IPS

1. Brief client description:

This document outlines the investment policies, objectives, and guidelines for the investment portfolio of Mr. Nguyễn Văn Minh and Mrs. Dương Thùy Nhiên (hereinafter referred to as "the Client").

- **Husband**: Mr. Nguyễn Văn Minh, born in 1985, currently holds a mid-level management position at a multinational corporation headquartered in District 1, Ho Chi Minh City.
- **Wife**: Mrs. Dương Thùy Nhiên, born in 1987, is employed as an accountant at a furniture company.
- **Dependent**: One daughter, Nguyễn Thùy Lan,

Financial situation:

- **Current Assets**:
- Savings account balance: VND 1 billion
- Other assets: None reported
- **Income**:
- Husband's monthly after-tax income: VND 50 million
- Wife's monthly after-tax income: VND 20 million
- **Monthly Surplus for Investment**: VND 30 million
- **Other possessions**: The clients do not yet own a house or a car.

Investment Experience:

The clients have a basic understanding of financial markets and have previously invested in individual stocks. They have experience building an initial investment portfolio but have not yet diversified or optimized asset allocation strategies.

Risk Tolerance: moderate risk tolerance.

2. Purpose of establishing policies and guidelines (1pgs)

Investment Policy Statement (IPS) is established to provide a clear, written framework for the investment decisions of Mr. Nguyen Van Minh and Mrs. Duong Thuy Nhien. The primary purpose of this document is to ensure that every investment activity is consistent with the Client's financial goals, risk tolerance, constraints and investment horizon. Beside, it creates a standard by which to judge the performance of the portfolio manager. The portfolio's performance should be compared to guidelines specified in the policy statement, not on the portfolio's overall return. The risk of the benchmark, and the assets included in the benchmark, should agree with the client's risk preferences and investment needs. Managers should mainly be judged by whether **they consistently followed the client's policy guidelines.** The policies are also designed to allow for sufficient investment flexibility in response to changing capital market conditions and the Clients' evolving financial circumstance.

In summary, The Investment Policy Statement is the cornerstone of the investment management process and it is the foundation upon which our work together will be based. Investment decisions will be made in concert with the guidelines that Sustainably Growth Income (the “Advisor” or “SGI”) and Mr. Nguyen Van Minh and Mrs. Duong Thuy Nhien (the “Client”) agree upon and outline in this document.

3. Duties and investment responsibilities of parties involved (1pgs)

To ensure the effectiveness of this Investment Policy Statement, a clear delineation of roles and responsibilities for all involved parties is essential:

a. The Client

The Client is responsible for reporting any material changes in financial circumstances or goals to the Advisor in a timely manner. Any necessary revisions to the Investment Policy Statement will be made in response to such changes, and the updated Investment Policy Statement will be reviewed with the Client.

11/06:
The client's role in the investment management relationship is active and critical for the ongoing relevance and effectiveness of the IPS.

- **Providing Accurate and Timely Financial Information:** The foundation of a tailored IPS lies in the client providing comprehensive and truthful financial and personal details, including their current financial situation, employment, family circumstances, and health. [1] This fact-finding is crucial for understanding the client's needs and developing an IPS that aligns with their unique situation, as successful results are unlikely without it. [1]
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b. The Advisor

Sustainably Growth Income (SGI) will act as a fiduciary to the Client and manage the Portfolio in a manner that is consistent with this Investment Policy Statement. SGI utilizes an investment committee to conduct research and monitor markets. The committee is chaired by the Chief Investment Officer, and includes all advisors and investment operations personnel. The committee convenes on a bi-weekly basis, with updates being provided on an ad-hoc basis by members. In addition, automated systems that alert the committee of pre-defined events (portfolio drift, movements beyond pre-defined limits, etc.) will be utilized.

The Advisor is responsible for:

- Recommending an appropriate asset allocation

- Evaluation & selection of securities within each asset class

- Implementation of the strategy through trading & rebalancing

- Monitoring portfolio performance & drift to make changes as necessary

4. Statement of investment goals, objectives, and constraints (2pgs)
This section explains the client's objectives in
investing.

a. Investment Objectives (1pgs)

A diligent investment process is used to match your objectives with an appropriate investment strategy. The Client desires to obtain the following stated investment objectives through seeking maximum return at an appropriate level of risk.

