

Introduction to Sustainable Finance Service:

Green Bonds Verification Services under the standards of the Climate Bonds Initiative (“CBI”) and/or Second Party Opinions Services under Green Bond Principles of the International Capital Market Association (“ICMA”)

Hanoi, April 2025



A Member Company of



A Strategic Partner of

S&P Global

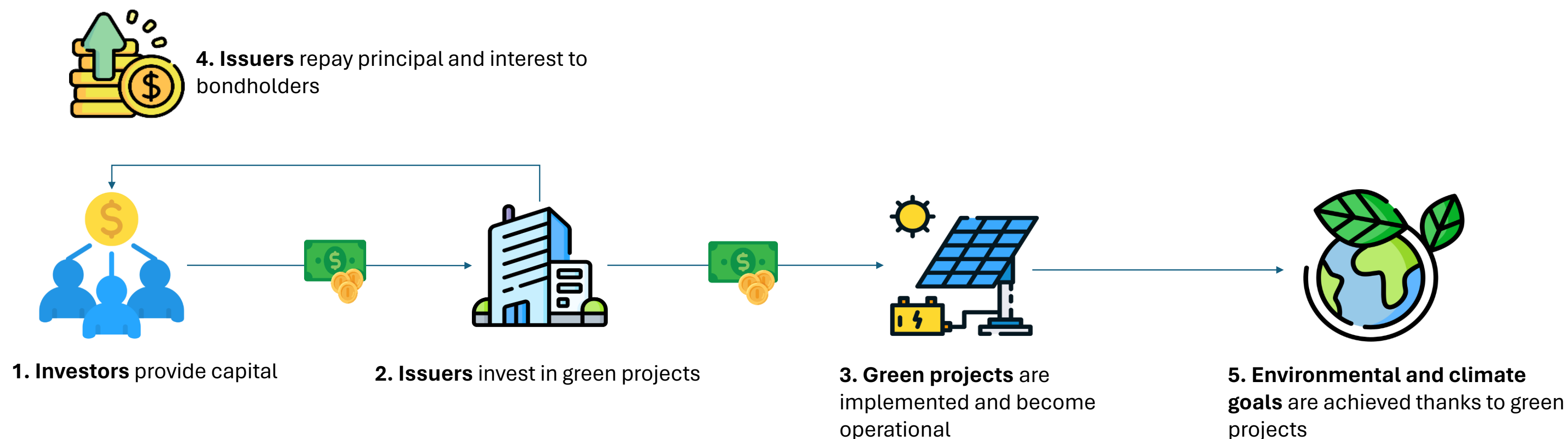


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- A type of bond/loan/certificate of deposit used to **finance environmental and climate protection projects**, including renewable energy projects, environmental protection, and carbon emission reduction projects.
- The projects must meet certain **environmental protection criteria**.
- With the goal of combating climate change, CBI-standard climate bonds/loans/certificates of deposit verified by FiinRatings are **reputable and prestigious green bonds/loans/certificates of deposit** that are widely used.

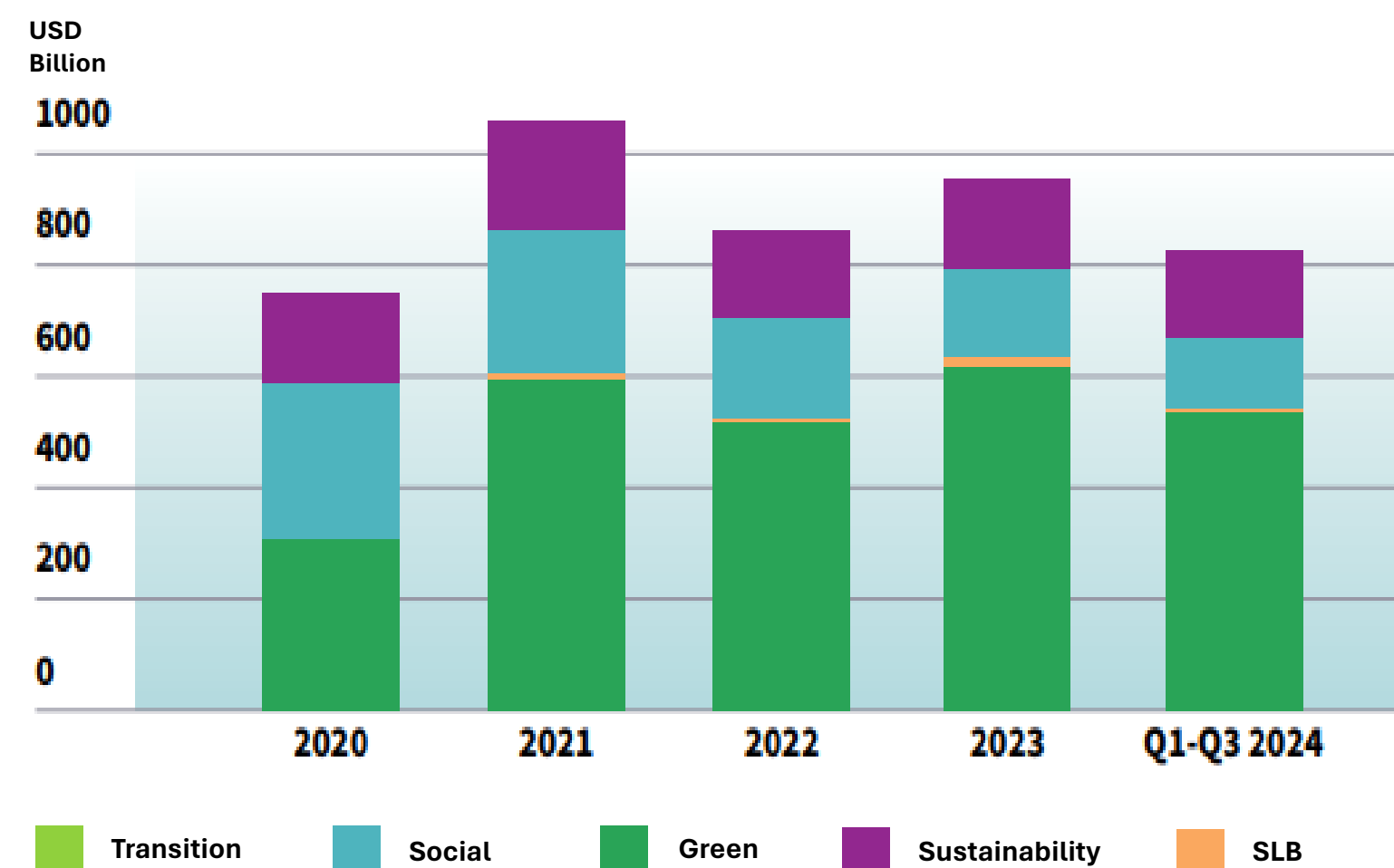


By the end of Q3 2024, the Climate Bonds Initiative (Climate Bonds) had recorded cumulative volume of **\$5.4 trillion** of green, social, sustainability, and sustainability linked (GSS+) debt, from supranational plus 112 countries.

