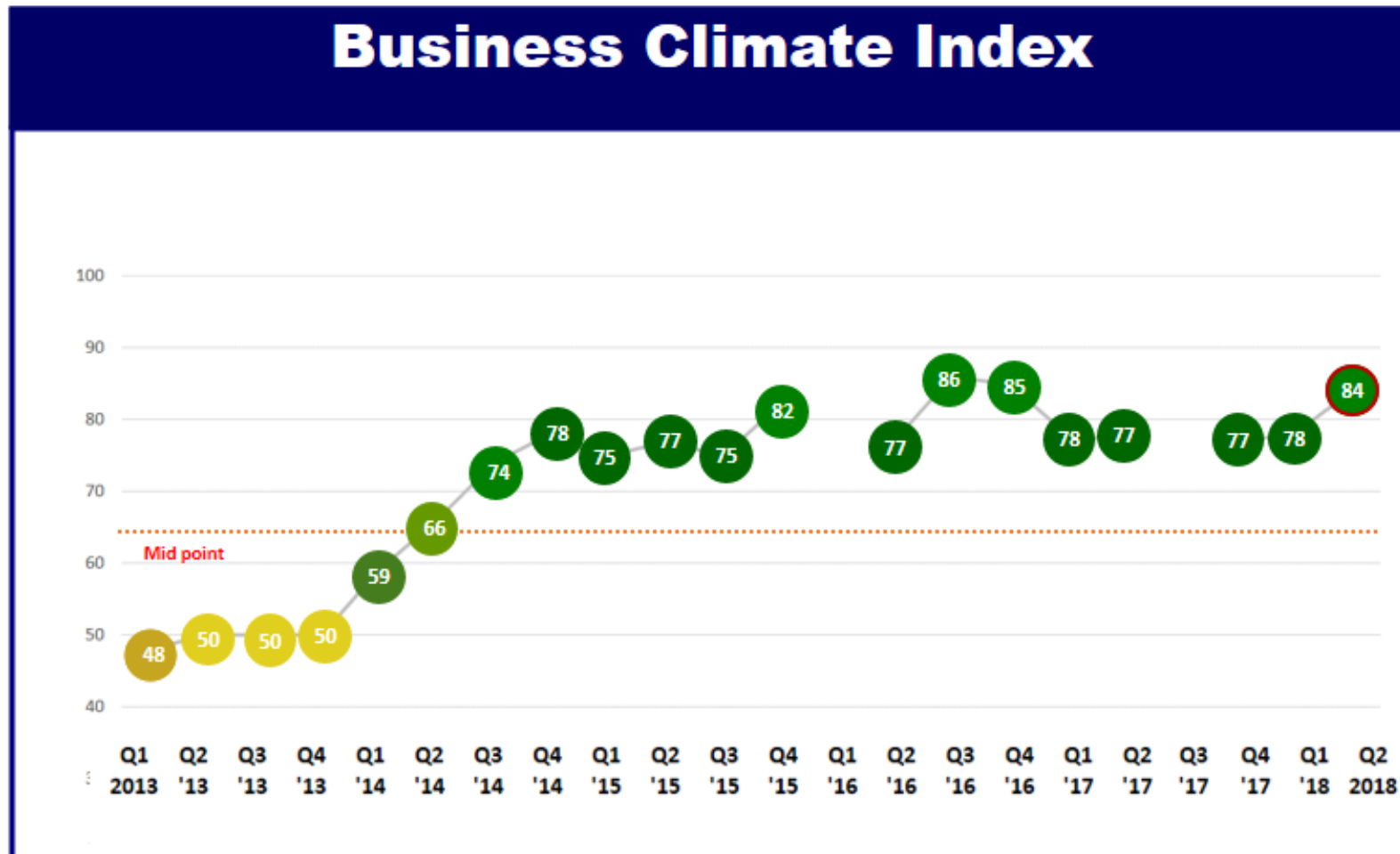


EuroCham BCI Survey Result

QUARTER 2 2018

Business Climate Index



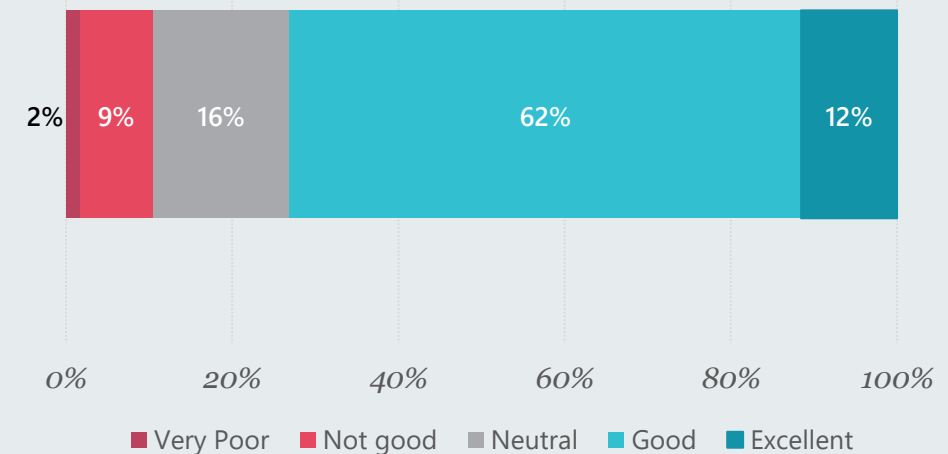
European business leaders view their situation as positive

The sentiment of European business leaders in Vietnam regarding their business situation is remarkably more positive than it was in Quarter 1 2018, with a 13% increase in positive responses combining “Excellent” and “Good”.

This implies that Vietnam’s overall business environment has been considerably improving, posing more opportunities for business growth and development.

