. Bui Thi Hong Nhung
IR Manager

BUSINESS UNITS

SSIAM



Ms. Le Thi Le Hang
Chief Executive Officer



Ms. To Thuy Linh
Deputy Chief Executive Officer

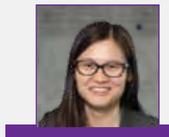


Mr. Nguyen Phan Dung
Deputy Chief Executive Officer

INVESTMENT BANKING



Ms. Nguyen Thi Huong Giang
Director - Southern Region



Ms. Nguyen Ngoc Anh
Director - Northern Region

INSTITUTIONAL BROKERAGE



Mr. Mai Hoang Khanh Minh
Managing Director



Mr. Michael Joseph Lynch
Managing Director



Ms. Ngo Thu Nga
Director of Equity Trading



Ms. Cao Thị Ngọc Quỳnh
Director of Institutional Sales



Ms. Hoang Viet Phuong
Director of Institutional Research & Investment Advisory

RETAIL BROKERAGE



Mr. Bui The Tan
Managing Director



Mr. Nguyen Duy Linh
Deputy Managing Director



Ms. Do Thi Thanh Thuy
Deputy Managing Director



Ms. Huynh Thi Thanh Thao
Director of Operations



Mr. Nguyen Duc Hung Linh
Director of Retail Research & Investment Advisory



Ms. Le Thi Thanh Tam
Director of Product Development

TREASURY



Ms. Nguyen Vu Thuy Huong
Managing Director

PRINCIPAL INVESTMENT

SUPPORT UNITS



Ms. Doan Ngoc Ly Ly
Chief Operating Officer



Ms. Do Thi Quynh
Chief Personnel Officer



Mr. Yam Wai On (Steve Yam)
Chief Information Officer



Ms. Luong Lan My
Director of Corporate Communications



Ms. Vu Thi Thu Trang
Admin Manager

2018 FINANCIAL HIGHLIGHTS

Business performance	2014	2015	2016	2017	2018
Net revenue (VND)	1,564,510,137,885	1,802,941,289,604	2,540,929,472,830	3,043,190,092,433	3,938,662,332,650
Net profit from operating activities (VND)	859,922,881,979	1,048,759,561,596	1,141,560,999,946	1,392,314,526,117	1,567,029,926,018
Total profit before tax (VND)	927,840,400,057	1,053,797,641,057	1,144,062,998,942	1,405,021,409,033	1,623,213,463,955
Profit after tax of the parent company's shareholders (VND)	744,830,193,840	841,566,556,381	946,703,413,703	1,161,852,985,813	1,304,930,180,565

Balance sheet	2014	2015	2016	2017	2018
Total assets (VND)	8,914,435,465,737	12,153,431,597,528	14,006,830,388,635	18,764,375,171,848	23,825,626,725,361
Paid-in charter capital (VND)	3,537,949,420,000	4,800,636,840,000	4,900,636,840,000	5,000,636,840,000	5,100,636,840,000
Total number of weighted average shares	464,358,318	471,713,404	480,436,945	490,089,282	499,834,406
Owner's equity (VND)	5,773,805,744,525	6,727,609,014,290	7,906,811,867,993	8,616,249,695,902	9,155,664,527,633

Asset structure	2014	2015	2016	2017	2018
Current assets/Total assets	71.9%	90.30%	90.41%	91.81%	93.47%
Long-term assets/Total assets	28.1%	9.70%	9.59%	8.19%	6.53%

Capital structure	2014	2015	2016	2017	2018
Liabilities/Total assets	35.2%	44.64%	43.55%	54.08%	61.57%
Equity/Total assets	64.8%	55.36%	56.45%	45.92%	38.43%

Rate of returns	2014	2015	2016	2017	2018
Profit after tax/Total assets (ROA)	8.4%	6.91%	6.74%	6.19%	5.47%
Profit after tax/equity (ROE)	13.1%	12.6%	12.1%	13.6%	14.3%
Profit after tax/Charter capital	21.1%	17.49%	19.28%	23.22%	25.54%
Profit after tax/Net revenue	47.6%	46.58%	37.18%	38.15%	33.08%
EPS (VND)	1,492	1,658	1,843	2,208	2,428

Solvency ratios	2014	2015	2016	2017	2018
Current ratio (Current assets/Current liabilities)	2.06	2.33	2.17	1.84	1.65
Quick ratio (Cash, cash equivalents and short-term financial investments/Current liabilities)	1.33	2.28	2.13	1.81	1.65

STRATEGIC DIRECTION FOR SUSTAINABLE DEVELOPMENT



With the vision “The business of success”, for SSI, the Company’s success means maximizing effectiveness and value for Clients, Associates, Partners, Shareholders and the Community.

SSI is fully aware that a business cannot operate while focusing only on stand-alone and short-term development goals without paying attention to long-term growth in relation to the economy, environment and society. Especially, in the context of challenging business environment from macroeconomy fluctuation, stock market being forecasted to remain volatile and increasing competition from local and foreign securities companies, more than ever, SSI needs to integrate sustainable development goals into overall development strategy, maintaining its position as the leading financial institution in Vietnam and reaching out to international market. Therefore, the Company’s long-term strategic direction is to ensure the Business’s sustainable development in line with the sustainable development of the Vietnamese Financial Market, and to contribute most effectively and practically to the Society.

Sustainable Development of SSI

- Sustainable growth
- Creating best value for employees through: ensuring income and economic interest; taking care of their health & life quality; developing the team, searching for & nurturing talents
- Corporate governance towards sustainable development: focus on risk management and compliance; enhance transparency in all activities.

Developing Financial Market

- Maintaining stable dividend ratios for Shareholders
- Customer is a focus in every activity
- Connecting capital to investment opportunities, serving as an effective capital mobilization channel for the economy
- Supporting businesses through advisory services on financial strategies and solutions; directly assisting businesses in improving corporate governance based on best practices
- Actively contributing to market development

Positive impacts on the Society

- Fulfilling all duties and responsibilities to the State
- Adopting responsible investment strategy, accompanying with investee company
- Practicing environmental protection
- Engaging in community sharing

SSI shares potential opportunities with clients, colleagues, partners and the community. It plays an important factor in accomplishing the set forth mission, as well as bringing about sustainable development to SSI and its stakeholders.



01. SSI commits to enhance client satisfaction with products and services meeting specific needs and offering optimal solutions to maximize performance for each client segments.

02. SSI preserves and develops relationships with partners and colleagues to work together in delivering optimal and sustainable efficiency to all parties.

03. SSI voluntarily fulfills corporate social responsibilities, jointly contributing to the development of the community. We focus on the development of education for the younger generations to foster future talents for the country. We join hands with the community in efforts to build a better society.

04. We endeavor to develop a professional work environment, where SSI employees - who create added values for shareholders - are encouraged, guided and supported to achieve the highest satisfaction in work and life. Our team is the most valuable assets of SSI.

05. To gain the trust of shareholders, SSI commits to absolute transparency in operations and information, continuing efforts to explore and develop for higher value creation.

OVERVIEW OF SUSTAINABLE DEVELOPMENT REPORT

GRI 100: UNIVERSAL STANDARDS

REPORT OVERVIEW



The Sustainable Development Report (SDR) is an overall picture collecting, publishing, reviewing and assessing sustainable development goals and activities of SSI Securities Corporation with a strategic direction toward sustainable development.

2018 has been the second year that SSI produced SDR in reference to standards of the latest version **GRI Sustainability Reporting Standard**s by the Global Reporting Initiative (GRI). This version outlines the highest international standards for an SDR, which were upgraded and restructured to help the reporting more convenient and efficient. This year the SDR was also prepared independently instead of being integrated into the Annual Report. The Company seeks to demonstrate its clarity and transparency in the disclosure of contents related to sustainable development, increase values to shareholders, develop the trust of stakeholders, as well as enhance its prestige and brand identity.

OVERVIEW OF SUSTAINABLE DEVELOPMENT REPORT

Report contents

The Sustainability Development Report 2018 sets forth the strategic direction for the Company's sustainable development initiatives in the coming years, at the same time reflecting the results of sustainability development activities in 2018. The report will help Shareholders, Investors have a more complete understanding of the Vision, Strategy as well as results of Sustainable development activities of the Company.

The report consists of the following main contents:

- Message from the Chairman on sustainable development
- Company Overview
- Sustainable Development Direction
- Report Overview
- Detailed report on sustainable development activities for 2018

Reporting Scope & Limits

The Sustainable Development Report 2018 was prepared for the fiscal year ended on 31 December 2018. All data in the report is collected from SSI's actual activities at the Head Office and Branches/Transaction Offices nationwide, from 1 January 2018 to 31 December 2018. Financial data in the report is referenced from the audited Consolidated Financial Report for the year of 2018.

The report is prepared by the Sustainable Reporting Team, including members from several departments responsible for data provided in the Report such as the Investor Relation, Corporate Communication, Finance - Accounting, BOD Secretary.

Report content determination method

The report was compiled in reference to the GRI Global Sustainability Reporting Standards set by the Global Reporting Initiative.

SSI's approach to sustainable development issues arises from the Company's long-term economic development goals, coupled with business environment and social development goals, thus contributing to the overall development of the community.

The Sustainable Development content is discussed by SSI with stakeholders in order to identify topics of interest. These issues will continue to be evaluated and reviewed by SSI in the overall context of sustainable development and in relation to the Company's current business operation and sustainable development strategy, from which critical matters are to be reviewed, improved as well as highlighted in the Sustainable Development Report 2018.

The report was prepared according to the following principles:

Principles for Determining Report Contents	Principles for Determining Report Quality	
Stakeholder involvement	Accurateness	Comparableness
Overall context of sustainable development	Parity	Trustfulness
Significance	Clarity	Update

Contact

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CONNECTING DIFFERENT STAKEHOLDERS FOR SUSTAINABLE DEVELOPMENT

With the Vision "The Business of Success", SSI has continued to build and develop sustainable relationships with stakeholders in the business, in the process of decision-making, as well as the Company's long-term strategic planning. The involvement of stakeholders plays an important process to help the Company identify issues relevant to currently concerned and anticipated sustainable development, from which, key elements are identified for planning and implementation of activities necessary to meet such expectations.

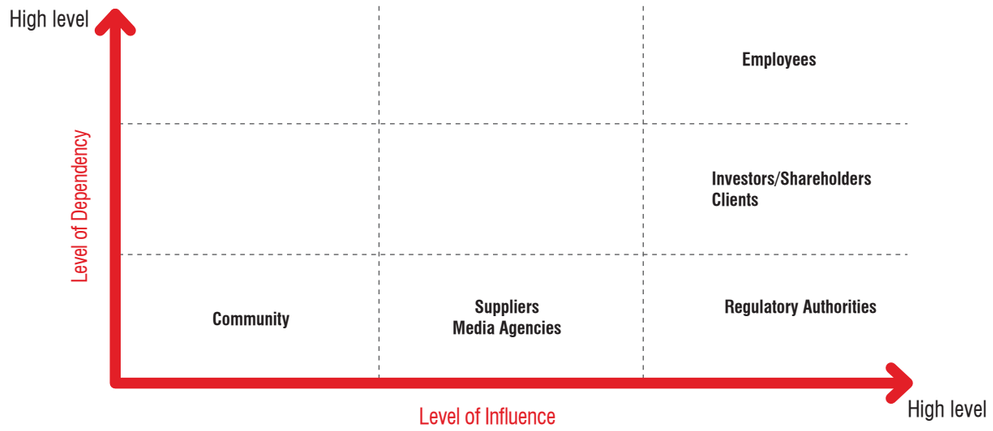
Procedure for consulting with stakeholders is as follow:



Parties related to SSI include: Clients, Shareholders, Regulatory Authorities, Employees, Suppliers, Media Agencies, and the Community.

Their level of priority has been identified by the following model:

The model for identifying prioritized stakeholders



Mechanism for communicating and consulting with stakeholders

Over years SSI uses different communication methods suitable to each related party, encouraging them to share fully and honestly all matters that they are concerned with and expect. It also helps SSI timely adjust programs and policies to bring the best value to the all parties.

Stakeholders	Communication/Meeting channel	Frequency of conversation
Clients	Branch/Transaction Offices	Daily
	Hotline	Daily
	Website	Continuously
	Information on mass media	Several times/year
	Client Satisfaction survey	Periodic
Shareholders/ Investors	Annual General Meeting of Shareholders	Once/year
	Conference/meeting with investors	Several times/year
	Meetings at the company	Several times/year
	Trading floors and journal publications	Continuously
	Other contact channels (website, email, telephone)	Continuously
Regulatory authorities	Meetings	Several times/year
	Annual report/Sustainable development report	Once/year
	Monthly/quarterly report as per regulations	Several times/year
	Other contact channels (website, email, telephone)	Continuously
Employees	Internal communication	Continuously
	Regular company events	Quarterly/annually
	Internal meetings	Continuously
	Other contact channels (website, internal forum, social networks)	Continuously
Suppliers	Regular meetings	Continuously
	Other contact channels (email, telephone)	Continuously
Media agencies	Press conference	Periodic/Depending on each event
	Interview	Continuously
	Other contact channels (website, telephone, email)	Continuously
Community	Website	Continuously
	Company publications	Continuously
	Information on the media	Continuously

After several discussions with stakeholders, SSI has identified topics of interest as well as solutions and actions suitable with the building and developing of sustainable relationships that are based on trust and transparency in information exchange and on mutual interests.