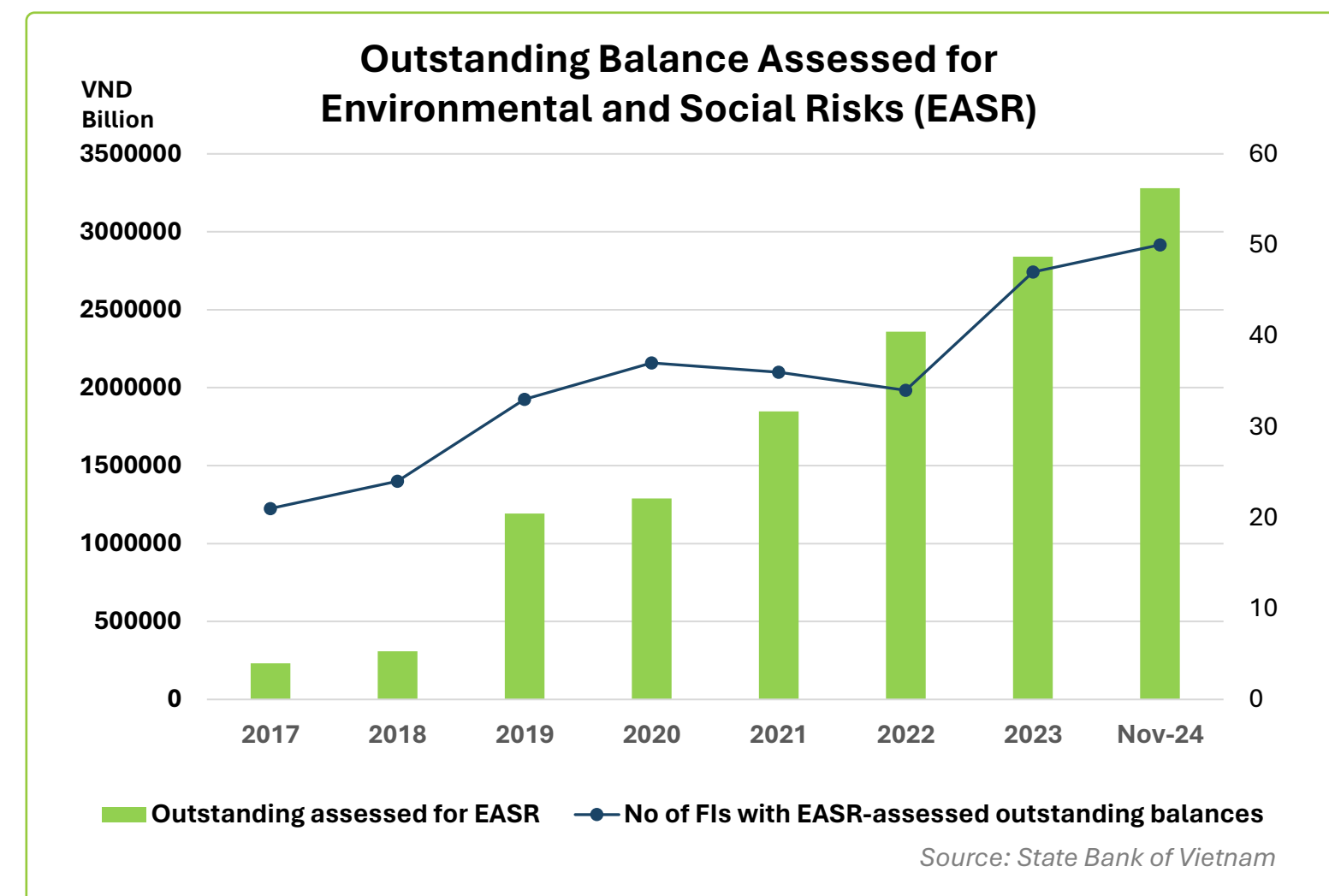
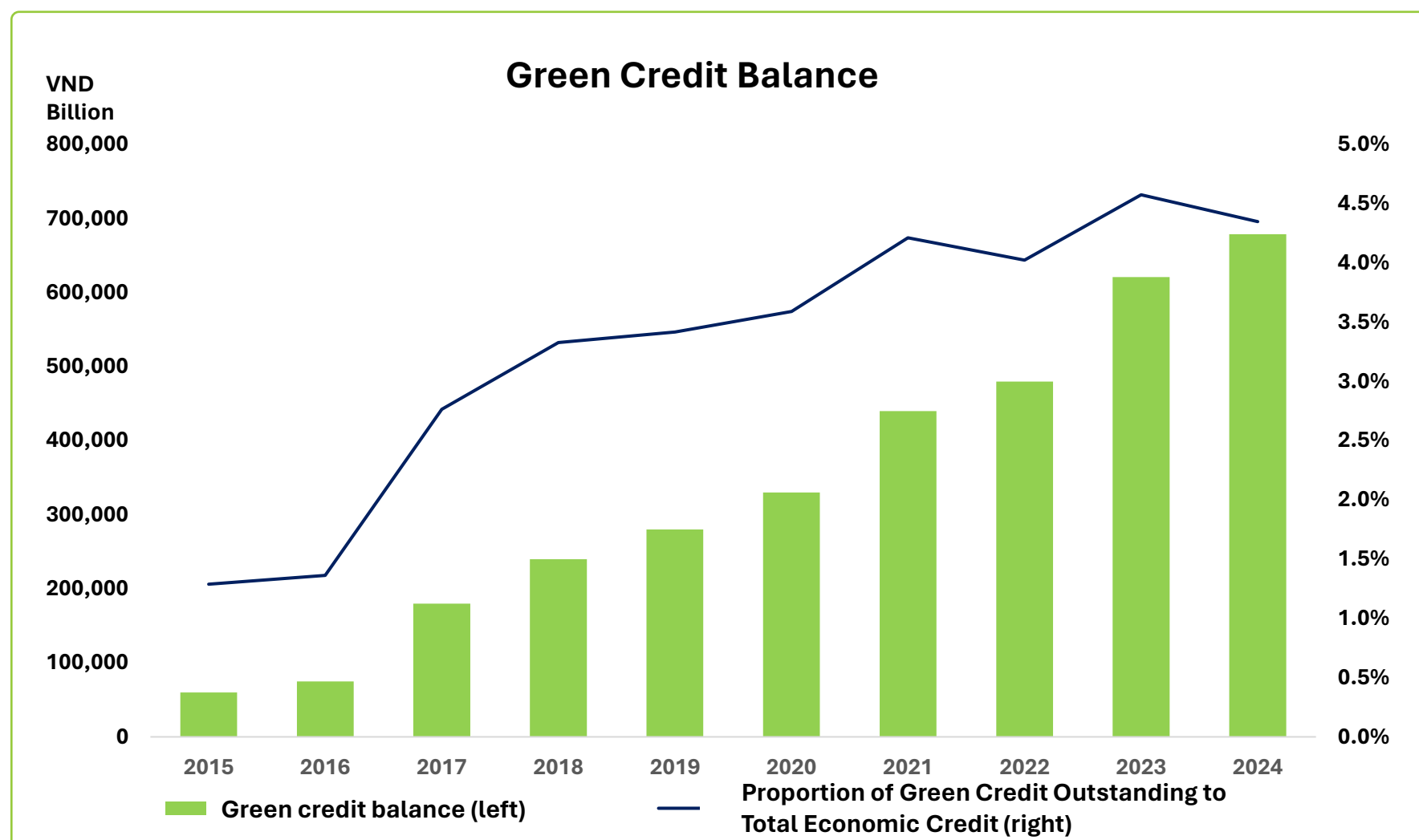
In particular:

Green bonds continue to account for the largest share of the total GSS+ bond volume, at 62%, equivalent to **\$3,366.3 billion**. This is followed by social bonds at 19% (**\$1,052.9 billion**) and sustainable bonds at 18% (**\$956.5 billion**). Sustainability-linked bonds (SLBs) remain marginal, contributing just 1% with a total volume of **\$55.4 billion**.

Cumulative aligned GSS+ volume reached USD 4.2tn in H1 2023



Source: Climate Bonds Initiative



According to a report by the State Bank of Vietnam, as of September 2024 in Vietnam: 50 credit institutions have outstanding green loans, reaching over **680,000 billion VND**, accounting for **4.35%** of the economy's total credit balance, mainly concentrated in the fields of renewable energy (45%) and green agriculture (30%). **During the 2017-2022 period**, the average growth of green credit balance reached nearly **23%** per year, higher than the general credit growth rate of the economy (15%).

42 credit institutions assess environmental and social risks (ESR) in credit activities with outstanding loans of **nearly 3.3 million billion VND**, accounting for **22.33%** of the total outstanding loans. The balance of loans assessed for ESR has increased more than 10 times compared to when Directive No. 03/CT-NHNN was first implemented in 2015 and has risen by 15.62% compared to the end of 2023.

Main Entities in the Green Financial Market:



01

Building a Green Finance Framework

Establish a Green Finance Framework to support investment decisions in projects and assets. There are two ways to establish a Green Finance Framework:

- The company can independently develop its own Green Finance Framework.
- The company can hire FiinRatings to build the framework, with FiinRatings facilitating connections with partners such as ADB and GGGI for consulting.

02

Defining Green Criteria

Developing criteria for the issuance of debt instruments.

FiinRatings provides Independent Second Party Opinion reports, providing a third-party opinion on the alignment of the Green Finance Framework with the ICMA Principles.

03

Issuing Green Debt Instruments

Identifying factors such as maturity, interest rate, prepayment penalty, etc. Considering Verification/ Independent Opinion services for debt instruments.

FiinRatings provides Green Debt Instrument Verification Services according to the Climate Bonds Initiative (CBI) standards.

04

Post-issuance Monitoring and Evaluation

Monitoring cash flows and performance of related projects.

05

Post-issuance Reporting and Disclosure

Regularly publishing debt instrument performance for investors until maturity, including three different types of reports:

1. Allocation report
2. Eligibility Report
3. Impact Report

To attract green capital, businesses first need a **Green Finance Framework**.

This framework is a set of rules and standards for companies issuing green bonds/loans, ensuring that the bonds/loans are used for environmentally beneficial projects and meet green standards.

Use of Proceeds

The purpose of using funds raised from green bonds/loans must be clearly defined and directed towards green projects.

Reporting

The issuer must report periodically on the use of funds, the environmental impact of the projects, and other relevant information to stakeholders.

Four Standard Components of a **Green Finance Framework**

Source: Green Bond Principles, ICMA

Process for Project Evaluation and Selection

The issuer must have a clear process to identify and select green projects that align with the objectives of the bond/loan.

Management of Proceeds

Funds raised from green bonds/loans must be strictly managed and used only for approved green projects.

FiinRatings proposes to provide the Green Debt Instrument Verification Service according to the CBI standard, specifically as follows:



Services Characteristic

- FiinRatings is an authorized entity by CBI to provide assessment and certification services for green debt instruments according to the Green Finance Framework and labeling standards for debt instruments/finance frameworks established by CBI.
- The certification results from FiinRatings serve as a prerequisite for CBI to issue certificates and label the green bond framework of the company.



Implementation procedure

Two main stages:

- **Stage 1:** FiinRatings works directly with the Issuing Organizations to assess the established green financial framework.
- **Stage 2:** Following the assessment, FiinRatings will collaborate with CBI to provide certification to the Issuing Organizations at two points: (1) pre-issuance certification and (2) post-issuance certification.