The positivity can also be derived from improvements in internal factors, such as human factors, management processes, and company culture.

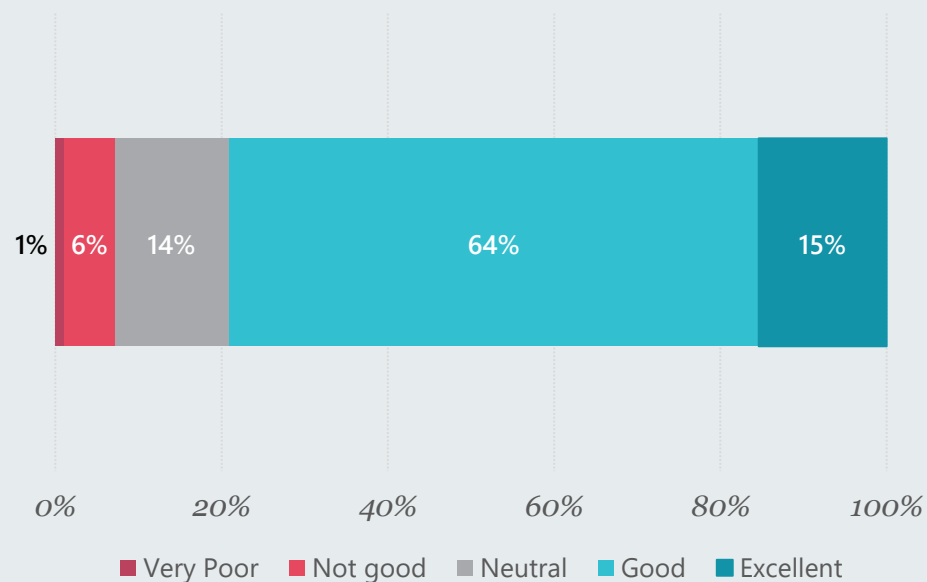
Current Business Situation



EuroCham BCI Survey, Quarter 2, 2018 conducted by Decision Lab

European business leaders place confidence in the future

Business outlook for the next quarter



EuroCham BCI Survey, Quarter 2, 2018 conducted by Decision Lab

As a result of the improvements in external and internal factors, European business leaders are becoming more confident in the continuous development in business conditions in Vietnam.

