



VEIL

VIETNAM
ENTERPRISE
INVESTMENTS
LIMITED

ESG

ANNUAL REPORT 2024

DRAGON CAPITAL



Scope of the Report

This report has been prepared to disclose the ESG performance of VEIL over the year ended 31 December 2024.

VEIL's day-to-day operations are managed by Dragon Capital Group ("Dragon Capital" or "the Group"), which reports sustainability-related risks separately. This report therefore focuses on assessing the sustainability-related risks and opportunities associated with VEIL's investment activities.

VEIL's Commitment to Responsible Investment

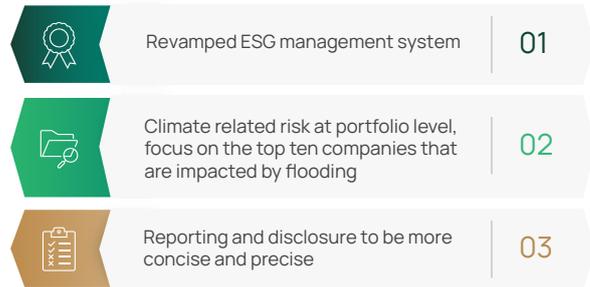
At VEIL, responsible investment is essential for our stakeholders and for the greater good of society. Our investment strategy is designed to maximise risk-adjusted returns and generate alpha, while also diligently assessing and addressing ESG and climate-related risks as part of our fiduciary duty to investors. This involves placing significant emphasis on environmental, social, and governance factors in VEIL's investment decisions, and integrating them throughout the investment process to optimise performance.

VEIL recognises the interconnectedness of climate change, Green House Gas (GHG) emissions, and biodiversity loss, and is committed to addressing these global challenges as active, long-term investors. VEIL also encourages its investee companies to improve their sustainability practices and engage with policymakers to promote positive change.

1. GOVERNANCE

The Board of Directors of VEIL (the "Board") provides oversight of the sustainability reports prepared by the ESG Working Group, in alignment with its core responsible investment policy: "Dragon Capital seeks to optimise risk-adjusted performance by integrating ESG factors throughout the investment process and across its actively managed funds, comprising public equity and fixed income funds."

ESG Working Group's 2024 Sustainability Priorities



2. STRATEGY AND RISK MANAGEMENT

VEIL adhered to the same strategy and risk management approaches as those of Dragon Capital Group, as outlined in Dragon Capital Group's Responsible Investment Report. The full report will be published on the Dragon Capital website in May 2025 at <https://www.dragoncapital.com/about/responsible-investment/>.

In 2024, a key milestone was the enhancement of the ESG management system, as depicted in the flowchart below.

The Revamped ESG Management System



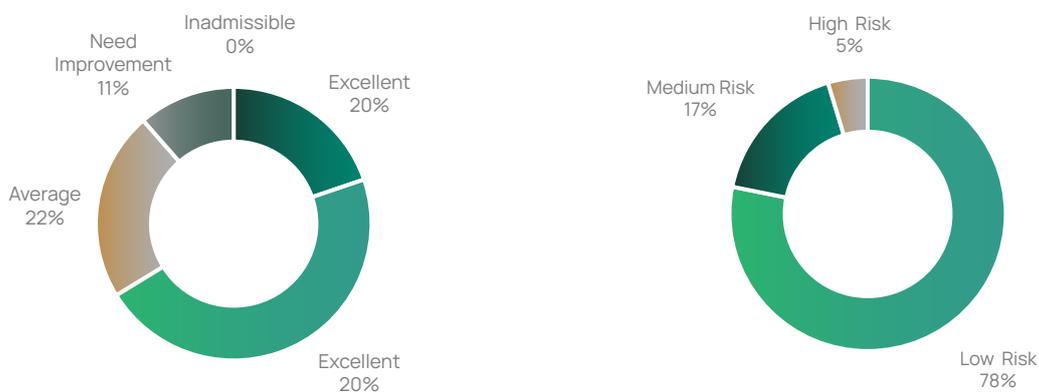
3. METRICS AND TARGETS

As set out and monitored by Dragon Capital's ESG team:

3.1. ESG Performance in 2024

2024 Targets	Achievement	Reference
1. All investee companies have an ESG rating	Achieved The 2024 ESG management system covers the financial sectors which helps Dragon Capital to conduct screening and ESG analysis for every investment.	Section 4.2 below provides more details
2. Engage with top 10% of companies on climate risk	Achieved	Section 4.3 below provides more details
3. Maintain weighted average carbon Intensity (WACI) for VEIL lower than that of the VN Index	Achieved (38% lower)	Section 4.4 below provides more details

3.2. ESG Rating Distribution

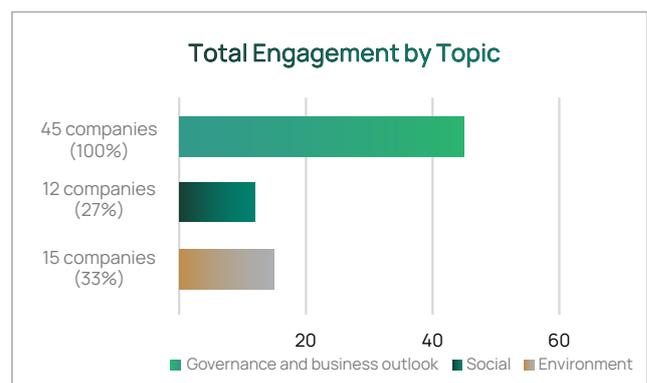


3.3. Active Ownership

For details on engagement and proxy voting activities during the reporting period, as well as advocacy and engagement examples, please refer to the Dragon Capital – Responsible Investment Report. A summary of engagement statistics is provided below.