Green Debt Instrument Verification following the CBI standard brings businesses the following values:



Cost optimization

Green Debt Instrument Verification by CBI contributes to significant cost reductions compared to foreign verifier entities.



Diversification of investor base

The CBI certification helps issuers expand their opportunities to access and attract capital from domestic and international investors interested in environmental and climate issues. This can lead to increased ability to increase price benefits and successful issuance.



Brand value

The CBI is the only brand and green bond standard used in the international market with over 30 countries. The certification helps issuers demonstrate compliance capabilities, use of capital for the right purposes, and transparency with investors.



Increased reputation

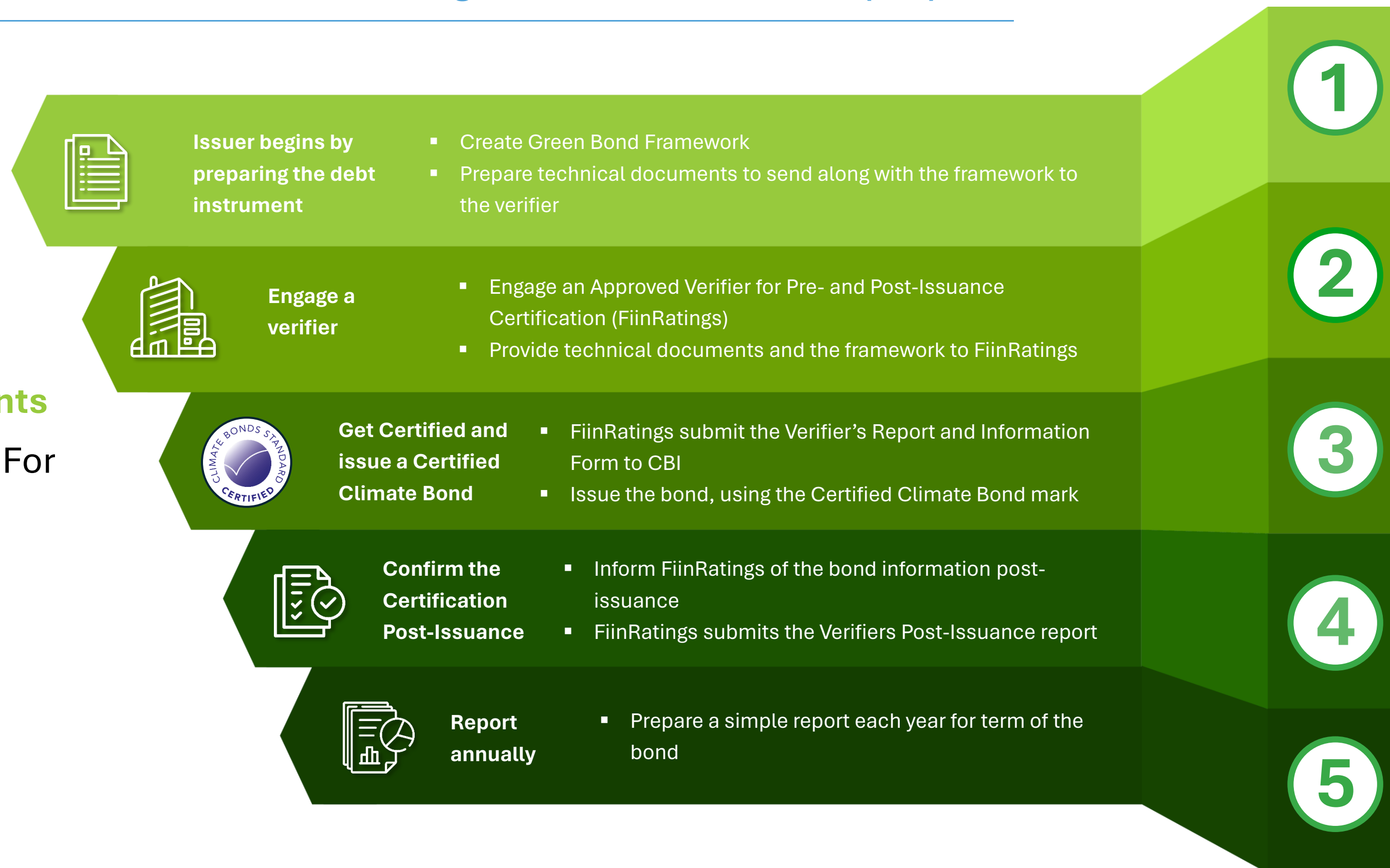
Having a certification with CBI means that the issuer is partnering with a reputable world organization that is committed to environmental and social goals that will bring results for the future.



Easy to identify

The certification helps potential investors easily find qualified bonds without the cost of researching market information. CBI-compliant bonds are also listed online and sent to the sustainable investor community.

Green Debt Instruments Verification Procedure For Issuers



For CBI Green Debt Instrument Verification, FiinRatings' standard assessment process typically takes approximately 4 weeks. The entire process, including the time required to obtain CBI certification, can extend up to 10 weeks.

Internal Process

Working with the Issuer

Working with CBI

	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10
1. Engagement and Planning 1.1. Determine the type of Verification Engagements, scope of work, nominated Project & Assets and related information; Engagement terms signing 1.2. The Issuer provides related evidence and documentation										
2. Reporting 2.1. The Verifier conducts Analytical procedures and Reporting *The Issuer must provide additional evidence if signs of non-compliance with CBI criteria were detected 2.2. The Verifier supports inquiries and adjusts Verifier Reports as requested by the Issuer										
3. The Issuer submits Information Form, Green Bond Framework & Verifier Report to CBI										
4. Public disclosure 4.1. Agree on information in public documents 4.2. The Verifier supports coordination with relevant parties in post-work activities										

Second Party Opinions (SPOs) provide an independent opinion on the **Green/Sustainable Bond Framework's** alignment with the requirements of the ICMA's Green Bond Principles.



Services Characteristic

- Second Party evaluation is based on research on the sustainability certification of green debt instrument as well as the selected projects and assets.
- SPOs report includes:
 - ✓ An overview of the company's green bond framework;
 - ✓ An overview of the compliance of the framework with ICMA standards.