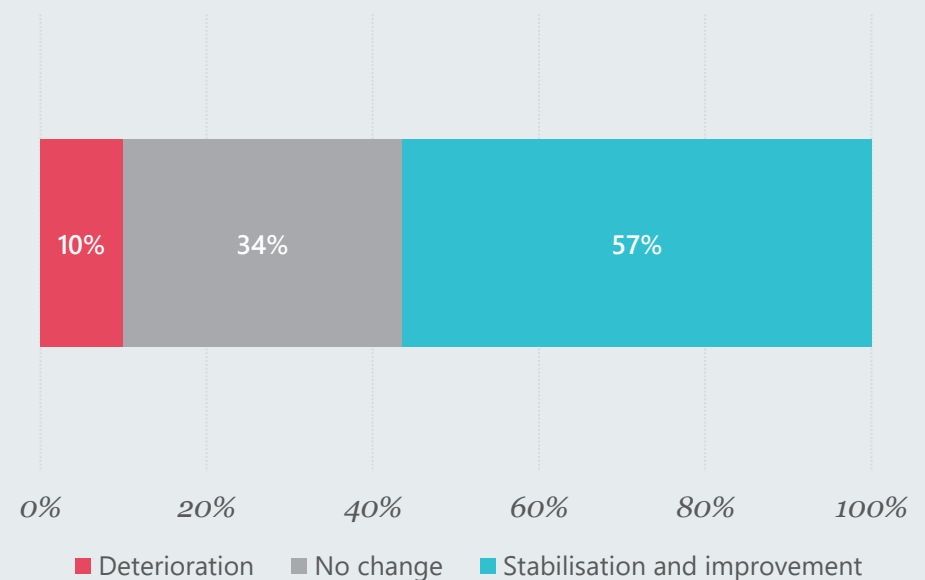
They are also expecting such improvements in business situation to sustain and carry onto the next quarter, as there is a twofold increase in respondents answering "Excellent" from 15% from 7% last quarter.

Vietnam's macroeconomic situation brings hope of stabilization and improvement

The macroeconomy in Vietnam is showing positive signs of stabilization and improvement to European businesses, with the acknowledgement of 57% of European business leaders participating in the survey.

Such positivity helps enhance confidence in a safe and improved business environment in Vietnam. It gives assurance to European businesses' when planning for expansion and growth, both in terms of size and investments.

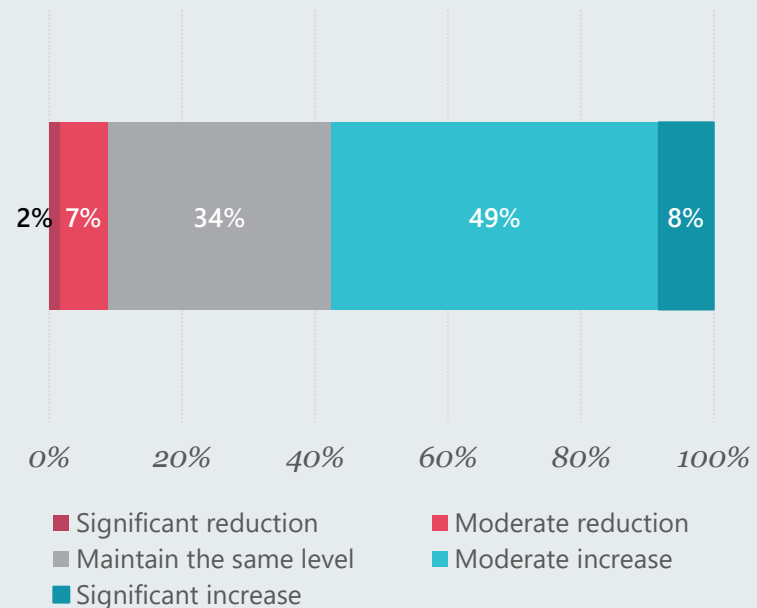
Vietnam's macroeconomic outlook of the next quarter



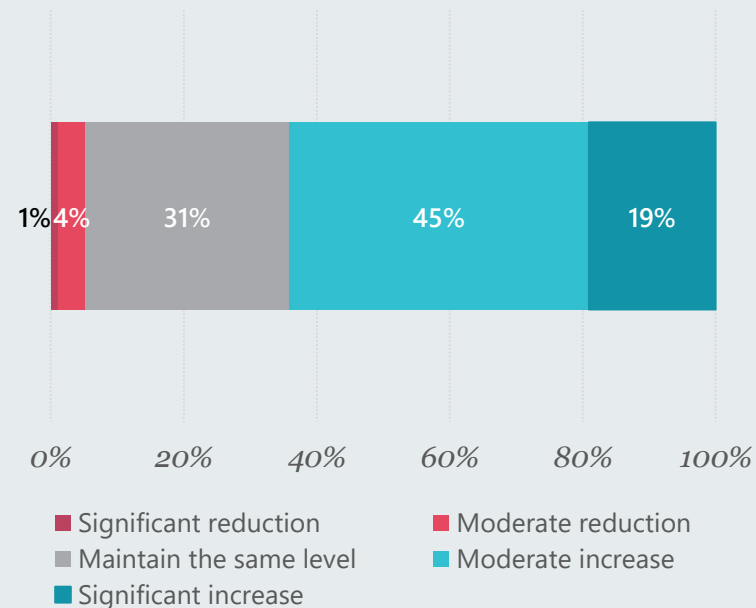
EuroCham BCI Survey, Quarter 2, 2018 conducted by Decision Lab

