



## Chapter 5

# CORPORATE GOVERNANCE

# MAINTAINING TRUST

During the past 20 years, PVFCCo has always maintained the trust of customers and partners on the basis of ensuring production and business efficiency. In particular, in 2022 PVFCCo made a spectacular breakthrough, continuously setting records when exceeding production and business targets. This is a solid premise for PVFCCo to confidently conquer higher goals in the coming age.

## MEMBER LIST OF THE BOD, BOM AND BOS IN 2022

No.	Full name	Position	Number of DPM shares	
			Representative	Individual ownership
<b>Board of Directors</b>				
1	Hoang Trong Dung	Chairman of the BOD, Full-Time, Non-Executive, not concurrently holding any position in other organizations (position held since 27/04/2021)	92,300,253	-
2	Le Cu Tan	Member of the BOD cum President and CEO, not concurrently holding any position in other organizations	62,624,000	170,500
3	Duong Tri Hoi	Member of the BOD, Full-Time, Non-Executive, not concurrently holding any position in other organizations	39,140,000	-
4	Trinh Van Khiem	Member of the BOD, Full-Time, Non-Executive, not concurrently holding any position in other organizations	39,140,000	-
5	Louis T Nguyen	Independent Member of the BOD, Non-Executive, CEO of SAM (Saigon Asset Management)	-	-
<b>Board of Management</b>				
1	Le Cu Tan	President and CEO	62,624,000	170,500
2	Le Van Quoc Viet	Vice President	-	-
3	Le Thi Thu Huong	Vice President	-	-
4	Tran Thi Phuong Thao	Vice President	-	33,700
5	Cao Trung Kien	Vice President	-	-
6	Dao Van Ngoc	Vice President	-	-
7	Ta Quang Huy	Vice President	-	-
<b>Board of Supervisors</b>				
1	Huynh Kim Nhan	Chief Supervisor (Full-Time)	-	-
2	Le Vinh Van	Member of the BOS (Full-Time)	-	-
3	Luong Phuong	Member of the BOS	-	-
<b>Chief accountant</b>				
1	Vo Ngoc Phuong	Chief accountant	-	-

## BOARD OF DIRECTORS REPORT

### BOARD OF DIRECTORS

The Board of Directors (BOD) for 2022 was elected by the General Meeting of Shareholders (GMS) with 5 members as clearly indicated above. There were no Sub-committees established. The activities within BOD's authority were specifically assigned to full-time members in charge of each field for inspection and verification so that the BOD could make decisions while supervising, directing, and urging the Corporation to implement the provided resolutions and decisions depending on assigned fields.

### ACTIVITIES OF THE BOD IN 2022

As the highest management body, the BOD represents the interests of shareholders. In 2022, the current BOD had 05 incumbent members (01 independent member) who actively and strictly fulfilled their roles and responsibilities in compliance with good corporate governance standards. The BOD conducts organized full-time activities, makes collective decisions, and assigns tasks to its members based on their respective fields of expertise.

In 2022, the BOD held 4 periodical meetings, in which they solicited written opinions from their members 80 times. Resulting from these requests, 47 resolutions, key decisions and many directional documents on critical matters were approved as follows:

#### Strategic plan

◆ Approved and monitored the implementation of the 2023 production and business plan.

◆ The BOD developed and reviewed the Corporation development strategy.



#### Organization - human resources

◆ Continued to oversee of the reorganization of the parent company's and subsidiaries' management system, as well as the overall restructuring.

◆ The number of employees was approved.  
◆ Staff planning of the Corporation in the period of 2022-2025 and rotation and appointment of staff at 2 subsidiaries.

◆ Establishing several divisions in the Corporation - Research & Development Center, Digital Transformation Project Board, while planning to reorganize Internal Audit Committee and Office of the Board of Directors.

#### Corporate governance, risk management and internal audit

◆ Approving and implementing internal audit plans; monitoring activities of branch companies; directing the review and completion of the internal document system and the risk management system.

## BOARD OF DIRECTORS REPORT (continued)

### ACTIVITIES OF THE BOD IN 2022 (continued)

#### Investment and implementation of projects

- Directed the implementation and handling of issues related to the completion of the final phase of the NH<sub>3</sub> Revamp - Phu My NPK Complex.

#### Issued and amended regulations

- Submitting to the General Meeting of Shareholders for approval of the Regulations and Bylaws of the Corporation, issuing the Regulations on Financial Management, the Regulation on the organization of the General Meeting of Shareholders and collecting shareholders' opinions in the form of online surveys, the Regulations on Drafting, Publishing and Managing internal normative documents.

#### Restructuring

- The overall restructuring of the Corporation and its subsidiaries was implemented.

#### Investor relations

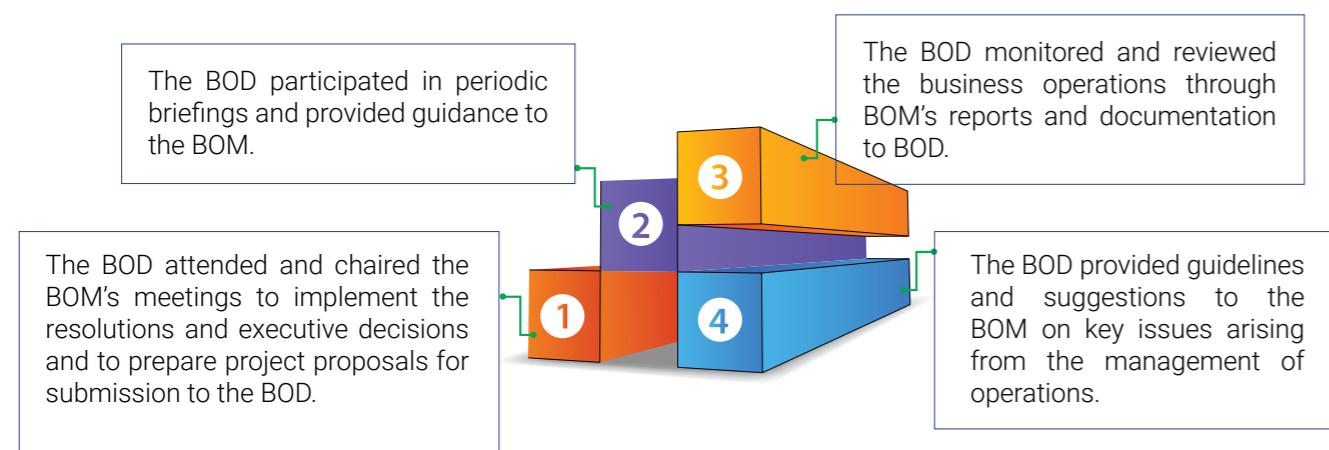
- Successfully held the Annual General Meeting of Shareholders (in June 2022) and the Extraordinary General Meeting of Shareholders (in December 2022). The event was directed the IR team in order to actively implement online contact and information exchange activities to ensure continuous and full disclosure of information on performance to shareholders and investors.