Implementation procedure

- The approach underlying the evaluation is designed by FiinRatings and is in line with the Green Bond Principles (GBPs)/ Green Loan Principles (GLPs) of ICMA.
- FiinRatings provides its opinion in the pre-issuance phase as an independent second party, and does not provide any further opinion after issuance, nor does it interfere with the allocation of capital raised from the issuance by the issuer.



Second Party Opinion Report

Green Finance Framework of Gia Lai

Green Finance Framework Alignment Opinion

Hanoi, [Date]
Gia Lai El

Analysts:
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ANNEX 1: DETAILED FINDINGS

1. USE OF PROCEEDS:

	REQUIREMENT	FACTUAL FINDINGS	ANALYSIS AGAINST REQUIREMENTS
1.1	Documentation of nominated projects & assets assessed as eligible. Establishment of a list of Nominated Projects & Assets kept up to date during the term of the bond.		
1.2	Expected Net Proceeds of the Bond are no greater than the Issuer's total investment exposure to the proposed Nominated Projects & Assets.		
1.3	Nominated Projects & Assets shall not be nominated to other Certified Climate Bonds, Certified Climate Loans, Certified Climate Debt Instruments, green bonds, green loans or other labelled instruments.		

2. PROCESS FOR EVALUATION AND SELECTION OF PROJECTS AND ASSETS

	REQUIREMENT	FACTUAL FINDINGS	ANALYSIS AGAINST REQUIREMENTS
2.1	Decision-making process to determine eligibility of nominated projects & assets, including:		
2.1.1	Statement on the climate-related objectives of the Bond.		
2.1.2	Positioning of climate related objectives of the Bond in the context of the Issuer's overarching environmental objectives, strategy, policy and/or processes.		
2.1.3	Issuer's rationale for issuing the Bond.		
2.1.4	Process to determine whether the Nominated Projects & Assets meet the eligibility requirements specified in Part C of the CBI.		
2.2	Issuer should include under Clause 2.1 further aspects of the decisionmaking process, including:		
2.2.1	Related eligibility criteria to identify and		

Second Party Opinions Service provides enterprises with the following values:

01

Additional independent assessment from a second party

Enterprise can use the second-party opinion as an independent assessment to support them in the pre-issuance phase.

02

Compliance with the Independent Evaluation Regulations for Green Credit

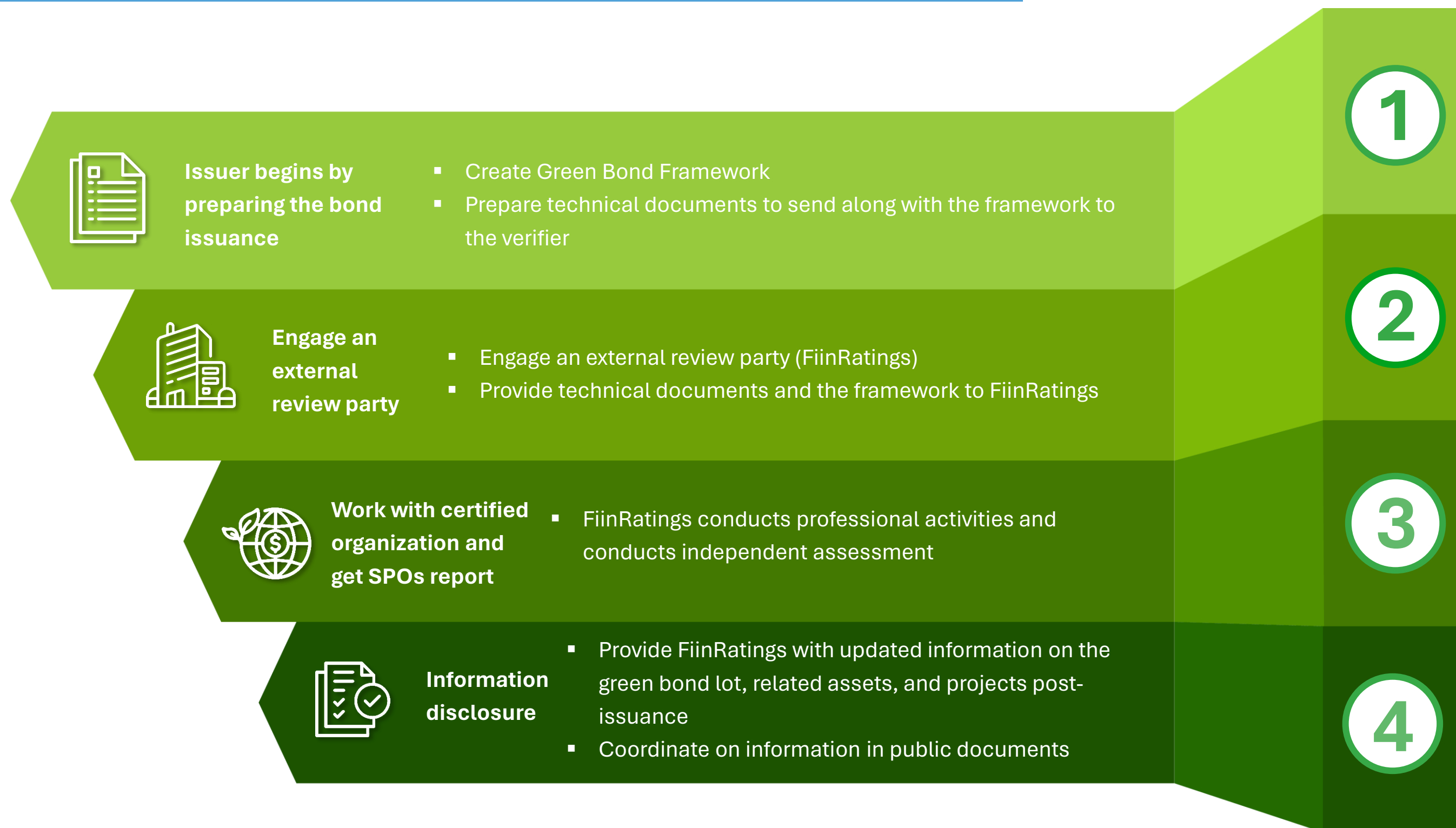
Support businesses to comply with the Independent Evaluation Regulations for Green Credit in the confirmation of green bonds/green credit.