European businesses are on the lookout for moderate expansion in size and capital investments

Headcount development plan



Investment plans



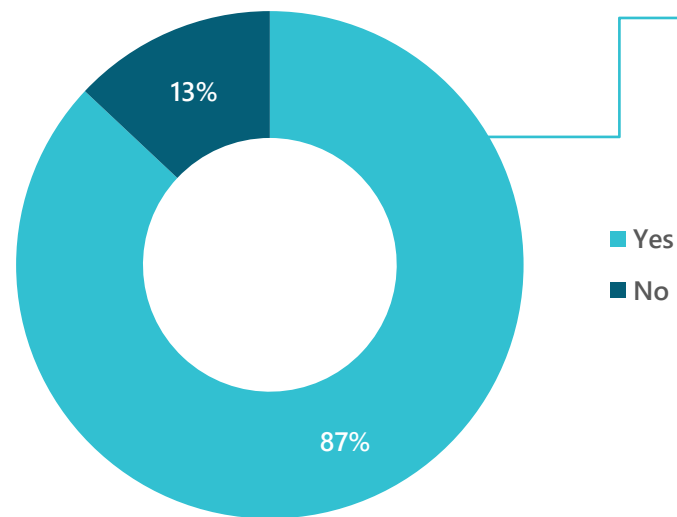
EuroCham BCI Survey, Quarter 2, 2018 conducted by Decision Lab

Human resources plays a critical role in driving business growth, and headcount development plans mirrors the business's growth strategy. With 49% expecting a moderate increase, prudent expansion in business size is in plan in responses to positive signs of the Vietnamese business environment. Correspondingly, European business leaders are expecting incremental increase in investment plans. Almost twice the amount of European business leaders in Q2 anticipate a "moderate increase" compared to Q1, with 45% in Q2 compared to 27% in Q1 2018.

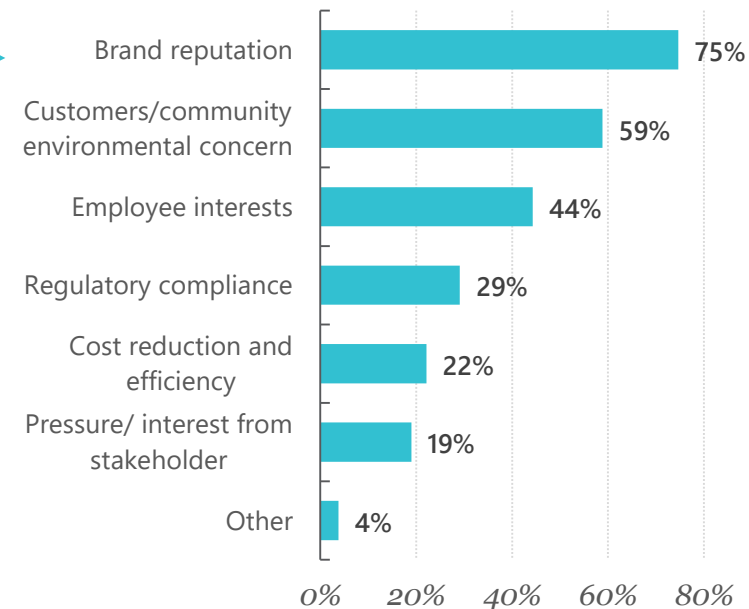
Special questions about Corporate Social Responsibility

Corporate Social Responsibility is important to European businesses, driven by its effect to brand reputation