#### Selection of an independent auditor

- The BOD coordinated with the BOS to select an external audit firm for the financial statements audit as authorized by the General Meeting of Shareholders.

Apart from the periodic and extraordinary sessions, the BOD held regular weekly and monthly work briefings to inspect and evaluate its performance and oversee the BOM's compliance with BOD's resolutions and decisions in the production and business activities of the Corporation.

The members of the BOD directed, monitored and ensured the performance of the BOM, through the following activities:



### LIST OF RESOLUTIONS AND EXECUTIVE DECISIONS OF THE BOARD OF DIRECTORS APPROVED AND PROMULGATED IN 2022

No.	Resolution/ executive decision no.	Date	Contents
1	16/NQ-PBHC	1/12/2022	Resolution on the approval of the policy and rate of deduction for the Science and Technology Development Fund of the Corporation in 2021
2	25/NQ-PBHC	17/1/2022	Resolution on the advance payment of dividends for the 1 <sup>st</sup> phase in 2021
3	27/NQ-PBHC	19/1/2022	Resolution on the approval of the 2022 business plan of North PetroVietnam Fertilizer and Chemicals Joint Stock Company
4	28/NQ-PBHC	19/1/2022	Resolution on the approval of the 2022 business plan of Central PetroVietnam Fertilizer and Chemicals Joint Stock Company
5	29/NQ-PBHC	19/1/2022	Resolution on the approval of the 2022 business plan of South East PetroVietnam Fertilizer and Chemicals Joint Stock Company
6	30/NQ-PBHC	19/1/2022	Resolution on the approval of the 2022 business plan of South West PetroVietnam Fertilizer and Chemicals Joint Stock Company
7	35/NQ-PBHC	21/1/2022	Resolution on the approval of prudent spending and anti-wastefulness program for the period 2021 - 2025 of PVFCCo
8	44/QĐ-PBHC	28/1/2022	Executive decision on the approval and issuance of the Financial Management Regulation of PVFCCo
9	59/NQ-PBHC	28/2/2022	Resolution on the approval of the 2022 operation plan of the Internal Audit Division of PVFCCo
10	60/NQ-PBHC	28/2/2022	Resolution on the approval of amendment No. 02 - Gas purchase and sales contract with PV Gas in 2020
11	61/NQ-PBHC	28/2/2022	Resolution on the approval of the 2022 monitoring program of the BOD for the Corporation's subsidiaries
12	69/NQ-PBHC	9/3/2022	Resolution on the approval of PVFCCo's 2022 Science and Technology plan
13	83/NQ-PBHC	21/3/2022	Resolution on the approval of the plan for the 2022 Annual General Meeting of Shareholders at PVFCCo
14	89/NQ-PBHC	29/3/2022	Resolution on the approval of the final settlement of the overall maintenance cost for Phu My Fertilizer Plant in 2021
15	96/NQ-PBHC	5/4/2022	Resolution on the approval of PVFCCo's 2021 salary payroll settlement
16	112/QĐ-PBHC	18/4/2022	Executive decision on the establishment of a Steering Committee for digital transformation at PVFCCo
17	113/QĐ-PBHC	18/4/2022	Executive decision on the issuance of regulation for the General Meeting of Shareholders organization and online collecting shareholders' opinions of PVFCCo
18	121/NQ-PBHC	27/4/2022	Resolution on the approval of prudent spending and anti-wastefulness program in 2022
19	126/NQ-PBHC	5/5/2022	Resolution on the approval of the parent company's working capital plan for Phu My branded fertilizer products in 2022
20	130/NQ-PBHC	9/5/2022	Resolution on the approval of decentralization of decision for the Norms No. 2, 6 and adjusting the Norms No. 1, 7, 6

## BOARD OF DIRECTORS REPORT (continued)

### LIST OF RESOLUTIONS AND EXECUTIVE DECISIONS OF THE BOARD OF DIRECTORS APPROVED AND PROMULGATED IN 2022 (continued)

Resolution/ executive decision no.	Date	Contents
21 162/QĐ-PBHC	27/5/2022	Executive decision on the approval of the planning list of officers' position under the Corporation's management in the period of 2022-2025
22 190/NQ-PBHC	21/6/2022	Resolution on the approval of the policy of arranging full-time staff to hold the position of Chairman of the Board of Directors at subsidiaries of the Corporation
23 191/NQ-PBHC	22/6/2022	Resolution on the approval of the program and documentation for the 2022 Annual General Meeting of Shareholders of PVFCCo
24 197/NQ-PBHC	25/6/2022	Resolution on the approval of the personnel plan at subsidiaries of the Corporation
25 203/NQ-PBHC	5/7/2022	Resolution on the approval of the adjustment to the 2022 business plan of PVFCCo
26 205/NQ-PBHC	8/7/2022	Resolution on the approval of the supplier selection result and contract conclusion to hire an audit firm for the review of the 2022 financial statements
27 206/QĐ-PBHC	8/7/2022	Decision on the establishment of a vote counting team to review and supplement the 2022 plan and develop a plan for the next office term for Party officials and managers managed by the Group.
28 216/NQ-PBHC	15/7/2022	Resolution on the approval of the personnel plan at subsidiaries of the Corporation
29 215/NQ-PBHC	15/7/2022	Resolution on approval of the list of deposit investment credit institutions in 2022
30 231/NQ-PBHC	27/7/2022	Resolution on the approval of the social security plan in 2022-2023
31 235/NQ-PBHC	2/8/2022	Resolution on the approval of PVFCCo's Action Plan for Tasks in 2022
32 260/QĐ-PBHC	22/8/2022	Executive decision promulgating Regulation on Organization and Operation of PetroVietnam Fertilizer and Chemicals Corporation - Joint Stock Company, PVFCCo's Branch for Trading Petrochemicals
33 268/NQ-PBHC	30/8/2022	Resolution on the approval of the adjustment of PVFCCo's 2022 salary plan
34 292/QĐ-PBHC	15/9/2022	Executive decision to mobilize and appoint Ms. Nguyen Thi Hong Dung, Chairman of the Board of Directors of PVFCCo North to assume the position of Assistant Chairman of the Board of Directors of the Corporation from September 15, 2022
35 294/NQ-PBHC	15/9/2022	Resolution authorizing the representative to manage the contributed capital of PVFCCo Central
36 293/NQ-PBHC	15/9/2022	Resolution authorizing the representative to manage the contributed capital of PVFCCo North
37 453/NQ-PBHC	4/11/2022	Resolution on the approval of the plan for the 2022 Annual General Meeting of Shareholders at PVFCCo