Risk Objectives:

Return Objectives:
he Case of Marie Gascon: Return Objectives
Having assessed her risk tolerance, Marie Gascon now begins to discuss her retirement income needs with the financial adviser. She wishes to retire at age 50, which is 20 years from now. Her salary meets current and expected future expenditure requirements, but she does not expect to be able to make any additional pension contributions to her fund. Gascon sets aside €100,000 of her savings as an emergency fund to be held in cash. The remaining €900,000 is invested for her retirement.
Gascon estimates that a before-tax amount of €2,000,000 in today's money will be sufficient to fund her retirement income needs. The financial adviser expects inflation to average 2% per year over the next 20 years. Pension fund contributions and pension fund returns in France are exempt from tax, but pension fund distributions are taxable upon retirement.

General objectives:

Capital Appreciation: It is an objective for investors who want the portfolio to grow in real terms over time to meet some future need.

Capital Preservation

Specific objectives:

Intermediate-term Goal: Accumulate sufficient capital, about **5 billion** within **5 to 8 years** to purchase a residential property in District 2, Ho Chi Minh City.

Long-term Goal:

- Education: Ensure adequate funding, estimated at VND **2 billion**, for their daughter's university education at RMIT, expected in approximately **13 years.**
- Retirement: Build a retirement fund of VND **5 billion** by the time both spouses reach the age of **60**.

Risk tolerance

An understanding of your risk tolerance helps define an investment strategy that you will feel confident maintaining through various market conditions. The Advisor has discussed the factors that influence your willingness and capacity to assume risk. These factors include your time horizon, financial/tax situation, and investment objectives. Collectively, you and the Advisor have concluded that your risk tolerance falls into the **Moderate.**

Given the client's stated **moderate risk tolerance**, the investment strategy will seek a balance between capital preservation and growth, focusing on a diversified portfolio of **T-bills and stocks.**

b. Constraints (1pgs)

This section explains the client's objectives in investing.

Liquidity Needs

the portfolio has no need for liquidity because there are no short-term spending requirements. The assets are for retirement use, which is 20 years away. Any short-term spending needs will be met from other assets or income.

The Advisor has discussed your cash needs, and determined if distributions from this portfolio will be necessary to meet those needs. Portfolios with frequent distributions require additional liquidity, which may result in a cash allocation above the target assigned in this agreement.

The clients have a moderate need for liquidity. While their main goals are long-term (retirement and funding university for their child), they also aim to purchase property in 5–8 years. The portfolio should therefore maintain a liquid portion to meet this intermediate goal without incurring significant losses. The client's savings surplus of VND 30 million/month offers some buffer for unexpected needs, but adequate liquidity should still be preserved for short-term needs.

Time horizon

In determining your risk tolerance, the Advisor assessed the time horizon for the Portfolio. Generally speaking, the longer the time frame, the more aggressive the portfolio can be. The asset allocation must balance between long-term capital growth and intermediate liquidity needs. While the longer time horizons (10 - 20 Years) allow for a reasonable level of equity exposure, the portfolio must also incorporate lower-risk and more liquid components to ensure capital is available for the real estate purchase within the 5–8 year timeframe, without excessive volatility or drawdown risk.

Tax concern

The clients are subject to Vietnamese tax regulations. Investment planning must consider personal income tax and capital gains where applicable.

Legal and Regulatory Factors

Investments must comply with Vietnamese financial regulations and any specific restrictions related to asset classes or fund types.

Unique Needs and Preferences

The client, Mr. Minh, prefers investing in companies that meet the highest listing standards to ensure transparency and governance. Therefore, only stocks listed on the **HOSE** are considered, (excluding those on HNX and UPCOM). Accordingly, the **VN-Index** is selected as the official **benchmark**, reflecting Mr. Minh's focus on large, well-established, and liquid market representatives.

c. Objective statement:

Invest funds in a variety of moderate-to higher-risk investments. The average risk of equity portfolio should exceed that of a market index, such as VN-index. Domestic equity exposure should range from 80%-90% percent of the total portfolio. Remaining funds should be invested in short and intermediate term T-bills.