Stakeholders	Matters of interest	SSI's actions
Clients	■ Product/service quality, the capacity to meet specific demands ■ Application of high technology in products/-services provided ■ Treating clients equally ■ Expertise and professionalism of the client servicing team	■ SSI always strives to provide products and services of highest quality, meeting specific needs of each group of clients ■ In 2018, SSI officially launched and operated new trading core for stock market, overcoming weaknesses of the old system, creating a premise to improve the quality of services provided to customers. The company also focused on launching many projects on the basis of new and important technologies ■ The company also ensures regular interaction with clients in order to receive feedback via different communication channels, such as phone call, email, direct meeting. In 2018, there were approximately 1,000 large-scale clients/investors participating in surveys to help SSI achieve its goal to improve customer experience at SSI.
Shareholders	■ The company's business results ■ Transparency, integrity and truthfulness in the company's activities, information provided to shareholders ■ Shareholders' rights	■ Maintaining a regular dividend payment schedule ■ The Company's reports and announcements are presented and published transparently, publicly and honestly. The Company guarantees that shareholders can easily access to and interact with information sources on business and other activities ■ Ensuring equality in all activities among domestic and foreign shareholders, individual and institution shareholders
Regulatory authorities	■ Strictly complying with Regulations, Rules and Guidelines issued by functional authorities ■ Calculating and paying taxes fully and accurately ■ Corporate governance and risk control ■ Providing feedback to contribute to market development	■ SSI strictly complies with all Rules and Regulations of the State and Line agencies in all of the Company's activities ■ Fulfilling fully tax obligations ■ Carrying out information publishing duty fully and in due time as per regulations ■ The Company actively joins Industry associations, providing feedback for market growth and new product development

Stakeholders	Matters of interest	SSI's actions
Employees	■ Job stability, opportunities for growth, working environment ■ Compensations, benefits, employee health care policies ■ Training & development ■ Recruitment process	■ SSI builds a dynamic, modern and equal working environment for all employees. The evaluation system is built effectively in details, correctly evaluating contributions of employees to the Company's growth ■ Beside a recruitment process which strictly complies with and ensures transparency and equality while selecting the most suitable people; SSI always encourages and supports all employees to develop fully in both technical expertise and soft skills for their jobs via training programs designed specifically for each staff level.
Suppliers	■ Supplier selection process and payment process ■ Information transparency, guaranteed equality between suppliers	■ The company has built a standardization mechanism for the selection of, working and interacting with suppliers, as well as a payment procedure. All have been published on company website. ■ Regularly re-evaluate their ability in supplying products and services and in meeting the Company's demands
Media agencies	■ Providing information on the company's activities, business results and financial figures ■ Sharing information on the market, opinions of managers/experts on market situation	■ SSI actively provides information on a regular basis to media agencies ■ Providing answers to questions from the press in a timely manner ■ Sending experts to participate in in-depth interviews
Community	■ Investment policy in key sectors of the economy and areas of sustainable development ■ Charitable activities which aim to enhance the quality of life for the community	■ Regularly carrying out charitable, volunteering and community programs ■ Investment strategy with ESG (environmental, social and governance) factors

IDENTIFICATION OF KEY AREAS

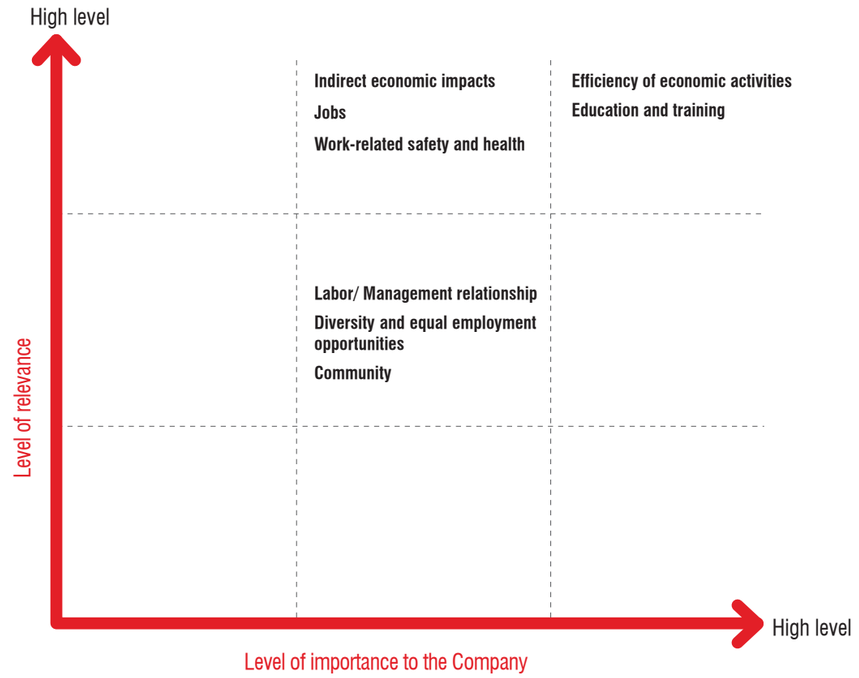


The process of evaluating key areas in order to determine the report's contents includes the following steps:



Following the consultation process with the Company's management and other prioritized stakeholders, the key areas have been identified as follows:

The model to identify key areas



Accordingly, the key areas are organized into the report contents on SSI's sustainable development activities in 2018:



01
Community Development

02
Team Cohesion for Sustainability

03
Action for Clients

04
Sustainable Economic Growth

05
Corporate Governance towards Sustainable Development

CORPORATE GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT

GRI 100: UNIVERSAL STANDARDS



SSI believes good corporate governance represents one of the most important factors ensuring corporate sustainable development. SSI's governance function is built and gradually fine-tuned based on the best practices of corporate governance in the region and the world such as the ASEAN Corporate Governance Scorecard, which is coupled with strict compliance with Vietnam's regulatory provisions on the governance of public companies. Risk management and compliance are also emphasized, creating a unified and consistent management mechanism to monitor and regulate the business operations in a professional, transparent and effective manner. In 2018, SSI made great efforts to approach corporate governance to the best standards in the region. In benchmarking against the evaluation criteria at The ASEAN Corporate Governance Scorecard, SSI has improved its corporate governance, gradually converging good standards in the region, especially for 4 dimensions, namely: Shareholders' rights, Equitable Treatment of Shareholders, Role of Stakeholders and Disclosure and Transparency. After Decree 71/2017/ND-CP and Circular 95/2017/TT-BTC guiding corporate governance were issued, SSI actively developed the Internal Regulation on Corporate Governance and submitted it to the GSM for approval and made publicly available in April 2018. This regulation is referenced against international practices on corporate governance, in which there is a detailed regulation of shareholders' rights, equitable treatment of shareholders in activities, and issues related to members/activities of the BOD/BOS.

MANAGEMENT MODEL FOR SUSTAINABLE DEVELOPMENT

The BOD holds the highest responsibility regarding SSI's sustainable development strategy. The Chief Executive Officer and the Board of Management are responsible for building and implementing goals and plans, as well as sharing and ensuring that all sustainable development initiatives are understood and adopted throughout the Company, from business units and departments to each and every employee.

BOD

- Providing general directions on the sustainable development strategy
- Approving goals and plans

CHIEF EXECUTIVE OFFICER & BOARD OF MANAGEMENT

- Drafting and submitting to the BOD goals and plans for SSI's sustainable development
- Sharing sustainable development strategies, goals and plans throughout the entire company
- Ensuring that sustainable development goals are met
- Encouraging & supervising the implementation

FUNCTIONAL UNITS & DEPARTMENTS

- Implementing sustainable development plans as per directions of Chief Executive Office and Board of Management

EMPLOYEES

- Carrying out specific daily activities relevant to SSI's sustainable development goals

REMUNERATION AND BENEFITS FOR BOARD OF DIRECTORS AND BOARD OF SUPERVISORY

2018 operation fund for BOD and BOS was VND 3 billion, which was approved by the GSM and in accordance with GSM's Resolution 02/2018/NQ-ĐHĐCĐ dated 20 April 2018.

At 31/12/2018, the BOD comprised of 06 members, of which 02 are executive members, 04 are non-executive members. The BOS comprised 03 members, in which Ms. Le Cam Binh is internal person, who was appointed on 20 April 2018.

No.	Name	Position	Non-executive member	Executive Member	Salary	Remuneration	Performance bonus	Welfare
		Board of Directors						
1	Mr. Nguyen Duy Hung	Chairman		√	√		√	√
2	Mr. Nguyen Hong Nam	Member of BOD		√	√		√	√
3	Mr. Ngo Van Diem	Member of BOD	√		√		√	√
4	Mr. Bui Quang Nghiem	Member of BOD	√			√		√
5	Mr. Nguyen Duy Khanh	Member of BOD	√			√	√	
6	Mr. Hironori Oka	Member of BOD	√			√		
		Board of Supervisors						
1	Mr. Nguyen Van Khai	Head of BOS	√					√
2	Mr. Dang Phong Luu	Member of BOS	√					√
3	Ms. Le Cam Binh	Member of BOS	√		√		√	√

Periodic bonus and welfare of members of the BOD and SB

The BOD executive members, BOD members who participated in Company's operation, and BOS members received periodic bonus and welfare from the Company welfare fund, which was created from retained earnings and based on 2018 business performance approved by the GSM.

Other benefits for members of the Board of Directors and Board of Supervisors

Currently, the Company' business expenses benefits (including those relating to the use of company cars, telephones, social, medical and other insurance, the annual health check) and other benefits in internal policies are only applicable to the executive member of BOD or the member who participated in Company's operation activities. The Company only pays expense related to business trip (if any) to other members of BOD and member of BOS

ESOP for Members of BOD and BOS

In 2018, SSI has successfully issued shares under the Employee Stock Ownership Plan (ESOP), which aims to align the interests of employees and the Company; attract, maintain and motivate qualified staff to dedicate and make long-term commitment to the Company.

The number ESOP shares bought by BOD and BOS members are as follow:

No.	Name	Position	Number of shares
1	Nguyen Duy Hung	Chairman cum CEO	1,899,000
2	Nguyen Hong Nam	Member of BOD/ Deputy CEO/ Spokesman	700,000
3	Ngo Van Diem	Member of BOD	50,000
4	Bui Quang Nghiem	Member of BOD	30,000
5	Nguyen Duy Khanh	Member of BOD	200,000
6	Nguyen Van Khai	Head of BOS	30,000
7	Dang Phong Luu	Member of BOS	15,000
8	Le Cam Binh	Member of BOS	70,000

Total income of members of BOD and SB in 2018 was **VND 13,126,800,000**

RISK MANAGEMENT

2018 witnessed strong volatility of the Vietnam Stock Market and many adverse impacts from the international market. VN-Index surpassed the historical high, setting a record on April 10, 2018 with 1,211 points. However, it was also from this new peak then fell sharply, upon the closing of the last session in 2018, VN-Index stood at 892.54 points, down by 26.3% from the peak, and by 9.32 % YoY. In such cases, the Company's risk management policies and procedures continued to be completed and updated, in line with business practices as well as risks arising from new business operations such as derivative securities. In addition, in order to improve the effectiveness of risk management activities, training activities on risk awareness and risk prevention have been widely provided to all employees.

Risk management activities are carried out seamlessly from top to bottom, initiated by the BOD through the development of business strategy and risk tolerance limits for each type of risks and each specific Business Unit. It is carried out not only by Risk Management Department, but also right from each business unit, while there are inspections and monitoring from Internal Control and Internal Audit.

The Risk Management is organized by types of risk in order to ensure a high level of specialization.