03

Meeting the requirements of investors

External review from second party on the green bond framework helps the company meet the requirements of investors, attract and increase the opportunity to access domestic and international investors interested in environmental and climate issues. This can lead to wider investor reach, better pricing, and a more successful issuance.

Second Party Opinions Procedure For Issuers



For Second Party Opinions process, the standard implementation period will be within 4-6 weeks.

Internal Process

Working with Issuers

	W1	W2	W3	W4	W5	W6
1. Agreed upon plan and schedule 1.1. Determine the type of validation activity, scope of work, project, and relevant criteria; sign a contract 1.2. The issuer provides documents						
2. FiinRatings evaluates and provides opinion 2.1. FiinRatings conducts evaluation and builds a report *The issuer provides additional evidence if FiinRatings detects signs of non-compliance with the ICMA's GBP, GBL criteria 2.2. FiinRatings supports inquiries and adjusts the report upon the issuer's request						
3. Approve the report and disclose information 3.1. Agreement on information in public documents 3.2. Support coordination with relevant parties in post-activities						

Services	Quoted fees
Green Debt Instrument Verification following Climate Bond Initiatives (CBI)	<ul style="list-style-type: none">■ The service fee for the Green Finance Framework is determined based on the following factors:<ul style="list-style-type: none">✓ Complexity level of the financial framework✓ Purpose of capital use✓ Complexity level of the portfolio of projects and assets✓ Degree of completion of the financial framework
Second Party Opinion in accordance with the ICMA's Green Bond Principles	<ul style="list-style-type: none">■ The service fee for the Green Finance Framework is determined based on the following factors:<ul style="list-style-type: none">✓ Complexity level of the financial framework✓ Purpose of capital use✓ Complexity level of the portfolio of projects and assets✓ Degree of completion of the financial framework

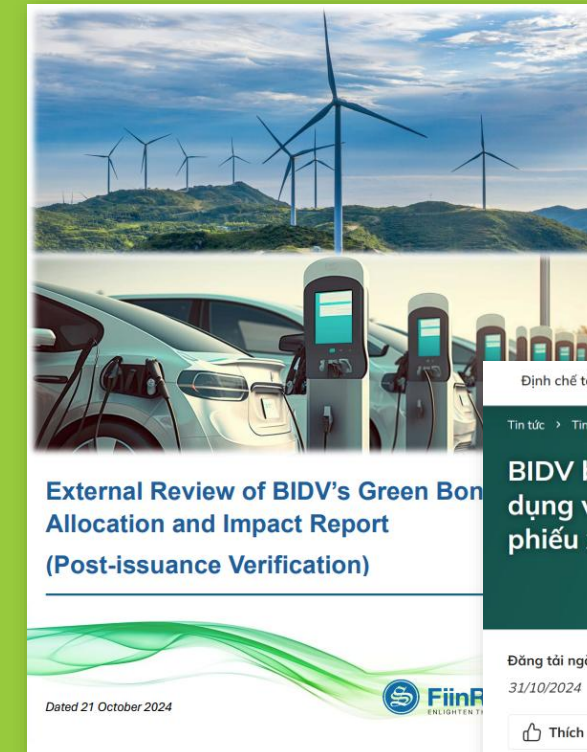


Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) is the first bank in Vietnam to issue green bonds in 2023.

This year, the bank's first allocation was independently assessed by FiinRatings, marking a first milestone in Vietnam where a domestic verification organization has the capability to conduct post-issuance assessment.



Project	Client	Scope	Standard	Status
Post-issuance verification	BIDV	Verifying the post-issuance report by BIDV regarding post-disbursement activities based on their Green Bond Framework and relevant standards	<ul style="list-style-type: none"> BIDV's Green Bond Framework ICMA Green Bond Principles Handbook on "How-to Issue Guide for Green Bonds, Social Bonds and Sustainability Bonds" by SSC 	Announced in October 2024





I.D.I International Development and Investment Corporation, a subsidiary of **Sao Mai Group** and a leading sustainable fish export enterprise in Vietnam (I.D.I), has become a pioneer in the seafood industry in issuing Green bonds.

This transaction was independently assessed by FiinRatings in accordance with ICMA Green Bond Principles and won the **“Green Bond of the Year – Corporate (APAC)”** award in 2025. This is Vietnam’s first green bond issued by a non-financial corporation in local currency and a pioneering transaction in the fisheries sector in Asia.

Project	Client	Scope	Standard	Status
SPO on Green Bond Framework	I.D.I International Development and Investment Corporation	Verification of the company's Green Finance Framework's alignment with the ICMA Green Bond Principles (GBP)	ICMA Green Bond Principles	Announced in November 2024

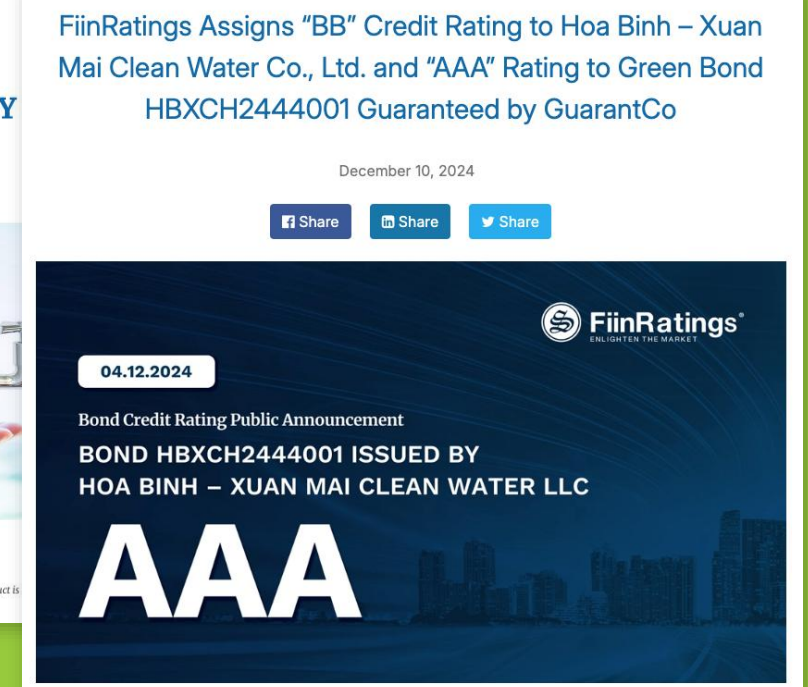




Hoa Binh - Xuan Mai Clean Water Co., Ltd, a subsidiary of **AquaOne Water JSC**, has successfully issued 875 billion VND in Green Bonds with a 20-year term, becoming the non-financial institution to issue bonds with the longest term in over 10 years in the Vietnamese capital market.