Importance of Corporate Social Responsibility



CSR Key drivers



EuroCham BCI Survey, Quarter 2, 2018
conducted by Decision Lab

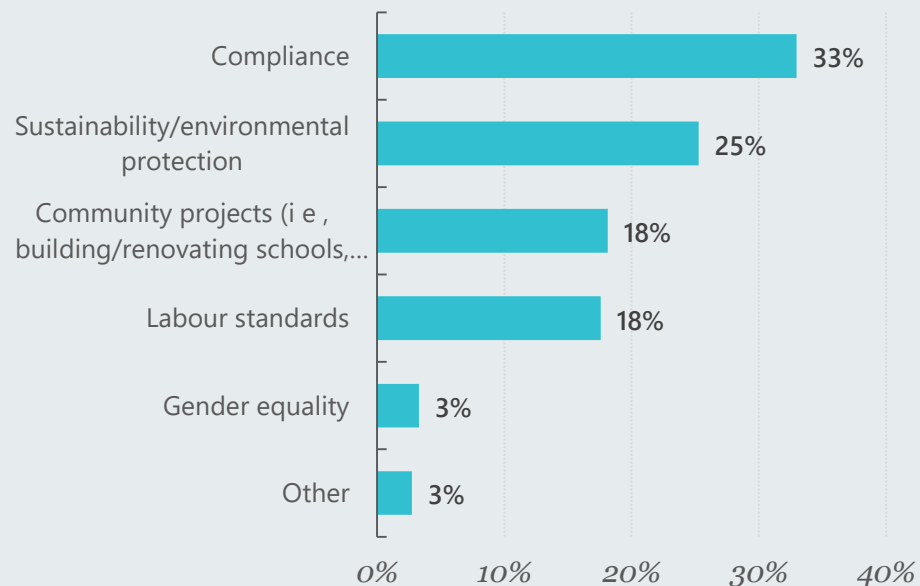
Corporate Social Responsibility has become the common business practice-as a means to achieve positive impacts on society.

Highlighting the trend, 87% of European business leaders participating in the EuroCham BCI survey agreed that CSR activities are important to their business operations in Vietnam.

The top two drivers of their CSR efforts are "Brand reputation" (75%) and "Customer/Community environmental concerns" (59%).

Ensuring compliance is the most critical aspect of CSR

CSR's critical aspects



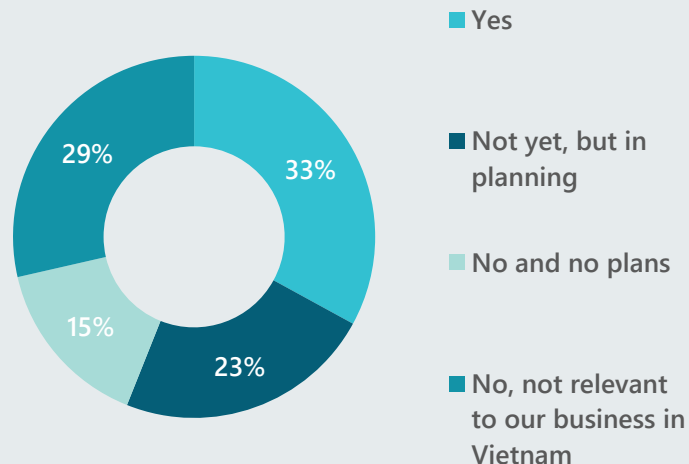
EuroCham BCI Survey, Quarter 2, 2018 conducted by Decision Lab

When implementing Corporate Social Responsibility procedures and practices in Vietnam, it is crucial that all employees comply with the practice. Non-compliance will consequently affect company procedures and business, or even ultimately harm brand reputation.

From the survey, "Compliance" is specified as the most important/critical/challenging aspect by 33% of European business leaders.

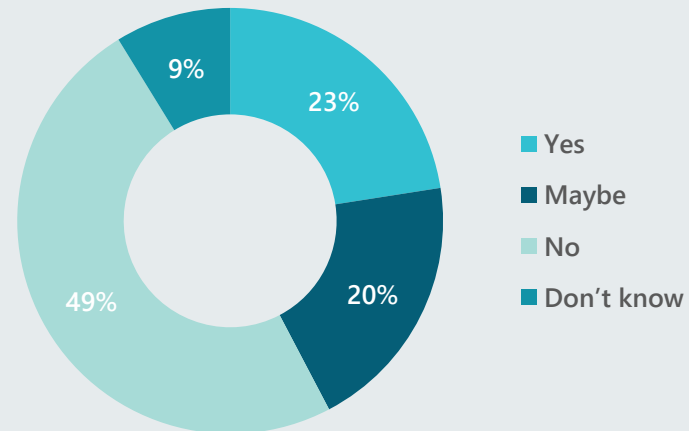
Despite the importance of CSR, only around half of European businesses have CSR practice in place or in plan because of many executional challenges

Presence of CSR standards



EuroCham BCI Survey, Quarter 2, 2018
conducted by Decision Lab

Partnership in CSR activities roll-out



Despite the acknowledgement of the importance of CSR, only 33% of European businesses are currently applying CSR standards in their operations, while another 23% are planning for such standards.

Planning, implementing and evaluating CSR roll-out and efforts is indeed challenging, which leads to the potential needs of partnering with professionals to ensure disciplined and efficient CSR setup. However, half of the European leaders declared no such partnership in their plans.