Risk management activities are conducted specifically according to the 5-step process as follows:





Different types of risks have been identified, prevented and handled as follows:

Type of risk	Risk analysis	Solution for risk prevention & handling
Market risk	SSI's core business activities exposed to market risks include investments in bonds, shares, deposits, margin lending, and derivative products. Revenues from these activities are affected by fluctuations in interest rates, stock prices, derivative indexes, possibly due to market conditions or changes in monetary policies or macro policies of the government of Vietnam or other countries concerned, possibly due to geopolitical turmoil as well as other legal regulations.	■ **Investment in deposits/bills/bonds/margin lending:** balance capital and interest rate to optimize returns and realize predictions on interest rates. SSI also conducts assessment of macroeconomic conditions, market systematic risk, change in legal regulations and Government's policies related to specific sectors, geopolitical issues and global commercial and economic issues that may impact the overall market or a specific sector either periodically or unexpectedly upon occurrences of events for appropriate adjustments in margin lending activities. ■ **Investment in stocks:** In 2018, taking advantage of market opportunities, SSI made appropriate divestments to gain expected profits, while continued to invest in essential sectors of the economy with stable development potential. In addition, the management of post-disbursement investments was also carried out in a strict and thorough manner, evidencing through the assignment of specialized staff to each group of enterprises, who paid regular site visits and directly worked with senior leaders to understand the vision, strategy, and operational plans of these enterprises. ■ **Investment in derivatives:** monitored daily market developments so that timely response measures could be taken to limit risks if necessary
Credit risk	The Company's credit risk arises mainly from margin lending activities, and investments in bank deposits and bonds. The risks arise when a client fails to pay a part or all of its debt obligations to SSI when due; or Company failed to recover its debts after handling all collateral assets because stock is not liquid, decreases sharply in price or is delisted; in addition, client isn't able to add collateral (for margin lending)	■ **Investments in Deposits:** SSI always reviews careful before conducting transactions with Banks based on the Banks' credit rating. Each commercial bank would be assigned a specific deposits limit depending on their specific credit rating, as well as certain terms and conditions, to ensure maximum capital preservation. At the same time, SSI established overdraft limit mechanism with multiple banks for simultaneous operation with bank deposits. This allows the Company to maintain liquidity capabilities while ensuring flexible capital uses and providing for credit risk, as bank deposits contracts always have provisions for flexible withdrawal of the overdraft facility ■ **Margin lending**: • Establish a prudent collateral portfolio • The portfolio of collateral assets is revalued monthly to mark to market fluctuation of the stocks • Develop a cross-cut limit system to control concentration of outstanding lending balance as well as alert levels for timely recovery of debts • Monitor the outstanding balance, concentration of outstanding balance by client, stock and daily risk exposure to timely risk detection • Rate and appraise margin lending clients to ensure SSI's criteria and regulations. Increase Broker's client management responsibility with regards to warning communication and loan recovery, etc. • Refrain from competing for market share and outstanding lending balance through over-extending margin lending services ■ **Investments in Bonds:** only invested in bonds issued by reputable corporates with sufficient collateral assets
Liquidity risk	Liquidity risk occurs when SSI loses its ability to fulfill its obligations to pay part or all of the due debts, failing to meet the demand for payment of securities purchased by investors using margin lending, or experiencing delay or failure to meet the requirements of payment activities of investors on accounts maintained at SSI	SSI applied a stringent cash flow management process, which was established based on the particular priority given to liquidity risk management and the close collaboration fostered between SSI's offices and departments. All business units have access to a regular and detailed reporting system for timely information update
System risk and information securities	System risk occurs when Company failed to ensure the IT system stability; risks related to network attacks; as well as risks related to company/clients' information security	■ SSI reviews the Business Continuity Plan (BCP) of the organization every year ■ SSI maintains the high alert policy on all security related protection from physical accessibility, hacking, attacking to information leakage ■ The Company reviewed facilities and environment and made improvements on three different categories – operations, stability and availability, and security protection ■ SSI also had new facilities on monitoring security risks, including Security Information & Event Management (SIEM), and Security Operations Center (SOC), etc. These allow SSI to react security risks in earlier stage to avoid any material damage to the organization.

CORPORATE GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT

CORPORATE GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT

Type of risk	Risk analysis	Solution for risk prevention & handling
Compliance risk	Compliance risk refers to the risk that the Company must face in the event that the Company or its employee violates or does not comply with the provisions of the law, the provisions of the Company's charter, internal and professional procedures, regulations, including professional code of ethics	■ Process and operational design with cross-checking among individuals and departments ■ Develop process in accordance with the Law and well as practical operations ■ Improving employees' compliance awareness via training and advocacy ■ Establish an internal inspection and supervision system ■ Apply stringent discipline to violations of the Company's regulations
Legal risk	Legal risk exposed to the Company in the course of legal compliance due to regulatory changes, failure to comply with regulations or in the arising of disputes and litigations, etc., from stakeholders during the process of the Company's daily operation	■ Develop internal regulations and procedures to meet operational requirements and comply with law, document internal affairs into procedures and guidelines; regularly review to modify, update internal regulations and procedures in accordance with any changes in laws; ensure the internal regulations, processes, products, commitments, contracts, etc. receive comments and feedbacks from Legal Department prior to issuance or implementation. ■ Communicate and update new legal regulations to relevant departments ■ Pay great attention to building specialized systems and departments of law
Reputation Risk	Reputation risk refers to the loss or damage of value those results from changing Clients' perception of the Company, creating major impacts on their demands for the Company's products and services, as well as all general business activities	■ SSI has chosen transparency to be our guiding communication principle to minimize reputation risk. When inaccurate information about SSI is published, we apply the same principle of transparency in handling: always willing to initiate direct dialogue with the public, providing factual and credible information to work towards a resolution ■ SSI has worked with leading consulting firms to be able to listen to the most detailed discussion of investors, clients, not only on the SSI brand, but also on the stock market. This information helps SSI both take initiative in responding to misleading information, and access a valuable source of information to observe market orientation, so that SSI can continue to pioneer on the path toward market transparency ■ SSI has been working to establish a systematic and professional communication process and plan. Especially, SSI has in place a clear procedure for correcting false information on public media, asking all of our staff to be responsible for alerting the company about the existence of false information. We also prepared a full guideline for crisis management, emphasizing a willingness to collaborate, share and communicate with the media and the public
Human Resource Management Risk	Human resource management risks arising from recruitment activities, work safety, personnel management, personnel shortages, and risks associated with former employees	■ Strict recruitment screening, expanding of recruiting channels ■ Employee training is considered to be a key element in safeguarding and raising human resource quality, as well as an important source of employees' inspiration and motivation ■ Benefits policy and performance measurement program always serve as a parallel duo to ensure employee satisfaction, internal fairness and market competitiveness, creating a professional work environment for staff development. Ensure items paid to employees are within the approved budget ■ Ensure employee information is fully managed since their entry until termination at SSI ■ Periodically organize health check-up, maintain a comprehensive health insurance package to monitor employee's health and provide them with the best medical check-up and treatment options ■ Comply with the Law on Social Insurance, Health Insurance ■ Work environment and conditions to be reviewed regularly to ensure safe and professional working environment and condition

For details of risks and risk management activities, please find in "Corporate Governance" section in SSI Annual Report 2018.

COMPLIANCE CONTROL ACTIVITIES



Compliance control at SSI is performed via the BOS's supervision over the BOD, the Board of Management as well as the BOD's supervision over the BOM. In daily activities, the Management relies on Internal Control Department to carry out compliance control within the Company.

The Company's Charter expressly separates shareholders' ownership from corporate governance jurisdiction. It delegates powers to corporate governance units while putting in place obligations and checks to effectively control these functions. Besides, business processes and operational apparatus are designed to facilitate cross-checks for the purpose of strengthened internal checking and monitoring, less abuse of power, and early detection of potential breach.

The Internal Control Department is based at the Head Office and performs the control of the Company's units to ensure staff and their respective departments' compliance with relevant regulations of law as well as internal rules and processes. Daily control activities mainly comprise of inspection and monitoring of compliance with the law, the Company's Charter, decisions by the General Shareholders' Meeting, decisions by the BOD, Internal Business Processes, and Risk Management Process by relevant units and by securities practitioners within the Company; monitoring the execution of internal regulations, activities with potential conflicts of interest within Company, especially with regards to the Company's business activities and individual transactions by the Company's staff; monitoring staff's execution of responsibilities within the Company and partner's' execution of responsibilities with regards to authorized activities.

In 2018, SSI Internal Control conducted 42 inspections across various departments for compliance checking of internal procedures and regulations and relevant laws. Based on data and risk assessment and departments' objectives, the Internal Audit Department will develop a control program for comprehensive and objective implementation and risk reduction. Control results are reported to the CEO, Head of Unit and Compliance Department of the Company for timely handling of violations, updating and correcting operational procedures to mitigate risks and increase work performance.

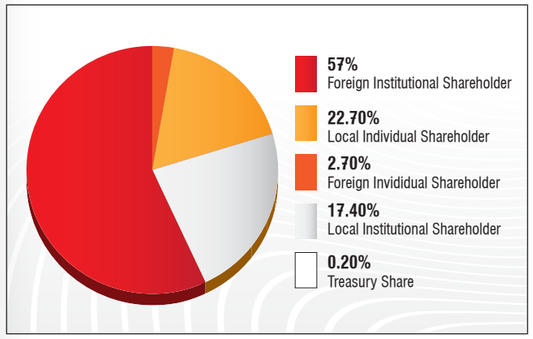
In parallel with internal control activities, SSI Internal Audit also performed 37 internal audits in 2018 relating to accounting documents, taxes and financial statements. Internal audit activities promptly detected errors and proposed compliance measures to the CEO. Internal audit activities have increased the effectiveness of compliance risk management in the Company. Published financial statements, tax reports and net capital reports of the Company ensured honesty and objectiveness, in accordance with accounting standards and regulations.

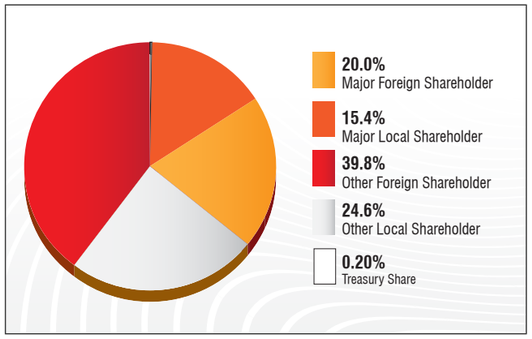
The Legal Department performs legal advisory function, inspects and monitors the launch of products, and issuance of internal processes and rules as well as the Company's transactions with third parties in order to ensure compliance with law and mitigate legal risks for the Company. The Legal Department is also responsible for updating newly issued regulatory documents for the BOD, the Board of Management and relevant units. It also studies the impacts of draft regulatory documents on the Company's activities for proper preparation.

SHAREHOLDERS' INTEREST PROTECTION

At SSI, top priority has always been given to the protection of shareholders' interests and equality.

Shareholder structure (*)





(*) Data as of 01 April 2019
Source: SSI

Shareholders' basic rights such as the right to receive dividends, to attend and vote at Shareholders' Meetings, to be engaged in decisions relating to the Company's fundamental changes, etc. are expressly provided for in the Company's Charter and have been properly exercised over the years. Equality is ensured for all shareholders without any preferential treatments, decisions by the Shareholders' Meeting are all based on results of voting which takes place proportionally to the number of shares owned.

SSI has over the years strived to diversify its information channels to include corporate website, email, mass media, shareholders' meetings, annual reports, etc. This serves to facilitate shareholders' complete, accurate and timely access to important information and to insulate them from adverse impacts on their investment decisions. Also in 2018, SSI launched its Electronic Portal at www.ssi.com.vn with a completely fresh and modern interface with clear and current information presentation. This is an extremely effective communication channel, helping investors to find all publicly available information, financial data, AGM documents, reports and other important documents like the company's Charter, Management Regulation, etc. since the establishment of the Company to date, in both Vietnamese and English.

SSI maintains a policy of stable dividend payment which aims to balance Shareholders' desire to gain profit and the Company's retained earnings for long-term development. In 2018, the Company paid dividends in cash at a dividend rate of 10%.