5. Schedule for review of investment performance and the investment policy statement (0,5pgs)

This section explains the steps to take to keep the IPS current
and the procedures to follow to respond to various contingencies.

The IPS should be reviewed on a regular basis to ensure that it remains consistent with the client's circumstances and requirements. For example, the UK Pensions Regulator suggests that a pension scheme's statements of investment principles—a form of IPS—should be reviewed at least every three years. The IPS should also be reviewed if the manager becomes aware of a material change in the client's circumstances, as well as on the initiative of the client when her objectives, time horizon, or liquidity needs change. (CFA, p173)

To assure continued relevance of the guidelines and objectives established in this statement of investment policy, the Client will review the investment policy **at least annually.**
The advisor will review the portfolio periodically (e.g., quarterly or semi-annually on June 30 and December 31) to assess performance and determine rebalancing needs. Detailed investment reports will be provided periodically (e.g., quarterly). Regular review and adjustment are necessary to ensure the portfolio remains aligned with investment goals and market fluctuations.
Portfolio and manager performance, if applicable, will be evaluated over a suitably long-term investment horizon, generally across full market cycles or, at a minimum, on a yearly basis.

6. Performance measures and benchmarks (0,5pgs)

Portfolio performance evaluation is available through quarterly reports, and ongoing meetings with advisors. We urge you to review these reports and compare them against official custodial records. Our evaluations will measure the portfolio's performance against the following benchmarks:
Equities: VNIndex
The portfolio's benchmark will be weighted according to the model targets chosen in Section 8 of this IPS.

7. Any considerations in developing strategic asset allocation (1pgs)

a. Risk

Adequate holdings will be utilized to limit security-specific risks to the Portfolio. Market exposures within the Portfolio will be monitored routinely to limit any geopolitical, sector, or industry specific risks. Overall, the Portfolio will be consistently maintained within predetermined limits on drift from an optimized portfolio. It is understood that losses may occur in individual securities, but that risk and performance will be considered at the aggregate portfolio level. The Advisor will adhere to the investment management styles for which they were hired and make reasonable efforts to control risk, recognizing that some risk is necessary to produce investment results that are sufficient to meet the investment objectives.

b. Return

Given the risk tolerance noted above, the Advisor will seek the best possible returns at an appropriate level of risk as described in the Asset Allocation section of this policy statement.
Financial markets fluctuate and there is no guarantee that a certain return will be met, and past performance is not a guarantee of future results.

c. Insurance

The consideration of common types of insurance is an indispensable part of a comprehensive family financial plan. In Vietnam, insurance types include life, non-life, health, medical, social, and accident insurance. Life insurance is particularly considered an ideal choice, offering high protection value and long-term asset accumulation potential. The monthly insurance premiums (**about 5% of income)** are **already accounted for** within the family's VND 40 million monthly expenses, ensuring this crucial protection is integrated into the financial plan.

d. Cash reserve

Gascon's emergency reserve of €100,000 is considered to be sufficient as a reserve for unforeseen expenditures and emergencies.