Resolution/ executive decision no.	Date	Contents
38 473/QĐ-PBHC	17/11/2022	Executive decision approving and promulgating Regulation on drafting, promulgating and managing internal normative documents of PetroVietnam Fertilizer and Chemicals Corporation
39 489/NQ-PBHC	30/11/2022	Resolution on the approval of the establishment plan of the Digital Transformation Project Board
40 498/NQ-PBHC	6/12/2022	Resolution on the approval of the agenda and documents of the Extraordinary General Meeting of Shareholders of PVFCCo in 2022
41 503/NQ-PBHC	9/12/2022	Resolution on the approval of the Draft Annex to amend and supplement the contract on transfer of the right to use trademark between the Corporation and the Vietnam Oil and Gas Group
42 504/NQ-PBHC	9/12/2022	Resolution on the approval of the implementation plan to establish the Corporation's branch - Research & Development Center
43 518/NQ-PBHC	16/12/2022	Resolution on the approval of the addition of staff to the Corporation's Office
44 519/NQ-PBHC	16/12/2022	Resolution on the approval of the plan to consolidate the organizational structure, functions, tasks, and staffing of the assisting boards of the Board of Directors
45 527/NQ-PBHC	22/12/2022	Resolution on the approval of the report of the Board of Directors at the Extraordinary General Meeting of Shareholders of PVFCCo in 2022
46 55/NQ-ĐHĐCĐ	27/12/2022	Resolution of the Extraordinary General Meeting of Shareholders in 2022
47 534/NQ-PBHC	28/12/2022	Resolution on the approval of gas purchase and sales contract with PV Gas in 2023



## BOARD OF DIRECTORS REPORT (continued)

### TRAINING TO IMPROVE BOD'S CORPORATE GOVERNANCE KNOWLEDGE

At the time of their election or appointment, all members of the Board of Directors have expertise and training in Corporate Governance.

To meet job requirements, members of the BOD actively learn, train, update, and increase their understanding of corporate governance.

#### Implementation of corporate governance regulations

PVFCO complied with all the legal governance regulations of a listed company:

- ◆ To assure an appropriate proportion of non-executive members to independent members of the Board of Directors.
- ◆ To hold Annual General Meeting of Shareholders in full compliance with provisions of laws on business and regulations of management for publicly listed companies. To organize meetings and pass the resolutions of the BOD according to the Charter of the Corporation and the law on enterprises.
- ◆ To discharge all periodic and extraordinary information disclosure obligations for publicly listed companies in a timely and transparent manner.
- ◆ To prepare annual report and reports for submission to the General Meeting of Shareholders with full content and information on financial and production management, administration and supervision of the Corporation.
- ◆ To strictly comply with regulations on corporate governance and information disclosure in the stock market.
- ◆ The Board of Directors has formulated and promulgated the Regulations on Internal governance, Operational regulation of the BOD, and Regulations on the evaluation of the level of accomplishment of tasks.

On improving corporate governance capacity in accordance with regional and international governance standards: To conduct/participate in training courses for members of the BOM/BOS/BOD.

#### Implementation of the Resolutions of the General Meeting of Shareholders and mandated tasks:

According to the Resolution of the 2022 Annual General Meeting of Shareholders, the General Meeting of Shareholders approved the amendments and supplements to the Corporation's Charter and assigned the Board of Directors to amend and supplement the internal regulations on corporate governances and Regulation on the operation of the Board of Directors in accordance with the Charter (amended). The Board of Directors carried out the review to complete these two regulations in the project on reviewing and completing the overall system of internal documents of the Corporation.

According to the Resolutions of the 2020 Annual General Meeting of Shareholders, the General Meeting of Shareholders authorizes the BOD to seek out and actively decide on the purchase of raw gas supply for the production of Phu My Fertilizer Plant under the authority of the General Meeting of Shareholders, in accordance with the needs of the Corporation's business and production activities and directions of the competent authorities. As a first step, the BOD approved the extension of the gas purchase and sales contract for 2020 to the end of 2022 and then focused on efforts to implement gas supply contract for upcoming years.

## REPORT ON THE ACTIVITIES OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

### NON-EXECUTIVE AND INDEPENDENT MEMBERS OF THE BOD'S ACTIVITIES

*Mr. Louis T Nguyen is the independent member of the BOD. He participated actively in all the official duties and assignments. He also monitored and provided guidance to BOM in discharging the operations since their participation.*

#### COMMENTS FROM THE INDEPENDENT MEMBER OF THE BOD ON THE GOVERNANCE/MANAGEMENT OF PVFCO IN 2022

The Board of Directors and the Board of Management implemented their roles and duties in accordance with the laws on corporate governance, the Corporation charter and the executive decisions of the General Meeting of Shareholders and the BOD. The BOD and BOM's members performed their duties and fully complied with the responsibilities and authorities assigned, as stipulated to protect the interests of all shareholders. The results were reflected in the production and business plans and targets that PVFCO completed and exceeded in 2022.