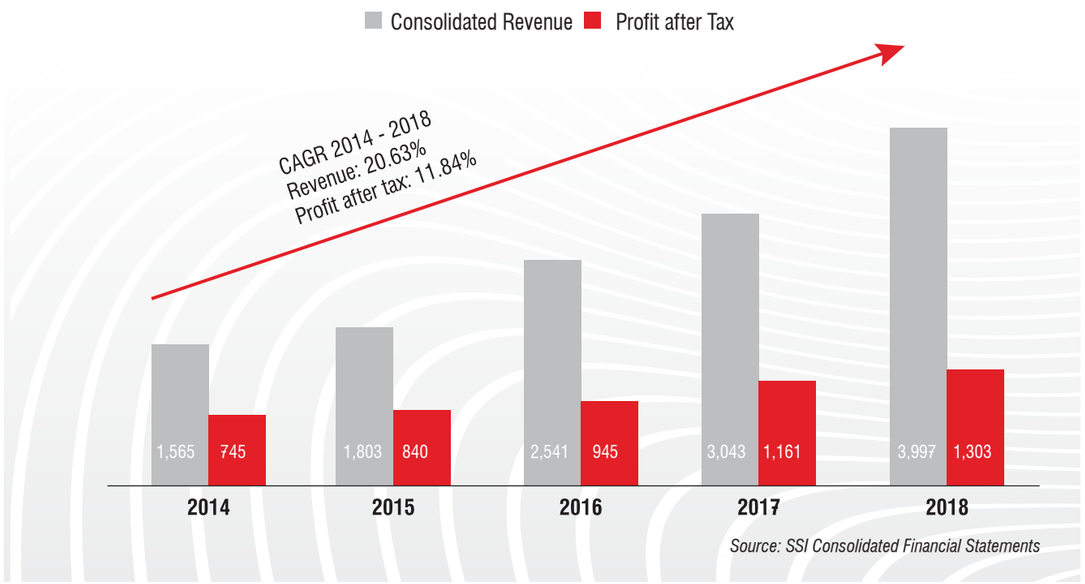
SUSTAINABLE ECONOMIC GROWTH

GRI 100: UNIVERSAL STANDARDS
GRI 201: ECONOMIC PERFORMANCE
GRI 203: INDIRECT ECONOMIC IMPACT

Strong Business Performance

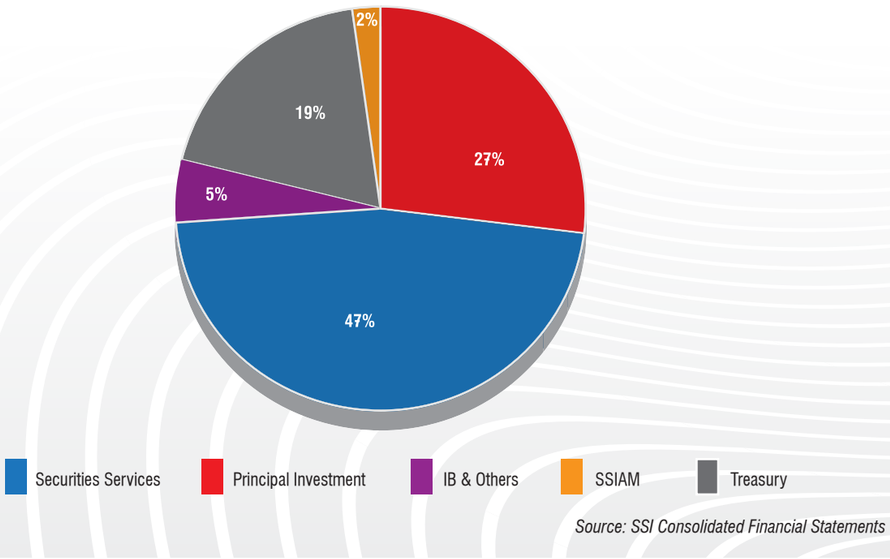
2018 witnessed strong volatility of the Vietnam Stock Market and many adverse impacts from the international market. Securities companies in general and SSI in particular were faced with multiple difficulties in business operations. However, with the position of the leading securities company with a sustainable development strategy, SSI still recorded effective business results, outperforming the business plan's targets approved by the General Meeting of Shareholders, growing all aspects of market share, customer base, services and products, branch network and human resources. The company recorded a total operating revenue and other consolidated income in 2018 of VND 3,997 billion, growing by 30.9% YoY and exceeding the business plan by 17.2%. Pre-tax accounting profit reached over VND 1,623 billion, growing by 15.5% YoY and also exceeding the business plan. Total assets grew strongly to reach VND 23,825.6 billion and owner's equity reached VND 9,155.6 billion. SSI has a healthy financial structure with high bank loans being backed by a large deposit balance as a reciprocal source. Operating costs are strictly controlled within the budget.

Business performance from 2014 to 2018 (VND billion)



Source: SSI Consolidated Financial Statements

Consolidated revenue structure in 2018



Source: SSI Consolidated Financial Statements

Regard to Securities Services, 2018 is the 5th year in a row SSI topped the brokerage market share for the whole year on HOSE and HNX, respectively at 18.7% and 11.89%. Customer base grew strongly to over 153 thousand accounts - an increase of 20% compared to the previous year. The revenues in 2018 from Securities Service reached over VND 1,893.6 billion or an increase of 42.6%.

Investment Banking focused on advisory on share issuance for businesses, seeking for investors, providing high quality advisory and active support for enterprises. SSI has secured many landmark deals in the market in 2018. Investment Banking's results also exceeded the business targets, reaching VND 125 billion.

Treasury plays a major role in effective management of the Company's capital, assisting customers to safeguard their business capital, making payment in a flexible and prompt manner, actively expanding cooperating relationships with commercial banks with strong brand names, pioneering in the launch of new products and services, striving to coordinate with Securities Services to expand margin lending activities to serve retail clients. In 2018, Treasury activities recorded a revenue of VND 759.1 billion, marking a 55% increase compared to 2017.

Principal Investment experienced a challenging year due to adverse developments of the market. However, the Company always pursues the investment strategy in the primary economic sector, which has the potential for sustainable development and timely divestment from mature sectors or in other words, no longer have potential to grow to make funds available for investment opportunities in 2019. The total revenue from Principal Investment mounted to VND 1,093 billion in 2018

SSI Asset Management Ltd. (SSIAM) is responsible for fund management, actively seeking investors, further diversifying product distribution channels, developing a number of funds to raise capital from foreign institutional investors and launching products for retail investors with large investment needs. At the end of 2018, SSIAM had total assets of VND 5,573 billion under its management, revenue from fund and portfolio management in 2018 reached VND 65.5 billion.

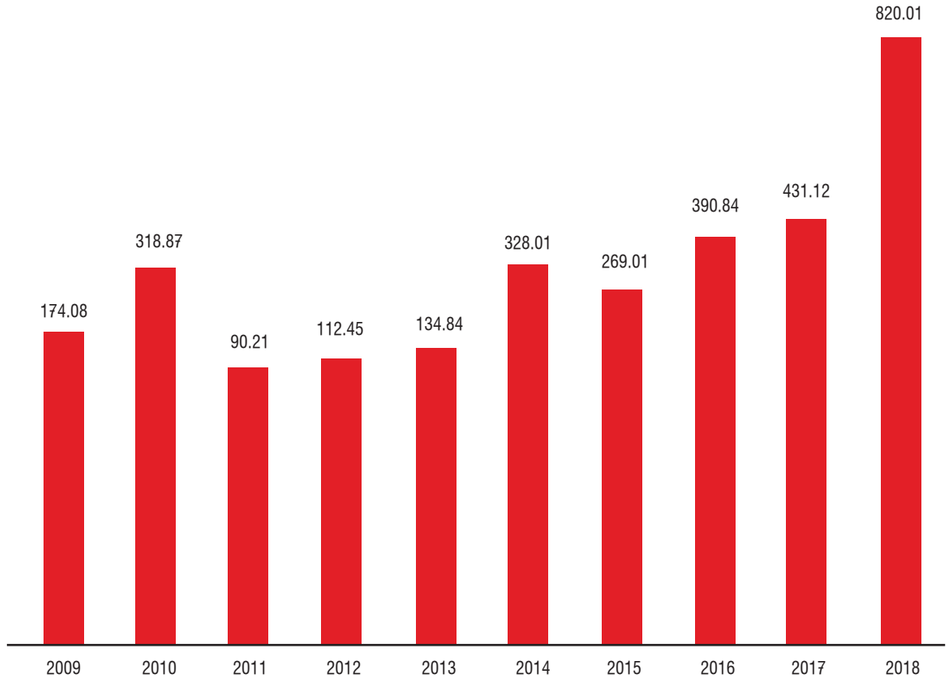
- TOP 10 OUTSTANDING SECURITIES COMPANY IN HNX AND HOSE
- TOP 500 MOST PROFITABLE ENTERPRISES IN VIETNAM (PROFIT500) IN 2018
- TOP 500 FASTEST GROWING FIRMS IN VIETNAM (FAST500) IN 2016 – 2017 – 2018 – 2019
- TOP 500 VIETNAMESE LARGEST PRIVATE ENTERPRISES (VNR500) FOR 11 CONSECUTIVE YEARS (2008 – 2018)



Contribution to the State Budget

Since its establishment, SSI has always fulfilled its tax obligations and fully paid payable amounts to the State budget, with payment value tending to gradually increase over time. In recent years, the company has often been one of the enterprises to contribute the largest corporate income tax amount in Vietnam and is now the leading company in the securities industry.

SSI's tax & payable contribution to the State Budget (VND billion)



Source: SSI Consolidated Financial Statements

Top 1000 largest corporate taxpayers in Vietnam (V1000) for 7 consecutive years

Success in connecting capital to investment opportunities

With the mission of "Connecting Capital to Opportunities", SSI always manages to assist businesses in capital mobilization through the stock markets, contributing to the formation of a channel to direct and distribute capital to the economy in the long term under market mechanism, efficient resource development, and promotion of economic development. In 2018, SSI obtained success in providing advisory services in a series of valuable deals traded in different ways, even a number of classics in Vietnam and the region such as Shares offering of Vinhomes Joint Stock Company (VHM - HOSE) to foreign investors for a total sale revenue of over USD 1.35 billion; SCIC's divestment from Binh Minh Plastics Joint Stock Company (BMP - HOSE) with a total transaction value of USD 103 million; Private offering of shares of Tien Phong Commercial Joint Stock Bank (TPB - HOSE), with a total value of over USD 94 million; Private offering of shares of PAN Group Company (PAN - HOSE) with a total value of USD 35 million; or advisory service on transaction structure and the agents in charge of public offering of shares of Hau Giang Pharmaceutical Joint Stock Company (DHG - HOSE) for Taisho Drug Manufacturing Joint Stock Company (Japan) with a total transaction value of USD 48 million.

Active participation in market development

As the leading securities company that develops in parallel with Vietnam Stock Market, SSI not only strictly and fully complies with the State's regulations on business activities and those relevant regulations, but also stays active in contributing initiatives in development of legal normative documents on the stock market, improving the feasibility and quality of legal documents of the state agencies as well as actively participates in development of new products for release to the market.

In 2018, the Company provided its feedback to many draft Laws, Decrees, Circulars and guiding regulations to support the introduction of clearer regulations and guidelines for activities on the stock market. Specifically:

- Amended Law on Securities;
- Law on Amendment and Supplementation of Law on Enterprises and Law on Investment;
- Decree 163/2018/ND-CP on corporate bonds;
- A Circular to replace Circular No. 241/2016/TT-BTC dated November 11, 2016 regulating service prices in securities industry applicable to the Stock Exchanges and Vietnam Securities Depository and Circular No. 242/2016/TT-BTC dated November 11, 2016 regulating service prices in securities industry applicable to securities business organizations and commercial banks participating in Vietnam's securities market;
- Circular 32/2016/TT-NHNN on amendment and supplementation of a number of articles of Circular 23/2014/TT-NHNN dated August 19, 2014 by the State Bank of Vietnam guiding the opening and use of payment accounts at payment service providers;
- Draft Scheme for Securities and Insurance Market Development for the period of 2017-2020;

SSI has been an active member of the Vietnam Association of Securities Business, with its representatives to join in the Executive Board of the Association, as well as a core member at affiliated clubs such as Legal Club, Investment Advisory Club, Training Club. Through its activities in the Association, SSI has actively contributed ideas to support development of many legal documents and policies of the State. The representative of the Company was also appointed by the Association to be a member of Team of Editors for the amendment of the Law on Securities, and at the same time participated in appraisal meetings for draft legal documents on securities organized by the Ministry of Justice. The company is also a member of Vietnam Bond Market Association, Vietnam Business Forum and Vietnam Fund Management Club.

ACTION FOR CLIENTS

GRI 203 – INDIRECT ECONOMIC IMPACTS

SSI understands that customer trust is the foundation for its sustainable development. Therefore, customer is always placed at the heart of all activities.

Safe and transparent management of investors' assets

In the context of strong fluctuations in the stock market and intense competition between securities companies over time, SSI has always been consistent in its principle of treating customers with utmost respect, not only focusing on profitable businesses but also protecting our investors from any losses of assets while promoting a transparent stock market. During the past 18 years, SSI has effectively managed assets for domestic and international investors, contributing to retaining their confidence in Vietnam Stock Market and a stable economic development. By the end of 2018, the Company was managing more than 153,000 accounts, accounting for 7% of the total accounts in the market. Customer accounts are managed in line with strict regulations; the risk management and internal control processes are systematically and professionally delivered, not only complying with the provisions of the law but also minimizing conflicts of interests and protecting investors' rights and interests. In asset management, SSIAM has been making continuous efforts in mobilizing assets from new customers as well as effective asset management of existing customers. As of the end of 2018, the total assets under management of SSIAM reached VND 5,573 billion.

Improving service quality & leading in development of new products

In 2018, SSI officially launched and operated a new trading core system for cash to better meet the needs of customers by providing modern technology, good connectivity, combined with business process automation, management of diverse products and high stability. The iBoard stock board uses the latest stock chart technology for fast and accurate tracking of prices and customer transactions.

The company also upgrades Web Trading for derivatives market, aiming for 3 important focal points: Speed, Conditional orders and Utilities. Specifically, SSI provides 6 types of conditional orders to help investors apply flexible and diverse applications to create investment advantages, while managing risks of derivative transactions. Features, utilities, daily open and close position reports, historical close position reports, cash statements, profit-loss management, money transfers, etc. are also completed to help investors track and manage their account.

In the second half of 2018, SSI also deployed many projects on the new technology platform such as the New Generation Online Trading System (NGOT) to bring new and better customer experiences with the advanced self-directed trading function, iWin simulation trading system to support the testing and discussion of investment strategies in simulated environment, iData to provide 3rd party support data to assist customers in using personal applications to analyze investment strategies. The Company has also completed the preparation of the system and business processes for secured warrant products, making it ready to supply such products to investors in 2019 according to the schedule of HOSE.

In addition, SSI successfully developed a payment system connected with major banks such as Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV), Joint Stock Commercial Bank for Foreign Trade of Vietnam (VCB), Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank), Asia Commercial Joint Stock Bank (ACB), Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank) to facilitate fast and convenient cash transfer of customers. The company is also one of the first securities companies in Vietnam to coordinate with domestic and foreign depository banks to successfully implement business processes, support derivative transactions for foreign institutional customers.

