Early Warning System

IFC-49438

DCM VPB Sustainability Bond

Quick Facts

Countries	Vietnam
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-04-08
Borrower	Vietnam Prosperity Joint-Stock Commercial Bank (VPBank)
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 200.00 million

Project Description

According to the Bank’s website, the proposed IFC investment is a subscription of up to US$200 million in a five-year sustainability bond to be privately issued by Vietnam Prosperity Joint-Stock Commercial Bank (VPBank). The proceeds of the Bond will be used to expand VPBank's sustainable finance portfolio by financing eligible climate and social projects in line with the Sustainable Finance Framework (SFF) to be established by the Bank, which will adhere to the International Capital Market Association's Sustainability Bond Guidelines and IFC's Climate Definitions. The Project is expected to catalyze the sustainable financing activities of commercial banks in Viet Nam and help create market standards for sustainable bonds issued by commercial banks.

Early Warning System Project Analysis

The proposed project consists of a sustainable bond to support VPBank in expanding its financing eligible climate and social sub-projects. The project will not support coal-related activities and/or higher E&S risk business activities involving as: (a) involuntary resettlement (including physical and economic displacement), (b) risk of adverse impacts on Indigenous Peoples, (c) significant risks to or impacts on the environment, community health and safety, biodiversity, cultural heritage, (d) risk of significant retrenchment; (e) significant occupational health and safety risks to employees. The project will support only medium/medium-low E&S risk sub-projects and has therefore been categorized as FI-2 in accordance with IFC's Sustainability Policy.

Investment Description

- International Finance Corporation (IFC)

The proposed investment is IFC's subscription of US$200 million in a five-year sustainability bond to be privately issued by VPBank. The proceeds of the Bond will be used to expand VPBank's sustainable finance portfolio by financing eligible climate and social projects in line with the SFF to be established by the Bank.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Vietnam Prosperity Joint-Stock Commercial Bank (VP Bank) (Financial Intermediary)

Private Actors Description

Established in 1993, *VPBank* is a Hanoi-headquartered commercial bank that provides a full range of banking services across all consumer groups including retail, SME, corporate, and institutional clients through a branch network of 287 branches and transaction points. As of March 31, 2025, the Bank had total assets of US$38.9 billion, gross customer loans of US$28.6 billion and customer deposits of US$21.6 billion. In April 2025, Moody's affirmed VPBank's Ba3 long-term deposits, senior unsecured and issuer ratings, and kept the outlook at “Stable.

In October 2023, Sumitomo Mitsui Banking Corporation (SMBC) acquired 15% of the Bank's equity stake and became the strategic shareholder of the Bank.

Contact Information

Vietnam Prosperity Joint Stock Commercial Bank
Ms. Nguyen Thi Thanh Nga
Head of Financial Institutions Department
+84 24 7305 6600 ext: 100574
ngantt71@vpbank.com.vn
89 Lang Ha, Dong Da, Ha Noi, Viet Nam
https://www.vpbank.com.vn/

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org