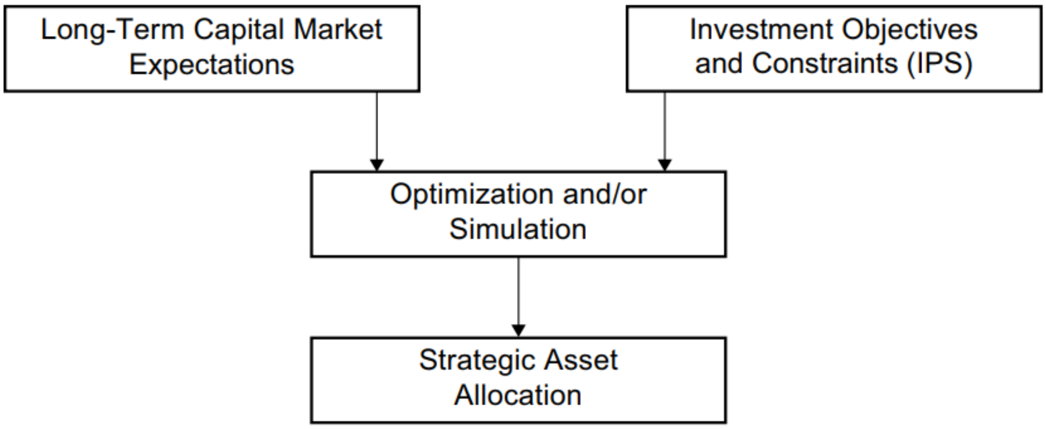
To ensure financial security, it is recommended to maintain an emergency fund sufficient to cover 3 to 6 months of living expenses.
For the Clients, with monthly expenses of VND 40 million (including insurance premiums), an emergency fund of VND **200 million** (approximately 5 months of expenses) is recommended to be held separately in a highly liquid **savings account**. This ensures immediate access to funds without impacting the investment portfolio. The remaining VND **800 million** will be allocated to the investment portfolio consisting of **T-bills and Stocks**.

8. Investment strategies and investment styles

Strategic asset allocation is a traditional focus of the first steps in portfolio construction. The strategic asset allocation is stated in terms of percentage allocations to asset classes. An asset class is a category of assets that have similar characteristics, attributes, and risk–return relationships. The strategic asset allocation (SAA) is the set of exposures to IPS-permissible asset classes that is expected to achieve the client's long-term objectives given the client's risk profile and investment constraints.
Thus, the SAA is a means of providing the investor with exposure to the systematic risks of asset classes in proportions that meet the risk and return objectives
(CFA, p189)

A strategic asset allocation results from combining the constraints and objectives articulated in the IPS and long-term capital market expectations regarding the asset classes. The strategic asset allocation or policy portfolio will subsequently be implemented into real portfolios. Exhibit 7 illustrates conceptually how investment objectives and constraints and long-term capital market expectations combine into a policy portfolio.

Exhibit 7: Strategic Asset Allocation Process



a. Asset class allocation (0,5 pgs)

Asset Allocation (p144)
The next step in the process is to assess the risk and return characteristics of the available investments. **The analyst forms economic and capital market expectations that can be used to form a proposed allocation of asset classes suitable for the client.**
Decisions that need to be made in the asset allocation of the portfolio include the distribution between equities, fixed-income securities, and cash; sub-asset classes, such as corporate and government bonds; and geographical weightings within asset classes. Alternative assets—such as real estate, commodities, hedge funds, and private equity—may also be included. Economists and market strategists may set the top down view on economic conditions and broad market trends. The returns on various asset classes are likely to be affected by economic conditions; for example, equities may do well when economic growth has been unexpectedly strong whereas bonds may do poorly if inflation increases. The economists and strategists will attempt to forecast these conditions.

The combination of investment objectives/constraints and capital market expectations theoretically occurs using optimization techniques. In this section, we apply mean–variance optimization to a sample set of investment objectives and constraints, using an investment universe with associated market expectations. We assume that investors choosing from a range of asset allocations with similar returns would prefer those with lower risk. Choosing from allocations with similar levels of risk, investors would prefer those with the highest return. Formally, investors' risk and return objectives can be described as a utility function, in which utility increases with higher expected returns and lower risk. This assumption could yield an expected utility equation such as that shown in Equation 1.4

$U_p = E(R_p) - \lambda \sigma_p$

Prudent investing relies on a sound asset allocation strategy. Following is the Strategic Asset Allocation the Advisor recommends for the Portfolio. These targets represent the baseline allocation that the portfolio will maintain under the prevailing market conditions. However, the portfolio may tactically deviate from these targets in response to changes in the risk/return profiles of the asset classes.