This transaction, independently assessed by FiinRatings under the ICMA Green Bond Principles, received the prestigious **“Water Deal of the Year – APAC”** award at the **IJGlobal Awards 2024**, recognizing Vietnam’s first green bond in the clean water sector.

Project	Client	Scope	Standard	Status
SPO on Green Bond Framework	Hoa Binh - Xuan Mai Clean Water Co., Ltd	Verifying the alignment of the company's Green Finance Framework with the ICMA GBP	ICMA Green Bond Principles	Announced in December 2024





Eastspring Investments Vietnam ESG Integration Fund (EVESG) is a pioneering investment fund in the Vietnamese market, launched by **Eastspring Investments Fund Management Company Limited**. This open-ended fund marks an important step in bringing investment focused on Environmental, Social, and Governance (ESG) factors into Vietnam's rapidly developing financial landscape.

Project	Client	Scope	Standard	Status
SPO on ESG Intergration Fund – Alignment with Principles	Eastspring Investments Vietnam	FiinRatings furnished an independent opinion on the EVESG's compliance with the six Principles of Responsible Investment by UN-PRI and their disclosure of investment activities based on the Investor Reporting Framework.	The Six Principles by UN-PRI	Announced December 2024



FiinRatings Announces Second-Party Opinion Report for Eastspring Investments Vietnam ESG Equity Fund in accordance with Responsible Investment Principles

December 05, 2024

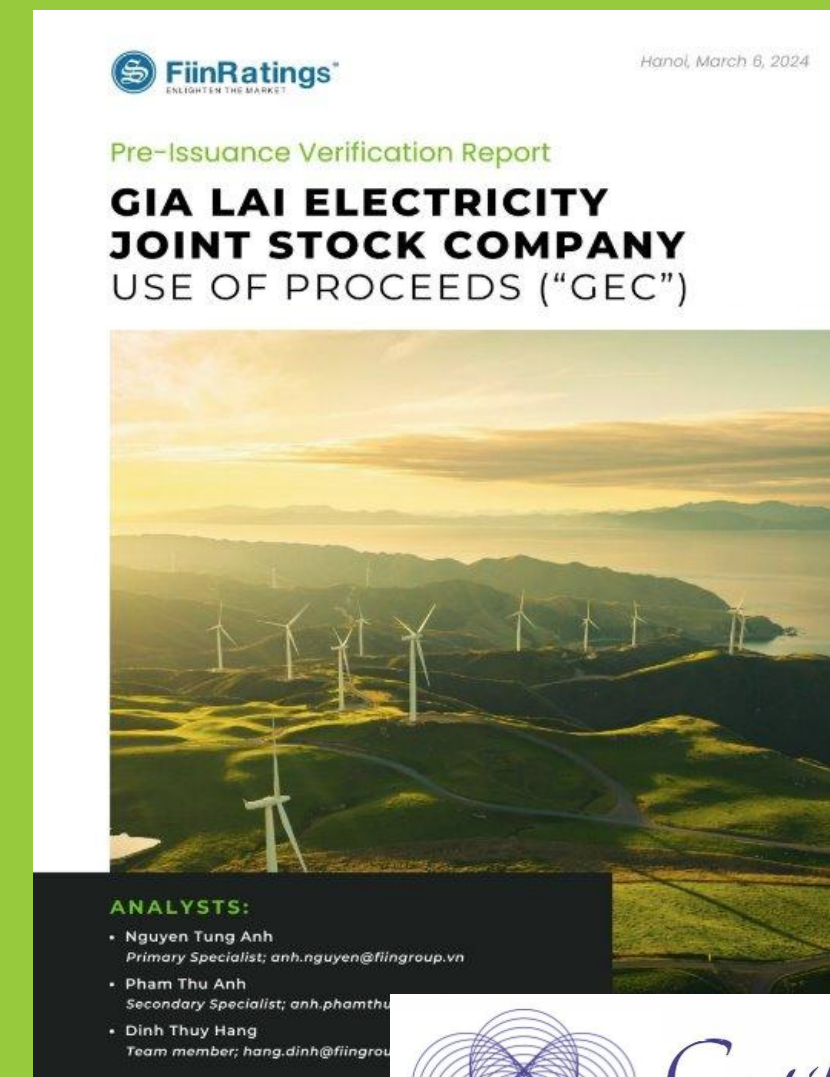




Climate Bonds INITIATIVE

Gia Lai Electricity Joint Stock Company (GEC), a leading Vietnamese enterprise in the renewable energy sector, has achieved a significant milestone. GEC became the first listed company in Vietnam to have its green bonds certified according to Climate Bonds Standard.

Project	Client	Scope	Standard	Status
Green Finance Framework Verification	Gia Lai Electricity Joint Stock Company (GEC)	Verifying the alignment of the company's Green Finance Framework with the Climate Bonds Standard with support from ADB. The issuance will refinance 2 offshore wind projects and will be completed in 10/2024.	Climate Bonds Standard	Announced in March 2024



Project	Client	Scope	Standard	Status
SPO on an SDG Equity Fund – Alignment with Principles	Eastspring Asset Management	Providing independent opinion on the alignment of the Framework, processes, and corresponding policies with Sustainable Development Investments (SDIs) Classification & Guidance and Impact Investment Market Map	<ul style="list-style-type: none"> Development Investments Classification & Guidance (SDI AOP) United Nations Principles for Responsible Investment (UN-PRI) 	Implementation started from February 2025
SPO on Green Bond Framework	Xuan Mai – Hanoi Clean Water Transmission Limited Company	Verification of the company's Green Finance Framework's alignment with the ICMA Green Bond Principles (GBP)	<ul style="list-style-type: none"> ICMA Green Bond Principles (GBP) 	Announced in March 2025

Credit Research and Sustainable Finance Services Personnel

**Nguyen Quang Thuan, FCCA****Chief Executive Officer**

Co-founder of FiinGroup, previously worked as an Investment Manager of Vietnam Holding Asset Management Ltd with AUM of US\$150M and Manager at PwC Vietnam & Sydney. Currently, he directly participates in monitoring the quality of FiinRatings' Sustainable & ESG financial services.