45
(100% holdings)

Engagement on business outlook and governance
 Annual review of ESG



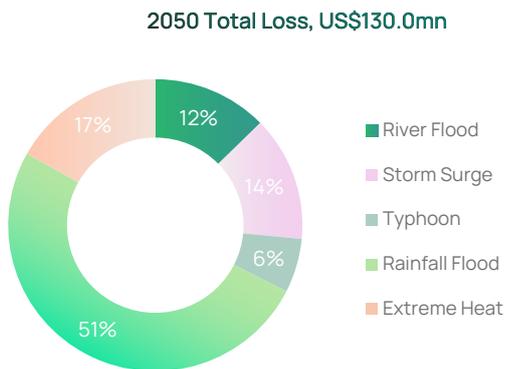
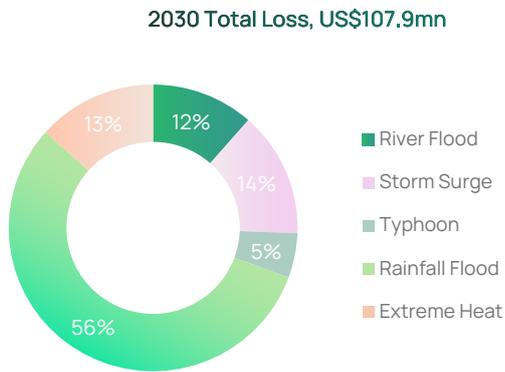
3.4. Climate Related Risk

3.4.1 Physical Risk Assessment

The physical risks were assessed in terms of direct financial losses in USD across the portfolio, quantified as Climate Value at Risk (CVAR)—a measure of the potential decline in portfolio value due to climate-related physical risks.

Two pie charts below illustrate the proportion of portfolio losses attributed to climate hazards for the years 2030 and 2050 under the BAU scenario.

(Note: no asset-level mitigations are considered on this analysis)

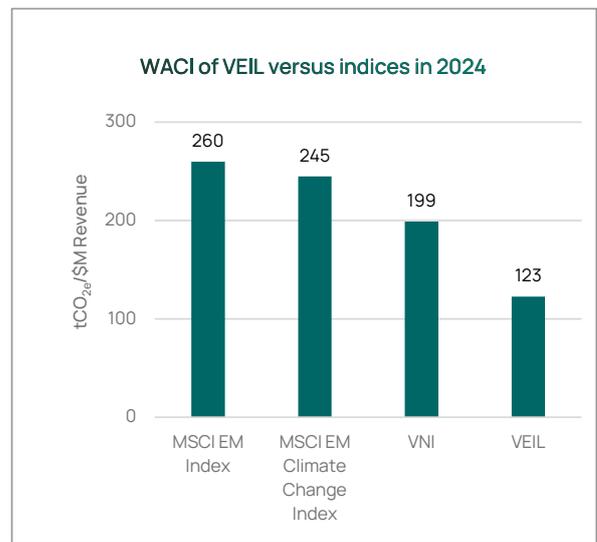


3.4.2 Transition Risk Assessment

Transition CVaR: the maximum amount of loss to be incurred if all the carbon emission scope 1 & 2 of VEIL’s portfolio is subjected to a carbon tax equally to EU ETS carbon price of US\$73/tonne CO2 as of 31 December 2024. EU ETS carbon price is currently the highest value across the carbon markets worldwide.

Total carbon emission scope 1 & 2 of VEIL portfolio	Transition CVaR
146,391 tonne CO2e	US\$10.7 mn (0.60% of NAV)

WACI for VEIL was calculated and compared against VN Index, and other MSCI indices.



Sources:

- VEIL: Dragon Capital (as of 31 December 2024) through Intensel Ltd., platform
- VNI: calculated by MSCI methodology (2022), and applied emission sector intensity from Intensel Ltd., platform
- MSCI indices’ WACI as of December 2024 were derived from the number of base year in 2021 using the Decarbonisation Trajectory of Indices proposed in MSCI (2024)

4. FORWARD-LOOKING TARGET

In 2025, VEIL will set three main targets for the portfolio as follows:

- (1) Ensure all investee companies have ESG assessment by the 2024 revamped ESG management system
- (2) Maintain a WACI for VEIL that is consistently lower than the VN Index.
- (3) Focus of Engagement with Companies:
 - Companies with an E&S rating “needs improvement”; and/or
 - Companies with potentially high financial losses due to physical climate risks and/or
 - High-emission companies that do not disclose GHG emissions.