For services for institutional customers, SSI continues to expand its global partner network through securities companies and international banks to provide market information, as well as introduce early opportunities for international customers. In 2018 only, the broker team conducted more than 2,000 meetings with international investment funds, organized 20 trips traditional financial markets such as the US, UK, Singapore, Hong Kong, South Korea, Japan and Thailand, co-organized 2 large financial conferences with Citi Group and Goldman Sachs to introduce nearly 40 Vietnamese enterprises to the world.



Flexible and dynamic customer care policy

After a period of preparation, SSI Securities Services officially separated its management structure into two specialized Units: Retail Brokerage and Institutional Brokerage for better specialization and improved service quality for customers. In particular, Retail Brokerage has employed 87 additional brokers - bringing the total number of brokers to 566 as at the end of 2018, and opened two new Transaction Offices: Cach Mang Thang Tam and Nguyen Huu Canh Transaction Offices - raising the total number to 17 Branches/Transaction Offices and project teams. Institutional Brokerage has also recruited many highly qualified personnel and appointed 02 Co-Managing Directors - 01 American one with extensive experience in the international financial market, and 01 Vietnamese one with over 10 years of experience at SSI and insight of the local market and customers.

SSI's retail customers are whole-heartedly cared for by a team of energetic and professional brokers. The annual increase in the number of accounts is accompanied by the growth of brokers.

By 2018, there were 566 full-time brokers locating at 14 Branches/Transaction Offices, up 18% against 2017. As the team grew, its quality was also strictly controlled so that information, knowledge and experience of communicating with and advising customers is properly updated and shared along with the growth and increasing maturity of the market.

With regards to SSI's institutional customers: customer service is enabled by three key factors: technology, people and responsive products and services. Intensive investments have been made in technology, especially the ordering system for institutional customers, in order to ensure stability during large-scale transactions and compliance with international standards on trading systems exclusively used for institutional customers. Institutional sales team was also supplemented with many senior personnel, who are expatriates and have extensive experience at international financial institutions to take charge of developing markets in the US, Europe, Singapore, Hong Kong.





SSI continues to periodically carry out customer satisfaction surveys through various forms: sending survey forms via email, calling through the contact center, and direct meeting to listen to multidimensional feedbacks about the SSI's services. In 2018, there were about 1,000 large-scale customers and investors participated in these surveys, helping SSI to identify and synthesize interactions between customers and the Company, better understand the needs and interests of each customer, aiming to bring the best experience of customers at SSI.

"Always listening" is the slogan to which each agent of SSI's Call Center at hotline numbers 1900545471. The operation of these two call centers demonstrate SSI's goodwill in offering the best of services to its customers. All transactions performed via the call centers are processed promptly, which helps save 80% of the time compared with conventionally processed ones

Active sharing of market information and investment opportunities at communication events & workshops

As part of its efforts to protect our customers from any losses of assets and develop a transparent stock market, in 2018, SSI continued to organize a series of non-profit workshops and actively shared market information through media agencies.

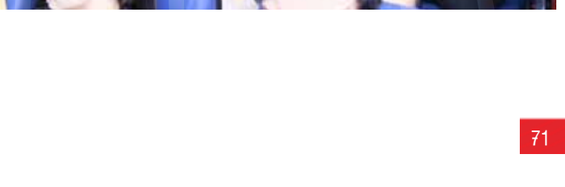
Since its establishment in August 2017, the derivative market has maintained a high growth rate and trading volume, with continuously new records of transaction volume. However, this is still a fairly new concept for individual investors and embedded with many risk factors. Understanding this, in 2018, SSI organized a series of training workshops on derivative investment at all branches and transaction offices of SSI across the country.

Titled as "Sharing effective trading strategies on the derivative market", the training program focused on assisting customers in development of an effective plan, including defining trends and principles of timing to buy - sell, selling a loss, selling for profit, timing to limit transactions; methods to develop risk management principles for minimum losses and maximum profits - these are factors to improve the chance of investors to win in a new market. In 2018, workshops were organized on a small scale, focusing on customers of each broker agency. In 2019, the workshop series will be held at the Branch/Transaction Office level on a monthly basis, ensuring that the investors would always have provided with latest knowledge on the stock market.

In addition to the direct training activities, as the leading securities company in the market, SSI has been accompanying, sharing and cooperating closely with over 40 press and media agencies, both locally and internationally, to develop public awareness on issues related to markets, contributing to the sustainable development of Vietnam's stock market. The company has always actively worked with the press agencies to promptly share macro-economic reports, stock market reports, money market reports and industry-specific reports conducted by SSI Analysts. In addition, the company was also regularly invited to the financial news programs of national media agencies such as VTV1, Thoi bao Tai chinh (Financial Times), National Assembly Television, etc. to promptly share information and build investor trust in the market, especially during periods of high volatility in the market.

In 2018, SSI actively delivered 36 communication campaigns, with more than 970 articles related to SSI in the mainstream newspapers.







TEAM COHESION FOR SUSTAINABILITY

GRI 100: UNIVERSAL STANDARDS

GRI 201: ECONOMIC PERFORMANCE

GRI 203: INDIRECT ECONOMIC IMPACT

GRI 401: EMPLOYMENT

GRI 404: TRAINING AND EDUCATIONGRI

GRI 405: DIVERSIFY AND EQUAL OPPORTUNITY

Corporate culture is the foundation - Human capital is the pillar

Transparency is part of the corporate culture at SSI and the guiding principle for doing business pursued by SSI. Transparency helps SSI gain customers' trust and builds a solid foundation for SSI to quickly adapt to and actively capture opportunities in the context of market changes and fluctuations.

SSI strictly adheres to the regulations of the legal system and professional ethics to create a corridor that guilds and protects employees and the Company in all aspects in all activities.

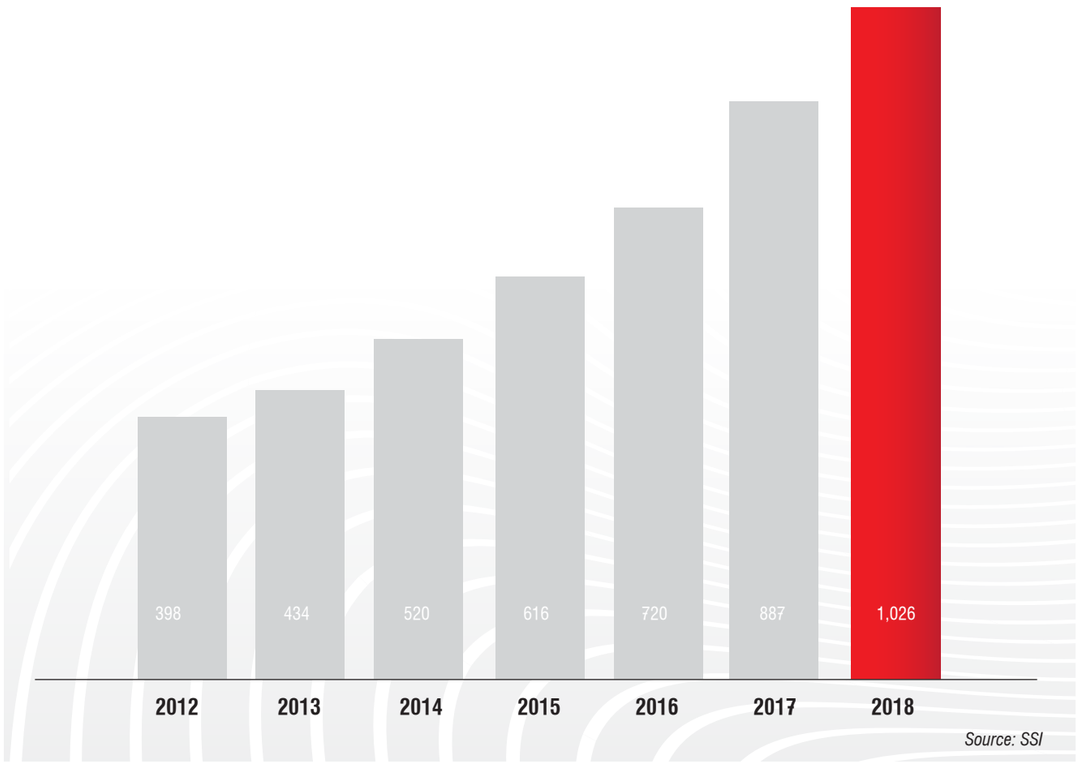
While transparency is the culture, setting a foundation for development, the human capital is one pillar and resources for implementation, monitoring and pursuit of sustainable development goals. In the past 18 years, SSI has constantly made efforts to establish, maintain and streamline a comprehensive system of HR policies to promote personal success of each employee, laying a solid foundation for the long-term development of the Company.

Building personal prestige and brand in parallel with the sustainable development of the Company

Grounded by the idea that "corporate prestige and brand are the foundation for personal development" as well as the innovative HR strategies and policies recently introduced, SSI has actively made its brand name iconic in the market and financial community, built the trust and pride among new members of the organization, attracted the young generation who are keen on new experiences, and developed a shared space for passionate and ambitious talents who wish to assert their selves.

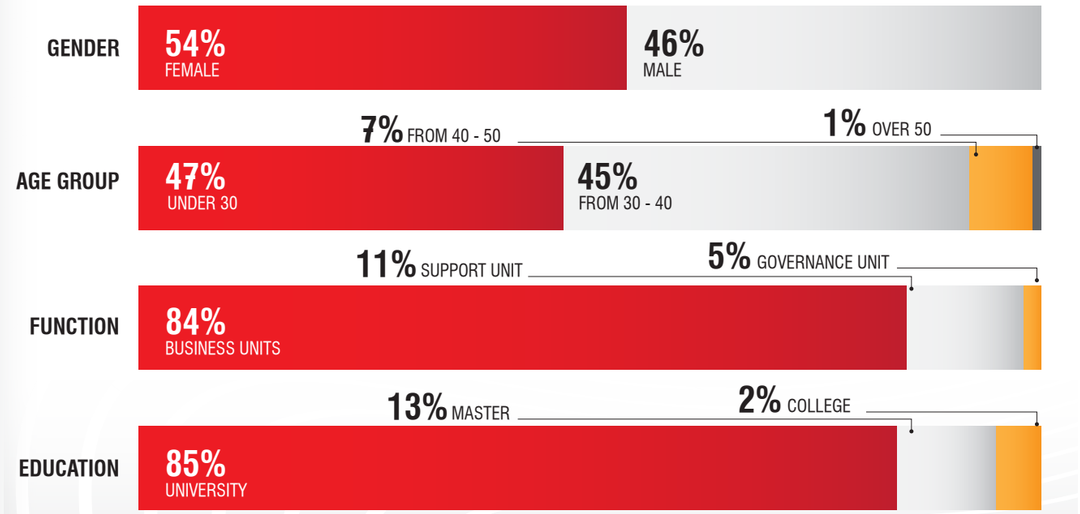
As of the end of December 31, 2018, the employee size of the Company has exceeded 1,000 persons (84% in Business Unit), in which new employee hires were 317, most of whom were under 30 years, dynamic, motivated and well-trained.

Number of employees over the years



Source: SSI

Personnel structure 2018



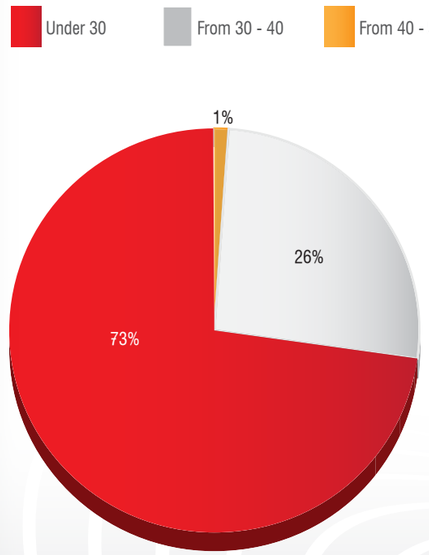
Source: SSI

SSI's modus operandi is to offer a working environment where every individual can fulfill their potential. To retain the status of Vietnam's leading financial institution with enormous potential to expand regionally in Asia, SSI focuses on attracting outstanding individuals with international qualifications and skills to develop with.

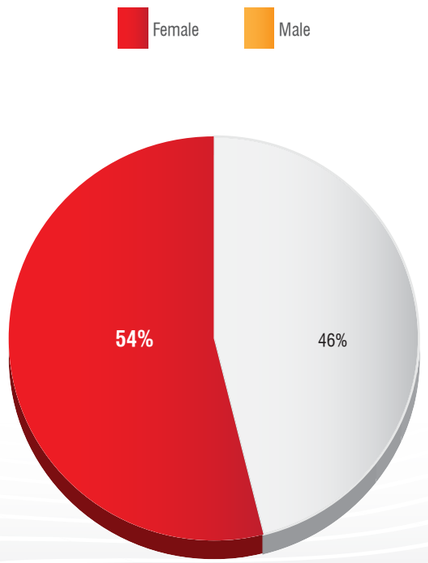
SSI has also developed recruitment criteria to ensure transparency, fairness and equal opportunity for all applicants and fortify confidence and pride of becoming a part of SSI. At SSI, we:

- Fully respect rights of applicants (in terms of access to information, job description, communication and negotiation)
- Select applicants on the basis of recruitment criteria
- All recruitment decisions are based on thorough, unbiased and transparent assessment of the applicants' competence, attitude and motivation.