In the Corporation, as did other shareholders, the State shareholders had an expectation that the value of the Corporation would increase. In addition to complying with regulations on corporate governance, administrators who are capital representatives were responsible for the management and preservation of the States capital. The Corporation relied heavily on the costs of production materials in the context of declining low-cost gas supply, and the Board of Management made every endeavor to present, propose and protect the State commitments and policies which were most beneficial to it in the field in both the short and long term. The BOD complied with corporate governance standards for listed companies, ensuring that both members and independent members of the BOD enforced their powers and responsibilities.

To approach and adhere to as closely as possible to the advanced corporate governance standards,



the BOD was aware of and promoted the review and improvement of activities in the direction of enhancing the effectiveness of the management and supervision system while building up a strong and appropriate hierarchy to reduce its participation in executive activities. In 2022, the Corporation actively coordinated with professional consulting units to implement a restructuring program which would streamline the system while updating and perfecting the medium and long-term development strategy according to the orientation approved by the AGM.

The independent member of the BOD holds responsibility for investor relations, considering that a significant portion of the ownership of the Corporation is with foreign investors. With the company's operating outcomes being improved in 2022, investor demand for information access has skyrocketed, especially related to the content proposed at the extraordinary General Meeting of Shareholders.

The independent member of the BOD has actively connected with the Management and functional divisions to continue communication to investors about the values and advantages of the Corporation and the efforts of the BOM, BOD to improve governance and ensure the interests of shareholders, as well as bringing contributions and ideas from investors to the Board of Directors on guidelines, development strategies, or directions on finding strategic investors.

Based on the newly updated medium and long-term development strategy, Independent members have been assisting the Board of Directors in finding opportunities and potential partners in the production, distribution, marketing and sales of chemicals and sustainable fertilizer products.

Among other companies which have changed from being wholly state-owned enterprises, the Corporation has demonstrated solid governance foundations.

## BOARD OF SUPERVISORS REPORT

### INCOME STATEMENT OF PVFCCO AND REPORT ON PERFORMANCE OF THE BOD AND THE PRESIDENT AND CEO

The BOS appraised the Income statement of the BOD, the Income statement submitted by the President and CEO to the General Meeting of Shareholders and assessed that, in 2022, the Corporation had completed far beyond the business plan approved by the General Meeting of Shareholders. These statements were a true, complete and honest reflection of the real performance of the Corporation.

#### Corporation's production results

##### PRODUCTION OUTPUT

###### PHU MY UREA

**917** thousand tons  
achieving 111% of the plan  
▲ 15% compared to 2021

###### PHU MY NPK

**157** thousand tons  
achieving 94% of the plan

###### CONSOLIDATED REVENUE

**19,013** VND billion  
achieving 110% of the plan  
▲ 45% compared to 2021

##### SALES VOLUME

###### PHU MY UREA

**791** thousand tons  
achieving 99% of the plan  
▲ 6% compared to 2021

###### PHU MY NPK

**129** thousand tons  
achieving 78% of the plan  
▼ 15% compared to 2021

###### PROFIT BEFORE TAX

**6,606** VND billion  
achieving 160% of the plan  
▲ 74% compared to 2021

#### Implementation of investment projects

The NH<sub>3</sub> Revamp - Phu My NPK Complex was completed and went into operation and is now in process of deploying the Final Acceptance Certificate (FAC), Final settlement of EPC contract, other relevant contracts and project capital settlements. Completing the BCC contract negotiation with PVChem regarding the building of the project for a hydrogen peroxide (H<sub>2</sub>O<sub>2</sub>) factory. The Corporation has selected a contractor and started the EC bidding package for the project on a warehouse with a capacity of 20,000 tons of finished products at Phu My Fertilizer Plant.

#### Regarding restructuring and completion of the governance and administration

Continued to accelerate the implementation of overall restructure of PVFCCo's organizational and operational model, phase of 2020-2025, merged 13 functional divisions of the Parent company into 8 divisions, signed the contract of consulting and planning the Corporation's development strategy vision to 2035.



### OPERATIONAL AND FINANCIAL SUPERVISORY ACTIVITIES

Production and business activities, as well as financial activities, were accurately and reasonably reflected in the financial statements; data and statistics were recorded, classified and presented in line with Vietnamese accounting standards and current regulations, and have been reviewed and audited by Deloitte Vietnam.

Consolidated revenue targets expanded tremendously; selling and administrative expenses were controlled; consolidated pre-tax profit was higher than expected and exceeded the business plan; payment to the State budget reached VND 1,521 billion, an increase of 91% compared to 2021's amount. The Corporation's financial statements honestly and reasonably reflected its situation of production, business and financial activities; the recording, classification and presentation were in accordance with accounting standards; the use of capital, investment and procurement were done in accordance with current accounting regulations.

### SELF-ASSESSMENT REPORT ON THE ACTIVITIES OF THE BOARD OF SUPERVISORS AND ITS MEMBERS

The BOS completed regular and periodical inspection and supervision, cooperated in organization and examination and made reports on production and business activities in 2022. The members of the BOS made efforts and proactively acted independently; proposed solutions to issues they were assigned and successfully completed assigned tasks; complied with the provisions of the Enterprise Law, the company's Charter and operation regulations of the BOS.

### REMUNERATION, OPERATING EXPENSES AND OTHER BENEFITS OF THE BOS AND MEMBERS

- ◆ Salary, bonus and remuneration of members were setup and complied with the Decree No. 53/2016/ND-CP and the Resolution approved by the 2020 Annual General Meeting of Shareholders.
- ◆ The operating expenses of the BOS and each of its members worth VND 546.49 million, including stationery costs, equipment, phone charges, internet charges, business trip expenses and expenses for receiving guests and meetings, were accounted as business expenses in accordance with the laws on corporate income tax and recorded as a separate section in the Corporation's 2022 financial statements.

## BOARD OF SUPERVISORS REPORT (continued)



### SUMMARY OF THE MEETINGS OF THE BOS, CONCLUSIONS AND RECOMMENDATIONS, RESULTS OF SUPERVISION OF THE CORPORATION'S OPERATION AND FINANCIAL SITUATION

The BOS organized 4 regular meetings, assigned tasks to members, approved the plans for inspection and supervision of units, appraised the quarterly/semi-annual/annual financial statements, approved the supervision reports, responded to shareholders' opinions, approved the report on salary appraisal and report on summary of task performance of the BOS's individuals and collectives.