Overall Target Asset Allocation: (1-y) Risk-free assets (T-bills) and (y) Risky assets (100% Stocks). The policy weights for each asset class will be determined through an optimization process, based on the client's **risk aversion coefficient** to achieve the **maximum utility function** for the complete portfolio.

The target allocation indicates how we plan to allocate the assets as of the date this report was signed. Any changes to your investment objectives, risk tolerance, time horizon or cash needs should be communicated to the Advisor so that this allocation can be evaluated to ensure continued alignment with your goals.

Security Analysis

The top-down view can be combined with the bottom-up insights of security analysts who are responsible for identifying attractive investments in particular market sectors. They will use their detailed knowledge of the companies and industries they cover to assess the expected level and risk of the cash flows that each security will produce. This knowledge allows the analysts to assign a valuation to the security and identify preferred investments.

Portfolio Construction

The portfolio manager will then construct the portfolio, taking account of the target asset allocation, security analysis, and the client's requirements as set out in the IPS. A key objective will be to achieve the benefits of diversification (i.e., to avoid putting all the eggs in one basket). Decisions need to be taken on **asset class weightings**, **sector weightings** within an asset class, and the selection and weighting of individual securities or assets. The relative importance of these decisions on portfolio performance depends at least in part on the investment strategy selected; for example, c**onsider an investor that actively adjusts asset sector weights in relation to forecasts of sector performance and one who does not. Although all decisions have an effect on portfolio performance, the asset allocation decision is commonly viewed as having the greatest impact.**

The portfolio construction phase also involves trading. Once the portfolio manager has decided which securities to buy and in what amounts, the securities must be purchased. In many investment firms, the portfolio manager will pass the trades to a buy-side trader—a colleague who specializes in securities trading—who will contact a stockbroker or dealer to have the trades executed

a. Hybrid Management Strategy (0,5 pgs)

Our approach adopts a hybrid strategy, combining both active and passive investment methods to balance potential return and risk management.

On the active side, we apply a top-down analysis, beginning with macroeconomic trends, followed by industry outlooks, and finally company-specific factors. This helps us identify stocks that are expected to outperform in the upcoming period. Our stock selection incorporates a blend of growth and value investing styles. In terms of size, our focus is on large-cap stocks, which offer better liquidity, stability, and alignment with the overall market performance.

On the passive side, after selecting five stocks through the active screening process, we apply a long-term buy-and-hold strategy. These stocks are held over time to capture market returns while minimizing trading costs. The VN-Index serves as the benchmark for performance comparison.

To further optimize risk-adjusted return, according to Markowitz portfolio theory, the optimal risky portfolio is the one with the **highest Sharpe ratio**, selected from all combinations of **3 out of the 5 initially chosen stocks**.

c. Investment Styles (0,5 pgs)

Optimal return at a target risk level is achieved through a **combination of strategic and insured asset allocation** decisions. On the strategic side, long-term average asset returns, risks, and covariances are used as estimates of futures capital market results, and efficient frontiers are generated using historical information. Next, insured asset allocation, the stock component of the mix falls and the T-bills component increases as stock prices fall and vice versa; the asset allocation increases the stock component as stock price rises.
Lastly, consistent with Modern Portfolio Theory, we seek to maximize return for a given level of risk that corresponds with the Client's risk tolerance. Using an optimized combination of non-correlated assets, we strive to attain the **highest possible Sharpe** Ratio (return per unit of risk) for the Portfolio.

d. Diversification Policy (0,5 pgs)

Diversification across and within asset classes is the primary means by which the portfolio is expected to avoid undue risk of large losses over long time periods. To protect the portfolio against unfavorable outcomes due to excessive risk-taking within the stock component, the following specific guidelines will be applied:

- Industry Diversification: The portfolio must be diversified across multiple sectors, with no excessive allocation to any single industry or individual stock.