New employee structure by age group



New employee structure by gender



Source: SSI

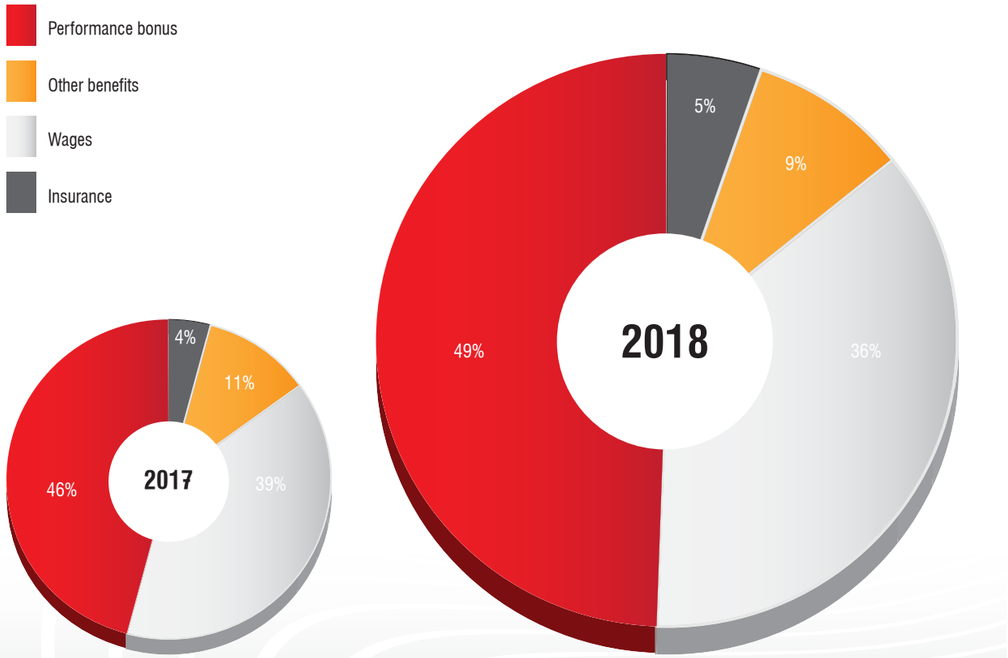
Income generation for employees through a comprehensive system of pay and benefits

SSI adopts modern management practices wherein remuneration and benefits are provided based on the competence, achievements and performance. All of our employees are targets of annual performance assessment; for employees in the Business Unit only, the performance assessment is carried out in a monthly, quarterly and annual basis.

The Company operates a system that indicates goals and work performance results of each individual at all positions in order to better recognize their achievements and contributions to the overall achievement to ensure transparency and equity while monitoring the performance and development roadmap of individuals associated with SSI's and its department's plans and strategies.

Based on established annual goals, the management at corresponding level assigns specific activities and targets for each individual, including the Strategy and Plans assigned by the Management; individuals shall understand the objectives of their task and methods to measure work performance results to properly allocate time and resources to their work. By this, the Company's Strategy is better understood, gradually realized and put into practice in the daily activities of each SSI Staff.

In 2018, SSI's annual payment to its employees was over VND 480 billion, including salary, insurance contributions and other benefits, performance bonuses after year-end assessment (compared to VND 375 billion in 2017), in which the performance bonuses accounted for 49% of the total payment and was 1.35 times higher than the salary payment.

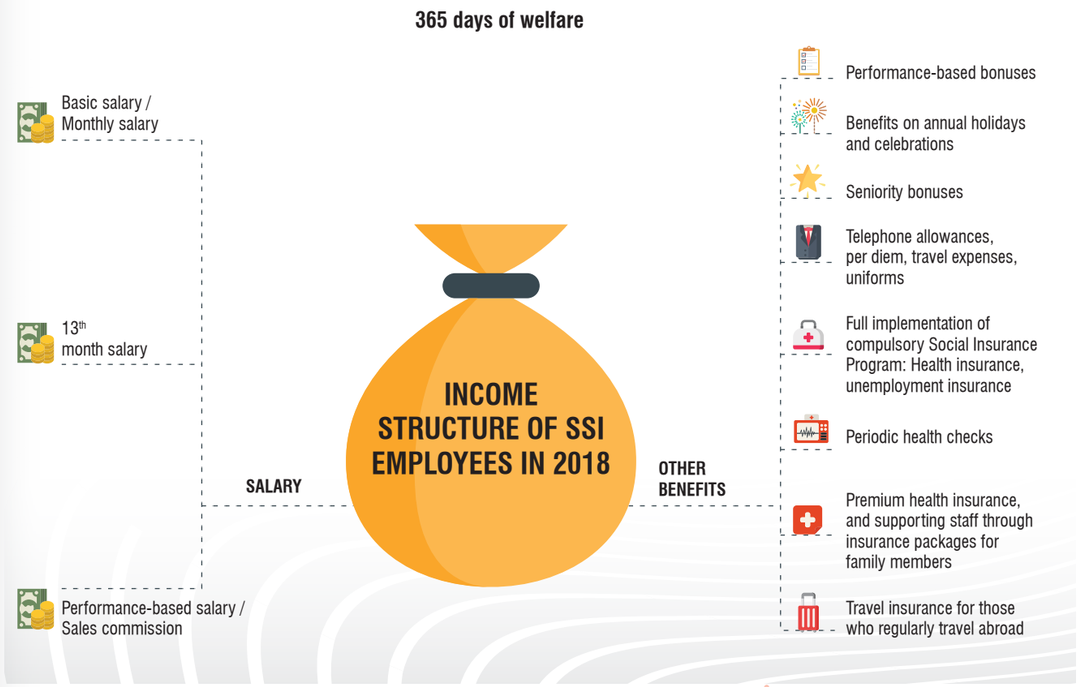


Source: SSI

Item (Unit: VND million)	31/12/2018	31/12/2017	Growth rate
Wages	**175,042**	144,940	20.8%
Insurance	**23,044**	16,711	37.9%
Performance bonus + commission	**236,684**	172,317	37.4%
Other benefits	**45,542**	41,036	11.0%
Total expense	**480,312**	375,004	28.1%

In the same year, SSI successfully issued 10 million shares, staying as the leading organization in the Employee Stock Ownership Plan (ESOP) to align employees' interests with the organization's; attract, retain and motivate qualified and committed employees to contribute to the company in the long time.

Besides financial remuneration, the Company establishes and enhances the system of comprehensive non-financial benefits policies for employees such as welfare packages for annual public holidays, sponsor for participation in clubs such as yoga, zumba, soccer, etc. with the aim of motivating and facilitating its staff to be peace of mind at work, make efforts and engage further with the entire Company.



> "IN ADDITION TO FINANCIAL REMUNERATION, THE COMPANY ESTABLISHES AND ENHANCES THE SYSTEM OF COMPREHENSIVE NON-FINANCIAL BENEFITS POLICIES FOR EMPLOYEES"



Health care and safety for employees

In addition to full delivery of health insurance policies in accordance with the Labor Code, the Company has consistently improved its additional accident and health insurance programs to help employees maintain focus at work and share their financial burden should they face health risks. SSI's selected partners are always reputable and professional insurance agencies to implement its additional insurance programs for its employees and their relatives.

Periodic health examination program is taken seriously, with a careful selection of prestigious and quality health care facilities in order to monitor the health of the staffs and ensure timely detection of health problems for early treatment plans. Health-related information is stored through years and used as input for additional health insurance schemes for employees.

The Company continued to pay keen attention to the staff's health. In addition to raising awareness of health care and disease updates for employees, internal activities also aim to build a healthy lifestyle to protect and enhance the health of employees and their families. On a quarterly basis, the Company held counseling programs with the participation of experts and doctors to enhance health care knowledge for employees. Health care newsletters are also prepared by experts and circulated in a timely manner to give alerts on seasonal disease outbreak and precautions while taking medicine to help employees maintain good health of themselves and family.

Sports and physical fitness activities are encouraged and facilitated by the Board of Management via financing and organization of clubs like yoga, zumba, soccer and table tennis tournaments among the company and with other companies, etc. The activities are well organized and help employees stay well, refresh and feel a stronger sense of bonding the team.

SSI organized fire prevention drills on a regular basis at its offices to raise safety awareness in case fire occurs. In the process of management and renovation of facilities, the Company directed much of its attention to the equipment status, testing and regular maintenance of fire protection systems to ensure safety for its employees. For its offices in high-rise buildings, the Company strictly followed the general regulations on fire prevention and response prescribed by the building management.







Investment for the future

Human resource is the competitive advantage of SSI. Therefore, training and development activities are given special attention by the Board of Management with the aim to build a "talented, pioneering and motivated" pool of human resources who are able to adapt, lead changes in the market and drive interruptive initiatives in all activities; develop a strong team of personnel who are always willing to take challenges and fulfill business targets.

SSI has developed a series of position-specific training and development programs for employees at all levels to ensure that they have the skills and knowledge needed to perform their duties, as well as encourage them to continue to develop and embark on their career at SSI. Develop the culture of a "learning organization" where training activity is the right and responsibility of each individual in the company. In 2018, the Company allocated VND 3.5 billion budget for training through physical classes, distance learning, and on-the-job trainings. Training programs have been improved and updated from time to time to meet new requirements, in addition to organization of training for international certification to update and improve professional skills according to international standards for staff members in the Business Units, Governance Unit and Support Unit.

At the beginning of employment, all SSI employees shall attend Orientation Training, and during employment term, on the job training is provided to ensure fulfillment of job requirements. In line with its policies that encourage participation in professional trainings and requirements by the Securities Commission on compulsory training, the SSI team has constantly increased the proportion of employees who are awarded professional licenses and other certificates such as CFA, ACCA, FRM ... The company has organized and coordinated to organize many professional training courses and sent its employees to participate in compulsory training courses for total training duration of more than 36,000 hours (over 3,000 hours higher than 2017).

Internal training courses for business units throughout the system via in-house training sessions, seminars, and consultations receive positive feedback. The team of internal trainers is organized and trained in a systematic manner through the "Training of trainers" courses, regular events to update and share experiences, and the policies exclusively designed for internal trainers for highest efficiency. Internal trainers have gradually improved their training capacity and organized useful and practical training courses. Internal training programs were held continuously on weekends, which have been widely supported and have a positive impact on the employees.

Based on the level-specific training program, SSI continued to organize skills development training courses for each target group of employees. Specifically, the series of training on Leadership skills, Practical and inspirational presentation skills, Telephone sales skills - Telesales, Effective planning and cooperation skills, competitive sales skills, or Business professional working style have also helped inspire, motivate and provide more tools to improve work efficiency. These training courses provide fundamental knowledge and skills to provide employees with a positive and scientific perspective of their work in particular and life in general, and help them develop their communication and problem-solving skills. In addition, these training programs are great team building opportunities where employees can share their working experience and understand their colleagues better.



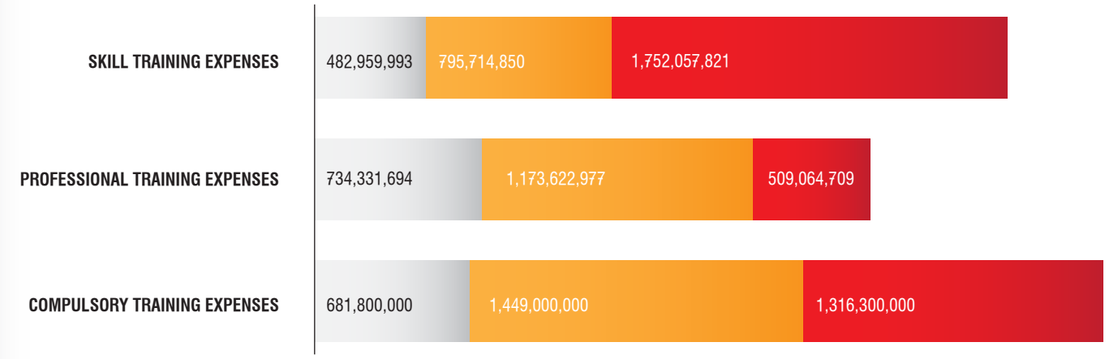


Professional training courses receive much interest not only from Treasury Department, but also from Administration and Support Department. Training courses on Corporate Governance, Project Management (PMP), Advanced Accounting; Corporate Finance Analysis, Marketing courses, Advanced Human Resource Management and professional development for IT organized by professional and reputable training partners have contributed to improve overall performance of the Company.