**Nguyen Thao Hanh****Senior Analyst,****Credit Research and Sustainable Finance Services**

Before joining FiinRatings, Ms. Hanh was a Credit Analyst at VPBank, covering the financial institution segment. Prior to that, she was a Senior Market Analyst at FiinGroup, participating in various market research and advisory projects in the banking and financial services sector.

**Nguyen Minh Tu, MBA****Deputy CEO**

Mr. Tu is currently a member of the Board of Directors and in charge of the Operations Department of FiinRatings. Before joining FiinRatings, he was an Investment Manager at TPBank's Investment Banking Division and previously an Audit Senior at KPMG Vietnam. He holds a Bachelor of Business Administration from Foreign Trade University and a Master of Business Administration from the University of Pisa (Italy).

**Dinh Thuy Hang****Senior Analyst,****Credit Research and Sustainable Finance Services**

Ms. Hang participates in investment advisory projects and green verification activities for corporate clients. Previously, she worked as an Audit Assistant at PwC Vietnam and evaluated internal control systems for numerous companies and conglomerates across sectors such as electronics, real estate & construction and logistics. She holds a Bachelor's degree in Auditing from National Economics University.

**Nguyen Tung Anh, MSc****Senior Manager, Credit Research and Head of Sustainable Finance Service**

Before joining FiinRatings, Mr. Tung Anh spent 10 years in economic analysis and market research at SSC. Also, he had many contributions to economic policies, stock market, and commercial market at the Australian Embassy in Vietnam.

**Dao Yen Nhung****Senior Analyst,****Credit Research and Sustainable Finance Services**

With expertise in credit research and financial modelling, Ms. Nhung has participated in various investment advisory and corporate due diligence projects for institutional investors. She holds a Bachelor's degree in Finance from the Advanced Finance Program at National Economics University and has passed Level II of the CFA Program.

**20/03/2020**

Licensed Date

**VND 75 Billion**

Owner's Equity

**FiinGroup: 56.5%**
S&P Global: 43.4%
Management: 0.1 %

Shareholders

**20+**

Qualified Analysts

**Nguyen Quang Thuan**

CEO and Legal Representative

**pwc**

Auditor

**60+**Clients under
Issuer-Pay Model**20+**Clients under
Investor-Pay model

Our Key Development Milestone

**2008**

FiinGroup (previously known as StoxPlus) was founded as a stock market information provider.

**2020**

Expanded and operating as a local licensed Credit Rating Agency.

**2021**

Received Technical Assistant from **S&P Global Ratings** and **Asian Development Bank (ADB)**.

**2022**

Authorized by CBI to be an Approved Verifier for Green Bonds/ Green Loans. Corporate reorganization and renamed as **FiinRatings JSC**.

**2025**

Formed a strategic partnership with **S&P Global**, who acquired a **43.4%** minority stake in FiinRatings on 25th February.

About FiinRatings

A Member Company of FiinGroup



A Strategic Partner of:
NIKKEI **Quick**

FiinGroup is a leading provider of financial information analysis platforms, business information, and market research to support investors in the Vietnamese market and companies in their business development and expansion in Vietnam.

For more information, please visit: <https://www.fiingroup.vn>.



A Strategic Partner of
S&P Global

FiinRatings is a member company of FiinGroup and a strategic partner of S&P Global, operating in the credit rating field under a license from the Ministry of Finance. We offer a diverse range of services, including credit ratings, risk assessment and analysis, and SPO (Second Party Opinion), meeting the needs of issuers, lenders, and investors across various industries in Vietnam.

For more information, please visit: <https://www.fiinratings.vn>.

FiinGroup



Financial Information

- FiinPro Platform: Financial Market Information Platform
- FiinTrade Platform: Stock Analysis Platform
- API Datafeed: Securities Data Service



Business Information

- Corporate Credit Report
- FiinGate Platform: Corporate Information Platform
- SME Credit Scoring Solution
- ESG Scoring



Market Research

- Industry Analysis Report
- Market Research
- Business Due Diligence
- Market Entry Consulting

FiinRatings

Credit Ratings

Credit
Assessment

Sector Credit
Research

Sustainable
Finance

About FiinRatings

A Strategic Partner of S&P Global



S&P Global

Strategic Partner with 43.4% equity stake in FiinRatings assisting us in analytical capacity building, operations, and compliance toward the international practice since May 2020.

ADB ASIAN DEVELOPMENT BANK

Collaborate in various activities in developing rating culture in Vietnam via a technical assistance program and rating subsidy scheme for first-time issuer ratings.

Climate Bonds INITIATIVE

FiinRatings is an Approved Verifier for green bonds under the standards by Climate Bonds Initiative (CBI). We are the only agency in Vietnam to assist Vietnamese enterprises participating in Green Bonds under CBI's taxonomy for better access to finance.

GGGI

Entered into a Partnership Agreement to promote green bonds and the sustainable finance market in Vietnam since February 2023.

Issuer-Pay Service

We work with Vietnamese companies for enhancing their access to funding, widening range of funding alternatives, and optimizing cost of funds.



Credit Rating Service

We work with Vietnamese companies in providing issuer credit ratings for the companies as well as issue credit ratings for their debt instrument.



Sustainable Finance Service

We provide green bond verifications and Second Party Opinions under the green bond taxonomy of Climate Bonds Initiative or ICMA.

Investor-Pay Service

We help investors do business in Vietnam with confidence by supplementing their internal evaluation process and benchmark credit quality across investment options. Our ratings serve as a reliable reference for pricing and trading of debt instruments for markets.



Company Credit Assessment

Insightful credit assessment about a specific company in a point-in-time or on-going basis with indicative ratings.



Sector Credit Research

Comprehensive and insightful sector / industry report.



Portfolio Credit Monitoring

Report on credit risks of entities or debt instruments in an investment portfolio.

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