### ASSESSMENT REPORT ON TRANSACTION BETWEEN PVFCCO, SUBSIDIARIES AND OTHER COMPANIES WITH MORE THAN 50% CHARTER CAPITAL CONTROL RIGHTS HELD BY PVFCCO, MEMBERS OF THE BOD, THE PRESIDENT AND CEO OR ITS RELATED PERSONS

As of 31 December 2022, the total contributed capital to subsidiaries was unchanged, the capital contribution ratio of 75%/charter capital is VND 386.25 billion. These Companies are agents and distributors, making purchases and sales transactions in accordance with regulations and the Company's charter, ensuring the interests of shareholders.



### TRANSACTIONS BETWEEN THE CORPORATION AND COMPANIES IN WHICH THE BOD MEMBER IS / WAS A FOUNDING MEMBER OR BUSINESS MANAGER (SUBSIDIARY) WITHIN THE 3 YEARS PRECEDING THE TRANSACTION: None



### MONITORING RESULTS OF THE BOD, PRESIDENT AND CEO AND OTHER MANAGERS

The Corporation held the Annual General Meeting of Shareholders and the Extraordinary General Meeting of Shareholders to resolve business and production issues in 2022, authorize the final settlement of gas prices for the 2014-2018 period, and increase the dividend payout ratio. The members of the BOD are in charge of their own fields, directing items within their power on behalf of the BOD to make decisions, supervise, direct and urge the Corporation to implement the BOD's resolutions and executive decisions according to the assigned field, completely organize regular meetings. In governance, the BOD works with a sense of responsibility and transparency. The decisions, in collaboration with the BOM to direct and implement the resolution of the General Meeting of Shareholders, swiftly exceeded the production and business plan targets in 2022.



### ASSESSMENT ON COOPERATION BETWEEN THE BOS AND THE BOD, PRESIDENT AND CEO AND SHAREHOLDERS

The BOS received close coordination from the Corporation's BOD and BOM in carrying out management and administration. There was participation in and contribution of ideas to meetings, as well as directing the functional divisions to implement and respond in writing to recommendations and opinions of the BOS and BOM.

## INVESTOR RELATIONS REPORT



### OBJECTIVES

*Strengthening information disclosures and transparency activities, ensuring fair treatment for all shareholders and protecting their interests, thereby improving the quality of corporate governance and implementation of quality control according to standards for sustainable development, creating a premise to expand the network of cooperation with large and professional organizations while building the shareholders' trust.*

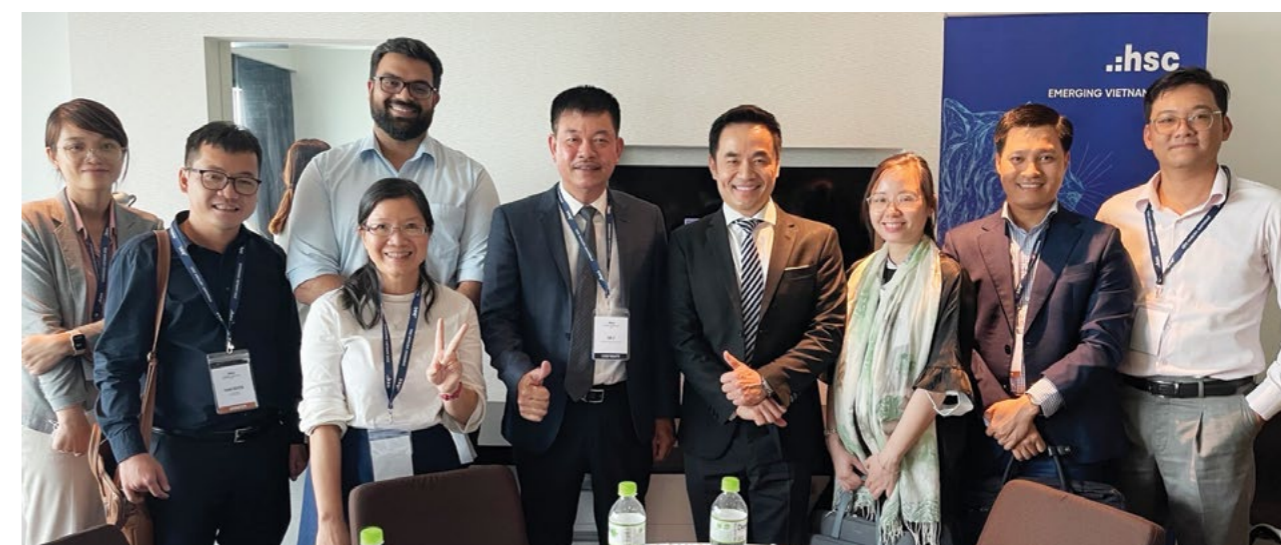
**The Corporation was committed to consistently implementing principles in investor relations activities, ensuring compliance with regulations on information disclosure for listed companies, based on transparency and access to information in a fair manner to all shareholders and stakeholders.**

- ◆ The Corporation has a focal point of implementing investor relations activities, smoothly connecting information from specialized departments within the company to ensure that the information disclosed to the outside was consistent and shared, approved, directed and supervised from the highest level of leadership in the Corporation.
- ◆ PVFCCo ensured that all shareholders and investors had fair and favorable access to information through various forms of communication (direct, indirect, intermediary organizations etc.) to ensure that information was conveyed promptly, accurately and transparently. Shareholders and investors could contact through information channels connected to the Investor Relations (IR) team such as website [www.dpm.vn](http://www.dpm.vn); PVFCCo's IR focal point; through the focal points in charge of the industry at brokerage organizations in the market etc.