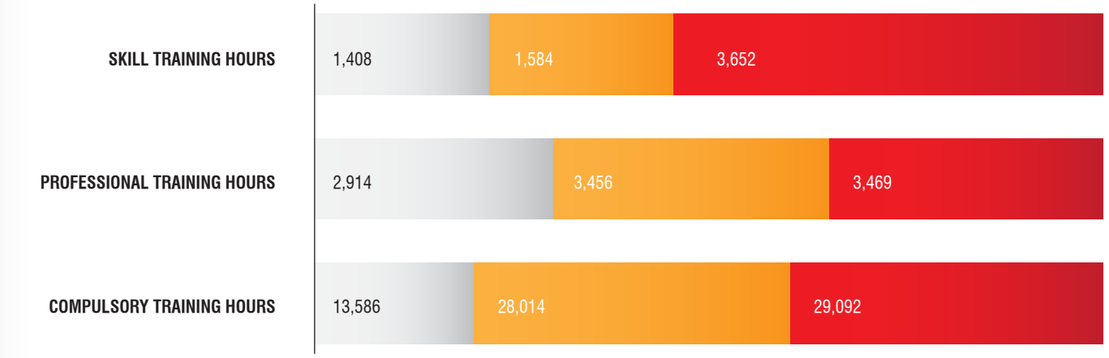
SSI believes that its employees should have a solid understanding of core values and adhere to the ethical rules of the organization, so that SSI can continue to develop sustainably, to overcoming challenges as well as mitigating risks. Highly aware of the potential risks in securities trading activities that can occur in any department at SSI, in 2018, the internal trainings by Legal and Compliance Department in coordination with the Risk Management Department were organized in a logical way at the Company to build awareness and capacity of its employees in prevention of fraud risks; identification of operational risks and management of these risks. At these training sessions, Code of Ethics, Anti-money laundering regulations, and criminal charges in securities trading cases were also included for lively discussion to provide its employees with relevant updated information.

The investment in the training and development of its team has grown over the years and seen through impressive numbers.

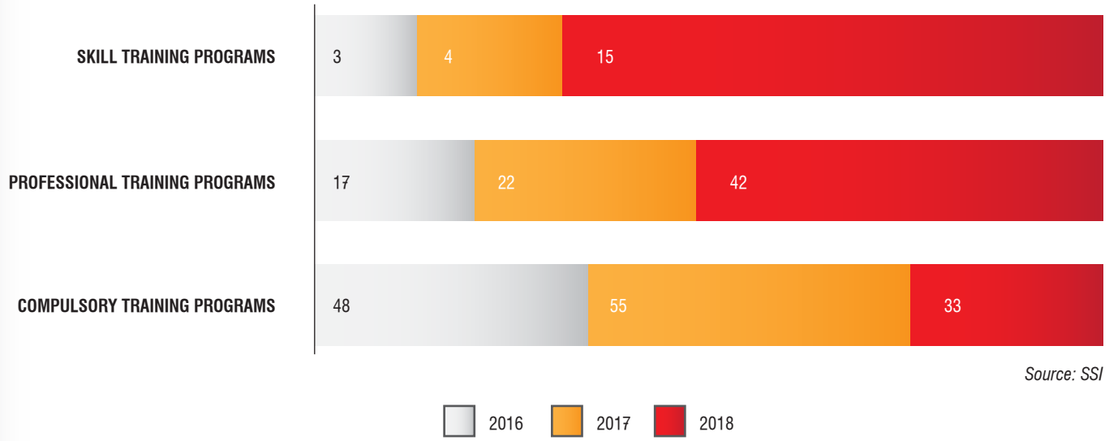
Training expenses over time (VND)



Training hours over time

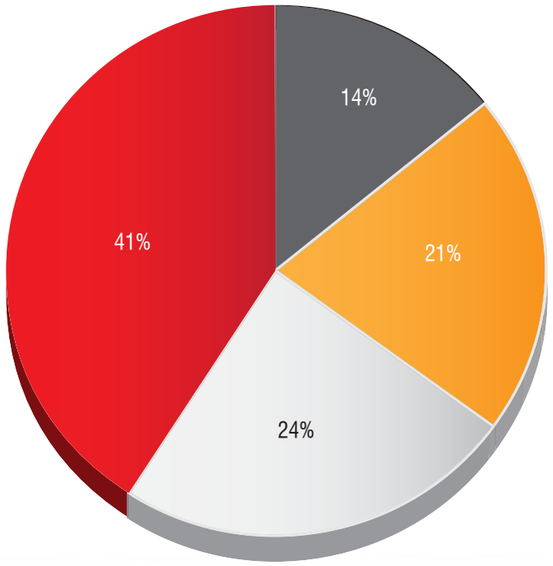


Number of training programs over time



Source: SSI

Training hours by region over time



Source: SSI

Sustainable engagement

Along with the development of business activities, SSI places high importance on and manages to secure the best working environment for its employees. SSI defines an ideal working environment as a workplace which facilitates innovation and endeavor while ensuring a work-life balance. This is highly emphasized for high rank managers. SSI staffs are encouraged to work hard and play well, participate in sports and social activities to maintain a work-life balance, create joy at work and build a coherent team. SSI has common interest clubs such as photography, yoga, zumba, soccer and performance which are eagerly joined by employees. This is the 5th year in a row SSI organized a Family Day for all families of our staffs to come together and network.

This is a popular event appreciated and looked forward to by SSI employees as well as their families. Such events help strengthen family affection of the staffs, and also the close link between the families and the Company.

In its development journey over 18 years of ups and downs, SSI has constantly managed to create, affirm and maintain a transparent, modern and honest working environment, centered on the development of a human resource team as well as its Trust and Pride. Their trust and pride have strengthened the foundation for SSI's sustainable development through each milestone, stage of development and step of advancement.





HR INFORMATION FOLLOWING TO GRI STANDARDS

Average employee in 2018
975.92



GRI 401: EMPLOYMENT

GRI 401-1: New employee hires and employee turnover

Total new employee hires **317** Percentage of new hires **32.48%**

Age group

Under 30 years old	**231**	Percentage **23.67%**
30 - 50 years old	**86**	Percentage **8.81%**

Gender

Male	**146**	Percentage **14.96%**
Female	**171**	Percentage **17.52%**

Total employee turnover **180** Percentage of employee turnover **18.44%**

Age group

Under 30 years old	**106**	Percentage **10.86%**
30 - 50 years old	**72**	Percentage **7.38%**
Over 50 years old	**2**	Percentage **0.20%**

Gender

Male	**100**	Percentage **10.25%**
Female	**80**	Percentage **8.20%**

GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees

Cash benefits

Southern region	**VND 34,031,398,407**
Northern region	**VND 34,554,890,768**

ESOP shares

Southern region	**3,795,000** shares
Northern region	**6,205,000** shares

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY

GRI 405-1: Diversity of governance bodies and employees

Percentage of individuals within the organization's governance bodies (PC of 51 and higher) **132**

Age group

Under 30 years old	8	Percentage 6.1%
30 - 50 years old	118	Percentage 89.4%
Over 50 years old	6	Percentage 4.6%

Gender

Male	60	Percentage 45.45%
Female	72	Percentage 54.55%

Total employees **1,026**

Age group

Under 30 years old	483	Percentage 47.08%
30 - 50 years old	533	Percentage 51.95%
Over 50 years old	10	Percentage 0.97%

Gender

Male	474	Percentage 46.20%
Female	552	Percentage 53.80%

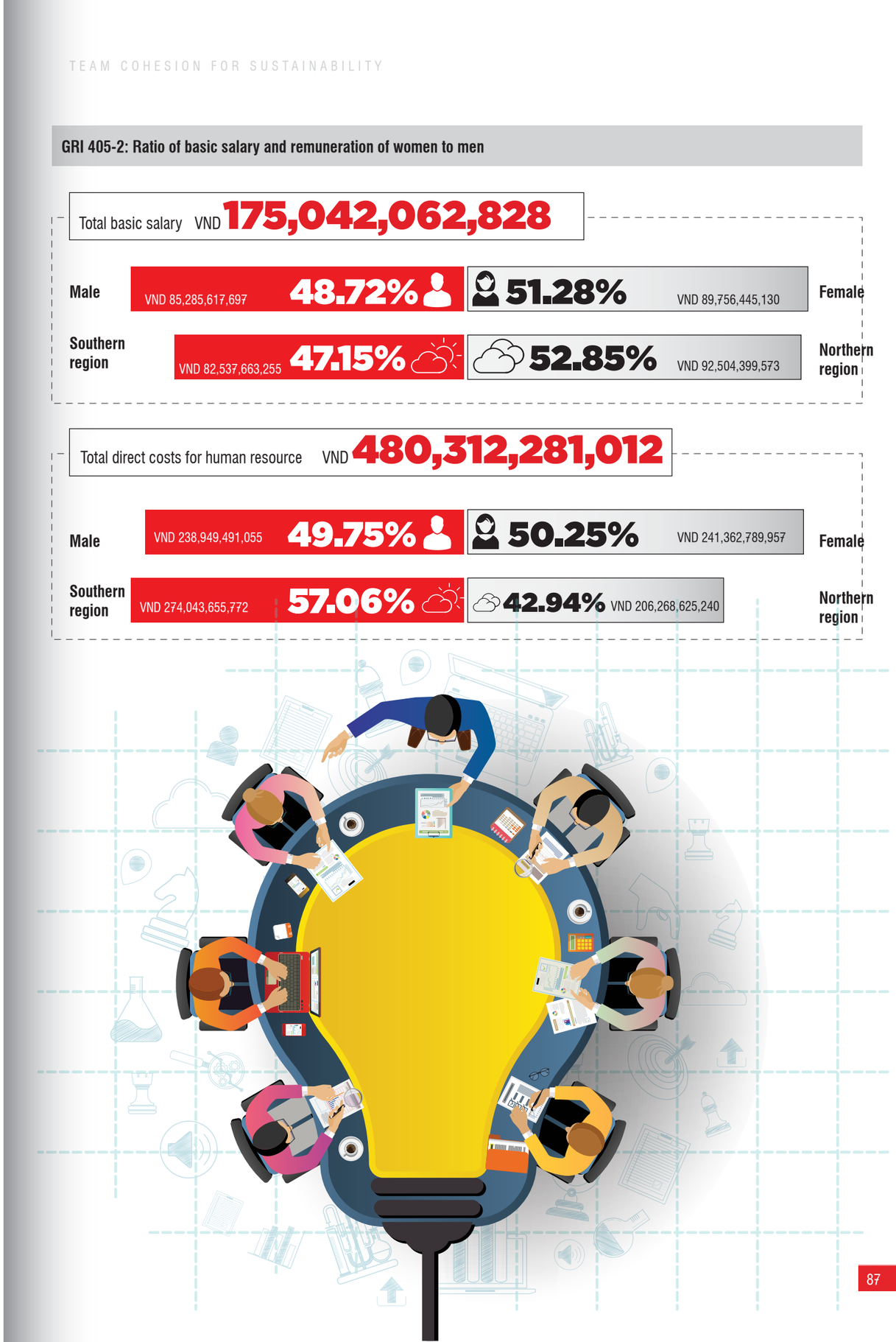
GRI 405-2: Ratio of basic salary and remuneration of women to men

Total basic salary VND **175,042,062,828**

Male	VND 85,285,617,697	48.72%	51.28% VND 89,756,445,130	Female
Southern region	VND 82,537,663,255	47.15%	52.85% VND 92,504,399,573	Northern region

Total direct costs for human resource VND **480,312,281,012**

Male	VND 238,949,491,055	49.75%	50.25% VND 241,362,789,957	Female
Southern region	VND 274,043,655,772	57.06%	42.94% VND 206,268,625,240	Northern region



COMMUNITY DEVELOPMENT

GRI 203: INDIRECT ECONOMIC IMPACT

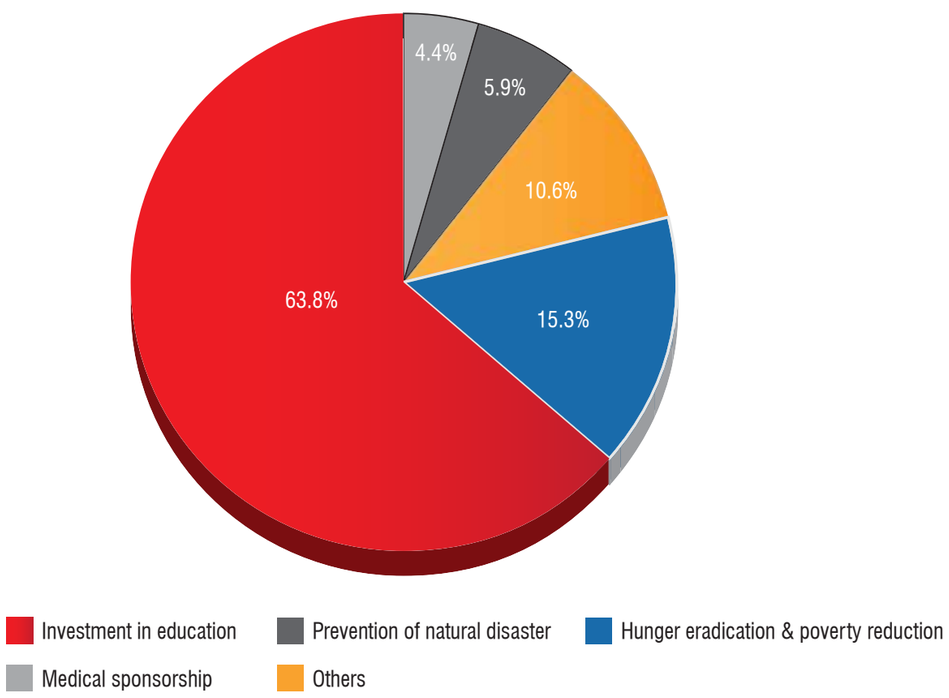
GRI 413: LOCAL COMMUNITY

In addition, as guided by the commitment of **"We strive to better the communities in which we work"**, SSI has always developed intellectual and physical education programs for young generations and joined local communities in building a better society.