- Liquidity: The portfolio must maintain sufficient liquidity to allow for adjustments when market conditions change or when unexpected financial needs arise.

e. Investment Selection Criteria (1pgs)

When selecting stocks, a **“Top-down”** approach is used, this methodology ensures that stock selection aligns with prevailing economic cycles and sectoral dynamics.
SGI narrows this list down to final candidates by utilizing stock filters (quantitative & qualitative). These criteria considered include, but are not limited to:

Quantitative filters

Criteria	**Sources**
Return on Equity (ROE) is consistently strong with little/no debt	Buffett
The highest profit margin (EAT/Revenue) in the industry	Buffett
Quarterly EPS growth > 20% (YoY)	O’Neil (CANSLIM - C)
Annual EPS growth > 20% (past 3–5 years)	O’Neil (CANSLIM - A)
Institutional sponsorship from a few high-performing funds	O’Neil (CANSLIM - I)
Management hold a significant ownership stake (≥1% for large caps; higher for small caps)	O’Neil (CANSLIM - S)

Qualitative filters

Criteria	**Sources**
Business is simple and understandable	Buffett
Company has a consistent operating history	Buffett
Business has favorable long-term prospects (franchise, pricing power, low regulation,..)	Buffett
Company has new products, new management, or new catalysts	O’Neil (CANSLIM - N)

Stock is in a leading position within its industry (based on price leadership/RSI)	O’Neil (CANSLIM - L)
Positive market sentiment – bull market conditions	O’Neil (CANSLIM - M)

TỔNG QUÁT VỀ 5 CP ĐƯỢC CHỌN (5pgs; 1CP/pgs)

Optimal Risky Portfolio

Optimal Complete Portfolio

f. Other Investment Policies

To protect the investment portfolio from unforeseen risks, the following activities are strictly prohibited for the portfolio and its investment managers, unless explicitly authorized by the clients:

- Purchasing securities on margin or executing short sales.
- Pledging or hypothecating securities, except for fully collateralized securities loans.
- Purchasing or selling derivative securities for speculation or leverage.
- Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected, given the portfolio's objectives.

9. Guidelines for rebalancing

Rebalancing the portfolio is necessary to ensure that the investment portfolio maintains its target asset allocation as asset values change due to market fluctuations. The Portfolio will be rebalanced on an annual basis, although more or less frequent rebalancing may take place at the Advisor’s discretion. The process will be carried out as follows:

For both Risk-free Asset (T-bills) and Risky Asset (Stocks), the permitted range for deviation from the target allocation is **±5%.** This allocation range ensures the portfolio can adjust to short-term market movements without drifting too far from the strategic asset allocation.

Step Three: The Feedback Step

Finally, the feedback step assists the portfolio manager in rebalancing the portfolio due to a change in, for example, market conditions or the circumstances of the client.

Portfolio Monitoring and Rebalancing

Once the portfolio has been constructed, it needs to be monitored and reviewed and the composition revised as the security analysis changes because of changes in security prices and changes in fundamental factors. When security and asset weightings have drifted from the intended levels as a result of market movements, some rebalancing may be required. The portfolio may also need to be revised if it becomes apparent that the client's needs or circumstances have changed.

Performance Evaluation and Reporting

Finally, the performance of the portfolio must be evaluated, which will include assessing whether the client's objectives have been met. For example, the investor will wish to know whether the return requirement has been achieved and how the portfolio has performed relative to any benchmark that has been set. Analysis of performance may suggest that the client's objectives need to be reviewed and perhaps changes made to the IPS. As we will discuss in the next section, there are numerous investment products that clients can use to meet their investment needs. Many of these products are diversified portfolios that an investor can purchase

10. Signature

By committing our agreed upon thoughts to a written document, we minimize the potential for conflict and general misunderstandings. For this reason, we ask you to sign this Agreement to confirm that you concur with its contents. This Investment Policy Statement is not a contract of any kind. It is only meant to be a summary of our agreed upon investment strategy for the Portfolio. This IPS supersedes all prior written IPSs and understandings with respect hereto.

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I have reviewed and approve the discussion above. I agree with the Investment Policy Statement as outlined in this document. I further agree that this document shall provide the guidelines under which my investment portfolio will be managed.

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Client	Date	Client	Date

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Chief Compliance Officer