2. Credit organizations

a) Green Banking Strategy Framework

Based on business orientation, market segment, target customer and advantage, credit organizations will develop a different range of their green banking strategy frameworks with 5 levels as below:

Level 1: Conduct auxiliary and funding activities for "green" events; and contribute to community activities.

Level 2: Project financing and corporate financing should be essentially categorised. In addition to the current traditional lending products and traditional sectors, other green banking innovative products and services will be developed and launched.

*Level 3: An appropriate management system s*hould be developed. Most banking processes and products must be complied with the green principles/procedures. The organizational structure is designed to support green activities in various aspects of operational objectives, principles and processes, personnel and organizational structures.

Level 4: Ecological balance initiatives are strategically taken. Green banking activities are not only limited to single service scope but expanded into networks, community dialogues and the entire ecosystem to achieve the sustainability of social environment and financial factors.

Level 5: Proactive Ecological balance initiatives are taken, in which, green banking activities are conducted similarly to level 4 but implemented on the particular purpose (not only activities to respond to external changes as mentioned in level 4).

b) Develop and establish a comprehensively social and environmental risk management system, including: internal guidelines on environmental and social risk management in credit granting activities; Organizational structure to implement environmental and social risk management; assignment, decentralization, allocation and use of resources to put the system into operation; Reporting system on environmental and social risk management activities; programs to improve the bank's institutional capacity on environmental and social risk management.

c) Comply with the guidance of the State Bank (SBV) on assessment environmental and social risks; Integrate environmental risk assessment into a part of the bank's credit risk assessment; Inclusion of environmental and social risk assessment into guidelines on internal audit and general bank statements; Develop an environmental and social risk management plan after evaluating and monitoring projects and loans.

d) Research and establish units in charge of implementing environmental and social risk management; and manage and supervise the implementation of green banking and credit services.

đ) Gradually transform internal management processes and modernize infrastructure and information technology for better support to minimize negative impacts on the environment;

provide credit and payment services in environmentally friendly aspects; Actively build internal guidelines on green working environment towards implementing measures to efficiently save and use water, printing paper, electricity and fuel, etc. at each branch and transaction office.

e) Develop specific lending policies for sensitive environmental sectors such as agriculture, leather, renewable energy, textile, etc.; Closely monitor to limit loans that are negatively impacting the environment.

g) Coordinate with the SBV's functional units to build, implement, evaluate and report on implementation of the strategy, green banking/credit banking plan of each unit.

h) Provide training sessions and enhance staff's awareness of sustainable development, green growth, green credit and banking; risk management of environment and society; disseminate information about green products services; and introduce environmentally friendly products.

Closely work with the SBV to make training need assessment to develop and conduct training sessions for staff in the units and/or in the bank.

i) Closely coordinate with SBV's functional units and the environment sector to develop and formulate a data system on compliance and violations of environmental requirements of enterprises as a basis for commercial banks in making assessment and determining level of environmental risk when assessing borrowers, thereby limiting loans that are negatively impacting the environment.