

Vietnam Bank for Social Policies wins Celent Model Bank Award with Intellect's Digital Core

Seamlessly integrates 692 branches; drives significant improvement in all of the banks key indicators

Chennai (India) / Vietnam, April 15, 2016: Intellect Design Arena Limited, a specialist in enabling true Digital Transformation across Banking & Insurance, is proud to announce that Vietnam's leading government owned bank, Vietnam Bank for Social Policies (VBSP) has won a Celent Model Bank Award in the Legacy and Ecosystem Transformation category.

The prestigious award was presented at a glittering ceremony at Celent's Innovation and Insights Day, held in New York. The award recognizes the bank's adoption of Intellect's robust Digital Core and Lending platform that drove significant improvement in all of the banks key indicators & seamlessly integrated 692 branches.

Celent, a global research and advisory firm for the financial services industry, recognizes the best practices of technology usage in different areas critical to success in banking through the Annual Model Bank Awards. Nominations are submitted by financial institutions and technology vendors around the globe that undergo rigorous evaluation by Celent analysts.

"The technology deployed by VBSP to reach the underbanked population in the rural areas of Vietnam gives a new meaning to the term 'mobile banking.'" said **James O'Neill, Senior Analyst at Celent**. "The ability of the Intellect core banking platform to handle off-line transactions through laptops that are deployed in the field is the key to the growth of VBSP's micro lending business in these rural areas."

VBSP was seeking to increase its reach to its target market essentially extending banking services to the unbanked of Vietnam and set a firm target of 10% per year in loan portfolio growth while maintaining a delinquency target rate of 3% and below.

As a grassroots lender seeking to reach low-income consumers where they live, VBSP operated with a patchwork quilt of separate systems. The Bank was using ad-hoc methods of capturing mobile branch transactions, resulting in both reduced productivity & increased input errors. The Bank needed a Digital core banking system that was similar to those being used by other commercial banks in the market, but also required a highly robust offline transaction processing.

The bank chose Intellect's inclusive Digital Core & Lending platform for its ambitious growth strategy. Intellect Digital Core presented the hybrid model of on-line and off-line processing, when coupled with the high number of accounts that needed to be serviced. Intellect's Digital Core has been deployed in a centralized data centre in Vietnam and can be accessed by all the 692 branches across the country

The most important component of VBSP's Core Banking platform is Intellect Inclusive, a laptop-based application that is accessible via browser and functionally equivalent to a teller platform, but with functionality linked tightly to the role of the banks mobile branch staff across its 11,000 transaction points, with both disbursement & collection responsibilities for existing loans and origination responsibility for new loans.

Commenting on the award **Mr Hoang Minh Te - Deputy General Director, Head of Project, Vietnam Bank for Social Policies** said, *"We are delighted with this recognition from Celent for VBSP's initiative on Inclusive banking. As the chief tool of the Vietnamese Government to fight against poverty and to enable*

financial inclusion of the poor, we required a centralized, robust and scalable core banking solution that will enable us to promote policy and microfinance in Vietnam. In the 18 months since successfully implementing Intellect's Digital Core banking solution, all of the Bank's key indicators have improved materially. The most important of these indicates are customer count (increasing by 20% from 7.5 million to 9.2 million customers), loan count (increasing by 30%, from 7 million loans to 9.2 million loans), and customer delinquency rate decreasing to under 1%".

Jaideep Billa, CEO, Global Consumer Banking (iGCB), Intellect Design Arena Ltd. said, *"Intellect congratulates VBSP for this prestigious recognition from Celent, one of the most respected global analyst firms. We applaud the vision of VBSP to leverage Digital Technology in their fight against rural poverty in Vietnam. We are privileged to be part of this transformational initiative. We designed the new Digital platform around customer convenience, higher volume of new loans, loan quality and increased staff productivity. The Lending programs maintained by the bank are one of the most diverse serving over 9 million customers. As the rural poor of Vietnam are not very mobile, VBSP maintains a strong physical outreach through 618 district transaction office, and over 10000 mobile branches, which are specially equipped vans. A unique aspect of VBSP's new platform is the automated scheduling of loan due-dates based on the mobile van's travel schedule to a given locale, a very important client convenience."*

The Intellect platform's reporting capabilities have also been helpful in streamlining the workflows required to provide relevant and timely reports to the Bank's stakeholders, including the Vietnamese government, other non-governmental donors, and third-party investors.

About Intellect Design Arena Limited

Intellect Design Arena Ltd, a specialist in enabling true Digital Transformations, is the world's first full spectrum Banking and Insurance technology products company, across global consumer banking (iGCB), Central Banking, Global Transaction Banking (iGTB), Risk & Treasury Management (iRTM), and Insurance (Intellect SEEC). With over 20 years of deep domain expertise, Intellect is the brand, progressive financial institutions rely on for digital transformation initiatives.

Intellect pioneered Design Thinking for cutting edge products & solutions for Banking and Insurance, with design being the company's key differentiator in enabling digital transformation. FT8012, the world's first design centre for Financial Technology, reflects Intellect's commitment to continuous and impactful innovation addressing the growing need for digital transformation. With over 200 implementations, the company's performance is driven by over 3,000 Intellect solution architects, domain and technology experts, with a presence in major global financial hubs around the world and fully supported by design centers in multiple geographies serving as centers of innovation, collaboration and digital transformation, please visit <http://www.intellectdesign.com/>

About Vietnam Bank for Social Policies

Vietnam Bank for Social Policies was established on providing credit for the poor and other policy beneficiaries; based upon the re-organization of the Bank for the Poor and separation from Vietnam Bank for Agriculture & Rural Development for purpose of detaching policy lending from commercial lending. VBSP is regarded as an efficient tool of the Government in mobilising various resources domestically and internationally to perform the designated socio-policy lending programs of the Government. VBSP is a government owned bank taking the lead in policy and microfinance field in Vietnam. It enables financial inclusion of the poor and policy beneficiaries through Grass root network, appropriate infrastructure, socialized procedures and skillful staff.

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