The company has spent more than VND 70 billion for over the last 18 years for community activities - with approximately 64% of funding for education development, based on our assumption that investing in the next generation is supporting the country's sustainable development.

Breakdown of budget for community activities



Source: SSI

Every 3-year development phase of SSI is characterized by large projects, effective contribution to education development and livelihoods of local people in many provinces. Some outstanding programs that the Company has implemented can be summarized as below:



2007 - 2009

Sponsoring to Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities (Lao Cai Province) with a total funding of VND 10 billion

Financing the construction of many high schools for ethnic minorities in Lai Chau, Son La, Dien Bien, Bac Kan and Lao Cai province with a total funding of VND 1 billion





2010 - 2012

Funding to build pre-schools and primary schools to avoid floods in 4 mountainous districts of Ha Tinh province with a grant of nearly VND 10 billion

Sponsoring to build community education center in Quang Han commune, Tra Linh district, Cao Bang province with a total funding of nearly VND 3 billion





2013 - 2015

Donating 100 cows, 40 pigs, 3,000 breeding chickens to farmers and sponsoring to build a medical station in Vinh Thach commune - Vinh Linh district - Quang Tri province with a total funding of nearly VND 5 billion

Supporting fishermen in Quang Nam - Quang Ngai province with a grant of VND 2 billion





2016 - 2018

Donating 3,300 breeding sows to poor households in 9 border districts of Cao Bang province with a total funding of nearly VND 5 billion

Sponsoring the construction of reinforced concrete roads in rural areas in My Hanh Nam Commune - Duc Hoa District - Long An Province with a total funding of VND 2 billion

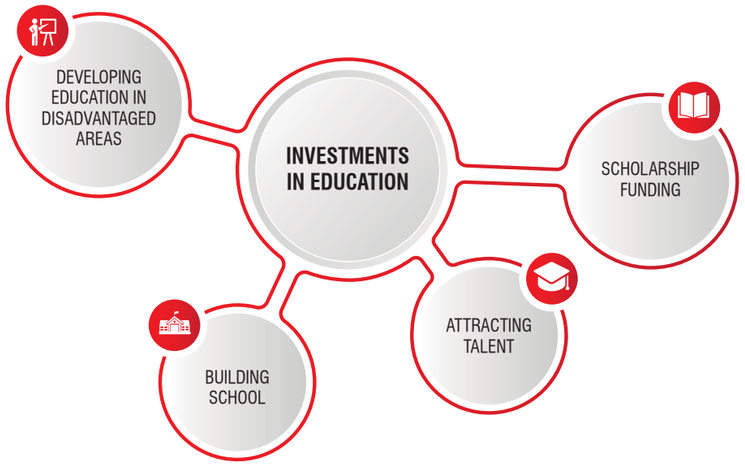
Sponsoring more than 1 billion VND for poor and excellent students through NDH Scholarship Fund



Investment in education

This is SSI's top priority in its Activity for Community principle. SSI believes that cultivating learning is the best step for Vietnam to take to generate strong human capital of next generations for the future of the country.

Therefore, investment in education development is carried out by SSI through diverse and effective activities.



School building projects

Since 2007, SSI has built 10 schools in the Northern and North Central regions to assist with the development education therein. The schools are all located in key areas to which students can have better access to schooling facilities.

On a yearly basis, SSI visits the schools and provides timely funds for expansion so that continued schooling can be provided for the country's future generations.

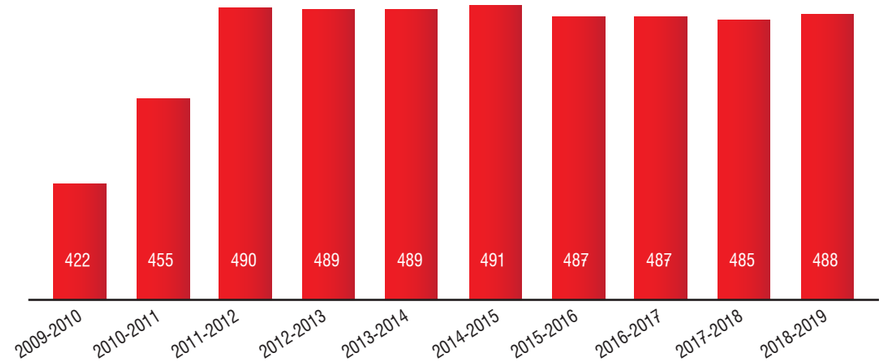






In the case of Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities alone, after its launch in 2010, the number of students at the school has increased and stabilized, thus making continued contributions to education development.

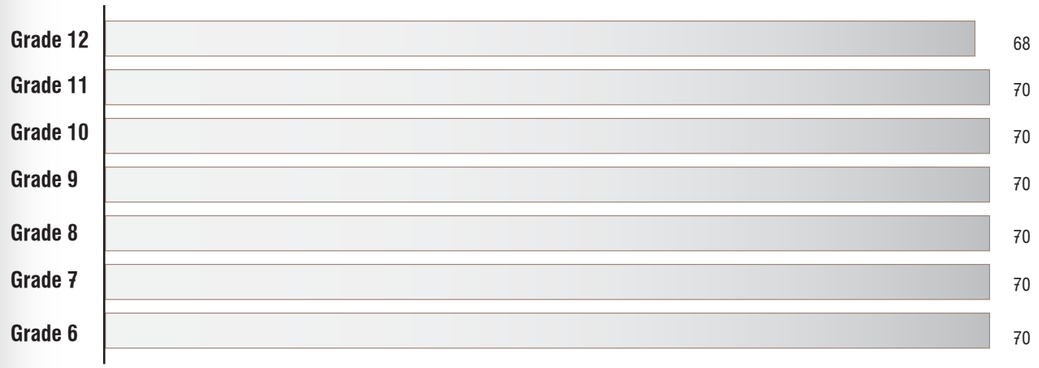
Total school's students over years



Source: Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities

The school gathers students from many ethnic minority groups in the district (Dao, Giay, Hmong, La Chi, Nung, Phu La, Tay, Thai). They demonstrate determination to study here until high school graduation; the number of students between age-appropriate class groups is evenly and many have passed the exam into universities, colleges, technical and vocational schools.

Number of students in 2018 – 2019



Source: Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities

Students enrolled at universities, colleges, technical and vocational schools in the last 3 years:

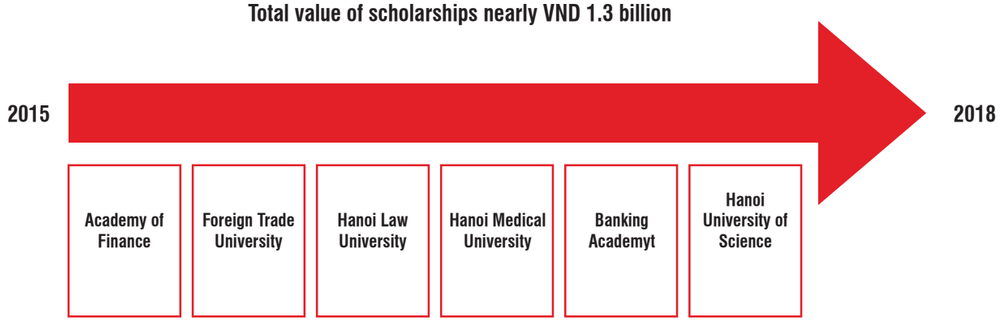
School year	High school graduates	Students enrolled at universities, colleges, technical and vocational schools
2015-2016	70	35 (50%)
2016-2017	70	55 (78.6%)
2017- 2018	68	47 (69.1%)

Source: Bac Ha Lower and Upper Secondary Boarding School for Ethnic Minorities

NDH Scholarship Fund

SSI defines a developed society as a society based on knowledge and kindness. The company and the NDH Scholarship Foundation continued to award scholarships to needy students with excellent academic performance picked within academic year 2015. In 2018, 30 selected students of 6 major universities continued to receive scholarships for them to focus on their study and training, contribute to the development of society with their knowledge, and provide support to those living in similar difficult conditions in the future so that the idea of helping others will be spread widely to the next generations.

Total value of scholarships nearly VND 1.3 billion



Attract talents

With much attention directed to the next generation of human resources of the country, SSI has been accompanying with the Association of Vietnamese Students and Professionals in the U.S. for many years to support, provide career counseling and join hands in bold business ideas of students with potential to be applied in practice. Specifically, SSI is a sponsor of VietChallenge Contest to support its mission of nurturing and developing disruptive and highly competitive startups, contributing to addressing the challenges of the Vietnam and global economy. From 2015 to 2018, SSI accompanied the "American Arms" Program - Annual Conference of the Association of Vietnamese Students and Professionals in the U.S. In addition to the funding of community engagement exchanges and activities, SSI also sent its senior managers to panel discussions on career orientation in order to equip the youngsters with the right perception of career choices.

Education support for disadvantaged areas

SSI has given a special attention to educational development activities in disadvantaged areas. Especially for schools in the northern mountainous provinces - where there remains challenges due to extreme terrain and climate, SSI directs its attention regularly to practical programs to partly assist students and teachers to overcome difficulties in learning, teaching and daily life.

The following educational sponsorship programs were implemented by SSI in 2018

The Secondary Boarding School for Ethnic Minorities in Duong Huu Commune, Son Dong District, Bac Giang Province.	Gia Phu 5 Primary School - Nam Tra Village - Gia Phu Commune - Bao Thang District - Lao Cai Province.	Students with difficult conditions in Binh Phuoc, Dak Lak, Vinh Phuc, Tuyen Quang and Cham ethnic students in Ho Chi Minh City.
Donation of winter clothes, blankets, food for students and teachers of the school.	Funding for the construction of the school's daytime canteen.	Granting of scholarships, donation of bicycles and learning materials for students.

Prevention of natural disasters

Vietnam has complex and diverse terrain features running from North to South, from East to West, stretching along the continental shelf of the East Sea, so it is prone to natural disasters. Activities to prevent and address consequences of natural disasters are always priorities of the Party and Government in the development process of the country.

Understanding the importance of natural disaster prevention, SSI always takes the lead in provision of funding to natural disaster prevention activities in many provinces across the country. In 2018, SSI granted VND 1 billion to Yen Bai province to overcome the consequences of the storm No. 3 that occurred in July 2018. A prominent project initiated by SSI is the Support program to safe housing to prevent natural disasters and equipment financing for the Office of the Steering Committee for Disaster Prevention, Search and Rescue in 9 Central Coast provinces.

Support to build safe and disaster-resistant housing for 30 households

- Thanh Hoa Province
- Quang Binh Province
- Thua Thien - Hue province

Sponsor equipment for the office of disaster prevention and rescue

- Thanh Hoa province
- Nghe An province
- Ha Tinh Province
- Quang Binh Province
- Quang Tri Province
- Thua Thien – Hue Province
- Quang Nam Province
- Quang Ngai Province
- Binh Dinh Province

SSI-funded programs are practical support to these provinces, promptly supporting local people and government to mitigate impacts of natural disasters.

Hunger eradication, poverty reduction and handling of challenges

In 2017-2018, SSI completed 4 phases of financing with a total funding of VND 2 billion for the construction of reinforced concrete roads in rural areas in My Hanh Nam Commune - Duc Hoa District - Long An Province, supporting the commune to fulfill one of the important criteria of the new rural development program. By the end of 2018, the commune completed the construction of all 4,567 meters of road as planned. Newly concreted roads are expected to ease travel and transport of My Hanh Nam residents to and from other communes as well as promote connectivity with surrounding areas, thereby promoting economic and cultural development of the commune.



Also in 2018, SSI supported poor households in 9 border districts of Cao Bang province in their family livelihoods through its donation of 3,300 sows.

District	Number of provided sows
Phuc Hoa district	300
Trung Khanh district	300
Tra Linh district	300
Ha Lang district	300
Bao Lam district	400
Bao Lac district	400
Thong Nong district	400
Thach An district	400
Ha Quang district	500
TOTAL	**3,300**

By the end of 2018, nearly 100 breeding sows began to reproduce piglets and it is expected that, in 2019, the number of piglets produced from 3,300 sows will grow at an exponential rate, generating great economic value to local people in the border areas.

Besides, SSI annually cooperates with Binh An Development Center under the Friends for Street Children Association (FFSC) to provide gifts and organize a Mid-Autumn Festival for underprivileged children in Ho Chi Minh City sponsored by the Center. In 2018, through the Center, SSI awarded more than 500 gifts to children and nearly 300 portions of rice and fish sauce, contributing to a merry mid-autumn season.

Medical sponsorship

Donation programs that target patients and health facilities have been regularly implemented by SSI for many years. In 2018, SSI visited and encouraged 500 disadvantaged children undergoing inpatient treatment at the Vietnam National Children's Hospital, providing gifts and financial support to children for them to cover part of treatment expenses, and donating some medical equipment to the Hospital for it to improve the quality of medical examination and treatment.

SSI implements its corporate social responsibility by sharing food and clothing, but also targeting to contribute to implementation of some important directions and policies of the Party such as new rural development, border and island protection to preserve sovereignty; with special attention to education development for the young generation and further contribution to the social and community development.







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