**In 2022, the IR team implemented activities with the following primary goals**

- ◆ Transparent, accurate and timely disclosure of information: In 2022, the stock market and fertilizer industry in the world and in the country witnessed many complicated fluctuations, greatly affecting the general operation of the Corporation (both positive and negative), PVFCCo's IR team actively participated in networking activities, met with domestic and foreign shareholders and investors to promptly update information and respond to inquiries of shareholders and investors in the market. Specifically, in 2022, the Corporation conducted more than 30 meetings with shareholders periodically and on request; attended 5 forums and conferences to meet domestic and foreign investors etc. In addition, quarterly, the IR department held online meetings with representatives of domestic and foreign investment funds and analysts from major brokerage organizations in the market place to update information on business results and respond to investors about issues of their interest.
- ◆ Efforts to protect shareholders' rights and ensure fair treatment for all shareholders - owners of the company, from small shareholders to groups of foreign shareholders: Doing this through full, transparent and fair disclosure of information to ensure that all shareholders had full access to information to be able to make accurate decisions during sessions at the General Meeting of Shareholders; ensuring that all shareholders had the opportunity to express their opinions, make suggestions and recommendations and receive satisfactory information and answers; supporting and assisting the Board of Directors in performing the task of carefully protecting shareholders' interests in accordance with the principles and provisions in the Corporation's Charter and Vietnamese laws etc.
- ◆ Carrying out periodic and extraordinary information disclosure, specialized media publications for shareholders and investors (Investor newsletter and annual report, quarterly reports summarizing the results of daily activities through meetings with investors etc.).
- ◆ Successfully organizing effective General Meetings of Shareholders: In 2022, PVFCCo successfully conducted 2 General Meetings of Shareholders (annual and extraordinary) in June and December to approve important contents in the general operations of the Corporation.

- ◆ The IR team actively implemented coordination and connection to ensure timely provision of information to shareholders before, during and after meetings in accordance with regulations and support procedures related to the full implementation of shareholders' rights at meetings. Minutes of the meetings were compiled accurately and fully in compliance with the timely disclosure of information as regulated etc.
- ◆ There was close connection to ensure the participation of functional departments; leadership at various levels (members of the Board of Directors and Board of Management) was present and ready to promptly answer shareholders' questions at meetings with shareholders and investors; and all shareholders had equal access to information. The Board of Directors assigned responsibilities of focal point to a member of the Board of Directors (independent) to coordinate and support the network with minority shareholders (other than PVN).
- ◆ Implementing a stable dividend policy and paying dividends fairly and consistently based on actual performance during the year.
- ◆ Monitoring, tracking and reporting transactions with related parties, while avoiding conflicts of interest.
- ◆ Risk management and sustainable development: The Corporation disclosed details in the Risk Management Report and Sustainability Report in the Annual Report (Chapter 6).



With adverse and favorable developments intertwined in 2022 and efforts to achieve outstanding results, PVFCCo's staff and leaders were proud of their efforts to overcome difficulties and make good use of potential opportunities in the market in order to bring the highest profits and benefits to shareholders, with operating results that exceeded the key targets defined by shareholders. The impressive growth and performance was clearly reflected in stock valuation in the context of Vietnam's stock market volatility, going through levels from "high" to "low". From the historic peak of 1,528.57 points on January 6, 2022, the market plummeted to the lowest closing level of 2022 of 911.9 points on November 15, 2022, an equivalent to a decrease of 40.34%. This was the biggest drop in the world.

In that context, according to market data, DPM's share price in 2022 was adjusted down slightly by 4.4% with average liquidity remaining at a positive level of over 4 million shares/day. Foreign ownership ratio nearly doubled, to 20% by the end of 2022 from about 9% at the beginning of the year.

In 2023, following the foundation and orientations on Investor Relations activities, under the direction and support of the Corporation's Board of Directors, the IR segment will continue to be consolidated and deployed in order to connect with the strategic goals of the company with the goal of constantly improving the quality of corporate governance; transparency in information disclosure in all fields; ensuring compliance with regulations and principles of fair treatment of shareholders; heading to stable, sustainable development and constantly adding value to Vietnamese society, shareholders, partners and employees.



# REPORT ON IDENTIFICATION AND RISK MANAGEMENT



*In 2022, with the motto "Managing volatility risks, promoting internal resources, increasing creativity, improving techniques for sustainable development", PetroVietnam Fertilizer and Chemicals Corporation not only standing outstanding achievements in production and business activities, set new records in terms of output, revenue, profit, etc. in its history, preparing for the 20<sup>th</sup> anniversary of its establishment and development.*



Right from the first months of 2022, the world economy was in trouble when the war between Russia and Ukraine pushed up oil prices because of economic sanctions against Russia, while China had not opened its economy yet. These obstacles limited the supply of raw materials, increasing input costs and increasing freight costs. In addition, continuing to fight against the Covid-19 epidemic, the VAT policy was not adjusted accordingly; rising inflation caused economic recession; lending interest rates of banks continued to increase; production costs for agriculture, especially high fertilizer prices, directly affected farmers' profits, leading to reduction of investment in fertilizers for crops, affecting in the long run the general production and business activities of the Corporation. At the same time, Phu My Fertilizer Plant, after 19 years of operation, had many hidden risks from machinery and equipment expenditures.

In 2022, PVFCCo has identified key risk groups and implemented effective risk management solutions to limit those risks to ensure the safety of production, business and investment activities and has achieved the following:

- ◆ The Phu My Fertilizer Plant was operated safely and efficiently in the context of equipment degradation, highly fluctuating raw material costs and increasingly fierce competition in the consumption market.
- ◆ PVFCCo continued its diversification into new products while still developing its traditional products to expand market share and affirm its leading position in fertilizer production and trading in the domestic market and increase exports.
- ◆ PVFCCo researched and implemented new investment projects, tested and launched new products, deployed and traded fertilizer and chemical products manufactured by PVFCCo, in order to fulfill its long-term strategic objectives.

To realize the above-mentioned goals for the sustainable development and best protection of shareholders' interests while fulfilling social responsibilities in 2022, PVFCCo successfully managed the following key risk groups.

## MARKET RISK

In order to sustain the top position in the domestic fertilizer sector, PVFCCo has comprehensively reviewed and controlled the following risks:



### Oversupply risk

In the face of increasingly fierce competition in the world and domestic fertilizer market in recent years after Vietnam joined a series of Free Trade Agreements and protectionist barriers, it has strongly affected PVFCCo's business activities. Facing this challenge, PVFCCo has focused on consolidating and adjusting the domestic distribution system, enhancing customer care in order to develop genuinely in order to create a sustainable relationship between the parent company and the member companies and an agent system covering all regions of Vietnam, dispatching goods to key consumption areas to dominate the agriculture market, while maintaining a competitive advantage over competitors in the same industry, and maintaining the brand name. This is a strategic and long-term plan to help the Corporation develop a stable, solid and long-term sales system.



### Input material prices risk

Price of the main source of raw materials - gas - increased sharply in 2022, as a result of the war between Russia and Ukraine with economic sanctions, the constantly changing situation in the world affected the oil sources for countries from the first months of 2022. As the Covid-19 pandemic was gradually controlled, the demand for oil consumption for economic development strengthened. This volatility has affected the PVFCCo's production costs. The global oil price has fluctuated considerably over the recent years. The unpredictability of oil prices has directly and greatly impacted the Corporation's production and business plans.

PVFCCo's profitability is highly dependent on variations in the cost of raw materials used in the manufacture of its fertilizer. The Corporation has managed the price risk of natural gas through short-term arbitrage and actions. Based on pricing scenarios, the Corporation proactively implemented flexible planning and budgeting. This provided the Corporation with control over unforeseen changes as business conditions varied. At the same time, PVFCCo negotiated with suppliers to achieve the suitable price path for production.

## REPORT ON IDENTIFICATION AND RISK MANAGEMENT (continued)



### Commodity price risk

Since entering into a series of Free Trade Agreements, changes in global fertilizer prices have also immediately impacted domestic prices as the local products are direct competing with imported fertilizers and unregistered parallel imports from neighboring countries.

Under this pressure, PVFCCo, as a manufacturer and trader of fertilizer, has balanced the risks and opportunities to decide to sell its products at a competitive price compared to the market price in order to maintain market share and competitive advantages.

### Liquidity risk

Liquidity risk is caused by the inability of buyers to pay for their purchases by the due date. Bad debts significantly affected the planned use of capital as well as production and business results.

In 2022, the world economy headed for recession, inflation occurred while the domestic economy tightened credit and raised interest rates. Noting this, PVFCCo has developed sales and credit guidelines that conformed to the needs of the local market. These guidelines are systematically implemented, controlled and administered from top down starting with the Corporation and extending to its subsidiaries. Credit

terms are specific to each customer for every product group. The terms of credit are given after a financial assessment of the buyer, based on credit ratings and customer repayment ability. At PVFCCo, the working capital plans and inventory control are approved, monitored and reported in a timely and adequate manner. In 2022, with this proper understanding and effective management, PVFCCo did not have any non-performing accounts.

### Product development risk

In order to respond to the market demand for high quality fertilizers, and regulations on environmental protection which introduce increasingly diverse and rigorous demands, the Corporation has continued to promote its research and development activities to innovate and improve products, creating more high-quality products to meet product requirements for farmers as well as leading the market.

Particularly, Phu My NPK, which is manufactured with the most advanced chemical production technology, PVFCCo has launched a new set of products that have been positively accepted by the market with growing consumption.

**Implementing the flexible and synchronous solutions to respond to the influences of market risk, in a timely and effective manner, ensuring the risk management plan in 2022:**

- ◆ In order to support sales, PVFCCo has focused on distribution management and developed communication and branding strategies. These efforts have supported our competitive advantage and maintained profitability and the positioning of Phu My fertilizer in the domestic market.
- ◆ PVFCCo has developed communication channels with member companies and agents for capturing reliable just-in-time information to help manage changing markets affecting the industry.
- ◆ PVFCCo held conferences and seminars on business operations, branding, market information, contributing an important part in promoting the products and images of PVFCCo, seeking cooperation opportunities in the domestic and foreign markets, contributing to improve the business plans and strategies.
- ◆ PVFCCo completed the brand portfolio of its products for Phu My by importing high quality fertilizers to supply the needs of the market.
- ◆ The important policies were updated and revised in the light of new business developments: Regulation on fertilizer business management; Regulations on construction and development of PVFCCo's fertilizer distribution system; Processes of communications and creative design; Processes of trade promotion and fertilizer sales support; Implementation of customer care programs, etc. The policy changes helped to enhance corporate governance in PVFCCo as it faces new market challenges.
- ◆ Much importance has been placed on this restructuring. PVFCCo has capitalized on its strengths and utilized resources in the most efficient way, improving its competitive advantage for the days ahead.

**In addition to market-based risk response solutions, PVFCCo has prepared a long-term market growth strategy:**

- ◆ To retain its No.1 position in production, fertilizer trade and chemical production with a primary focus on petrochemicals.
- ◆ To retain the market share of Phu My urea and Phu My NPK through: Leveraging the distribution network, best-in-class technical support, customer centric after-sales policy, growing distribution networks in selected potential countries.
- ◆ PVFCCo is at the forefront of Research & Development (R&D) such as: Investment in fertilizer production, selected choice of urea on the acceleration roller (pilot scale), diversification of the product range for Phu My urea, a new NPK formula, new fertilizer products, enhanced application organizational model, improved agricultural business model, value chain alignment with the PVFCCo business standards. In addition, PVFCCo is continuing researching & diversifying chemical products of UFC 85/Formaldehyde Plant.
- ◆ PVFCCo implemented policies to preserve its image and brand in the investor community.
- ◆ The Corporation reinforced managing resolutions integrated with cutting-edge information technology system to achieve strategic goals, boost automatic rather over manual control, optimizing technology to manage risks effectively.

## REPORT ON IDENTIFICATION AND RISK MANAGEMENT (continued)

### RISKS IN THE PRODUCTION ACTIVITIES OF PVFCCO



*In 2022, PVFCCo has continuously operated the Plant safely and achieved impressive records. However, the plant has been continuously operated for 19 years, thus, there potential risks remain. Therefore, risk management activities in the following years would focus on:*

- ◆ Managing product quality;
- ◆ Managing and resolving production problems;
- ◆ Coordinating with NH<sub>3</sub> Revamp - Phu My NPK Complex Management Unit to finalize capital settlements;
- ◆ Enhancing application in technological advancement and initiative promotion.

In recent years, the Phu My Fertilizer Plant has continued to operate safely and effectively. With an operating life of more than 19 years and maintenance performed every two years, there is a risk of technical issues halting the machinery, increasing the operating and maintenance cost and affecting common goals of PVFCCo.

The NH<sub>3</sub> Revamp - Phu My NPK Complex has been accepted and commercialized. The upcoming period will be devoted to resolving potential issues and concluding the NH<sub>3</sub> Revamp - Phu My NPK Complex.



### PVFCCo has been recognizing and resolving issues using the following method in 2022, and will continue to do so in upcoming years:

- ◆ To maintain the operating methods which produces the maximum output of urea products of Phu My Fertilizer and NPK Plant, as well as stably operating the UFC85/Formaldehyde plant to improve the hardness of urea granules, enhance the product quality of PVFCCo, customers and urea plants.
- ◆ To adjust and enact economic and technical norms including; consumption norms of chemicals, material and energy; consumption norms of oil, grease and lubricants; norms of minimum spare materials; norms of materials and spare parts for periodic maintenance to optimize production costs.
- ◆ To concentrate on updating, developing, and promulgating technical procedures that are realistic in nature in order to quickly address abnormal manufacturing issues.
- ◆ To seriously conduct periodic maintenance, preventive maintenance, purchase backup materials for important and high-risk equipment in the plant, especially for important static equipment. In addition, to maintain annual participation in workshops on maintenance and repair of the oil processing plants of Vietnam Oil and Gas Group where we can learn, share experiences, establish orientations, and provide management strategy for maintenance and repair according to the trends of aging machinery.
- ◆ To optimize the application of existing software systems such as: CMMS system - Computerized Maintenance Management System: the activities of maintenance and repair of the plant have been completed through the CMMS system: from requesting tasks to creating execution plans, exporting materials for maintenance, keeping records of maintenance results and inventory control; Oracle Process Manufacturing, etc specifically:
  - » To manage the execution of equipment maintenance/repair; To keep records of the total background of machinery and equipment.
  - » Simultaneously, to update the service profile to the equipment list of the new project (NH<sub>3</sub> Revamp - Phu My NPK Complex) and CMMS system.
  - » To control inventory, update minimum material list according to the norm into CMMS system; To make a comparison between maintenance material norms and the allocated materials in reality. To automatically export the list of materials and accessories in accordance with maintenance requirements.
  - » To execute MTA (Maintenance Task Analysis) and utilize MTA functions to analyze PMO (Preventive Maintenance Optimization).
- ◆ In addition, to exploit and apply AIMS-Asset Integrity Management System and to execute RBI (Risk Base Inspection) to manage maintenance, assess equipment status, collect data for analysis and determination of equipment failure causes. Simultaneously, examining CUI (Corrosion under Insulation).
- ◆ To organize and manage the investigation and inspection of machinery and equipment which have requirements regarding safety in the plant. Ensuring that equipment is inspected prior to use.
- ◆ Continue to implement and enforce the system for standardizing PVFCCo material codes in accordance with the norm of Shell Mesc.



## REPORT ON IDENTIFICATION AND RISK MANAGEMENT ((continued))



*Continuing the success in production management in 2022 and upcoming years, PVFCCo would maintain and effectively execute the key investment strategy in the system of managing production of the plant, focusing on the leverage to optimize production and operation costs:*

- ◆ To apply management standards for safety and the environment, such as ISO 14001-2004 and OHSAS 18001-2007, effectively. To recognize and assess risks; to propose additional safety measures to mitigate risks; to inform employees and contractors.
- ◆ To focus on training the current labor force to operate the Phu My NPK Plant so that it can meet long-term production requirements of the Corporation.
- ◆ To review current sets of economic and technical norms at Phu My Fertilizer Plant, building up the norm for the Phu My NPK plant and integrating those with current sets of norms to create a common norm for Corporation's Plants.
- ◆ To enhance the role regarding improvement and initiative, as well as rationalize production, maintenance mode approaches preventively to prevent sudden equipment failure.
- ◆ Continue to study maintenance strategy to optimize and be appropriate with the reality of Phu My Fertilizer Plant, maintain planning periodic maintenance (mid-term, short-term and long-term), pay attention to important static equipment which has operated for more than 15 years to prevent incidents and ensure that Phu My Fertilizer Plant continuously operates safely, stably and effectively.
- ◆ To review and update the risk-and-environment identifying table of the Plant in accordance with the process.
- ◆ To update the project on enhancing the operation, maintenance and capacity of Phu My Fertilizer Plant and newly commercial operated Plants of PVFCCo.



### RISKS IN PROJECT'S INVESTMENT PROGRESS

In 2022, The NH<sub>3</sub> Revamp - Phu My NPK Complex has completed the preparation of the audit report for settlement.

In addition, PVFCCo is also focusing on creating new investment projects to invest in various products while taking all advantage of available resources.

### RISKS REGARDING EXCHANGE RATE

In recent years, the foreign exchange rate has been fluctuating with an upward trend. Exchange rate fluctuations can affect the performance of business activities as well as the performance of PVFCCo's investment projects which use foreign currency. Recognizing the importance of managing exchange rate risks, PVFCCo frequently updated the macroeconomic situation, domestic and global financial status, seriously monitored exchange rate fluctuations to build up and execute appropriate and flexible import and business plans and enhance the efficiency of capital use. In addition to this, PVFCCo also seriously considered its financial management, analyzing and assessing the effect of exchange rate differences on executed projects.

### FINANCIAL RISKS AND THE GOAL OF REFORMING INVESTMENT ACTIVITIES CONTRIBUTING CAPITAL TO ASSOCIATES

In 2022, PVFCCo has continued to gradually find solutions to divest investments in joint ventures and associates. Although PVFCCo's objective was to divest capital in these enterprises, it proved extremely difficult to reform long-term capital investment activity when the associate is not operating effectively. To support such members to gradually improve their performance, PVFCCo reinforced supervising associates managing activities through capital representatives while executing activities to support members in managing and directing enterprises.

## REPORT ON IDENTIFICATION AND RISK MANAGEMENT (continued)

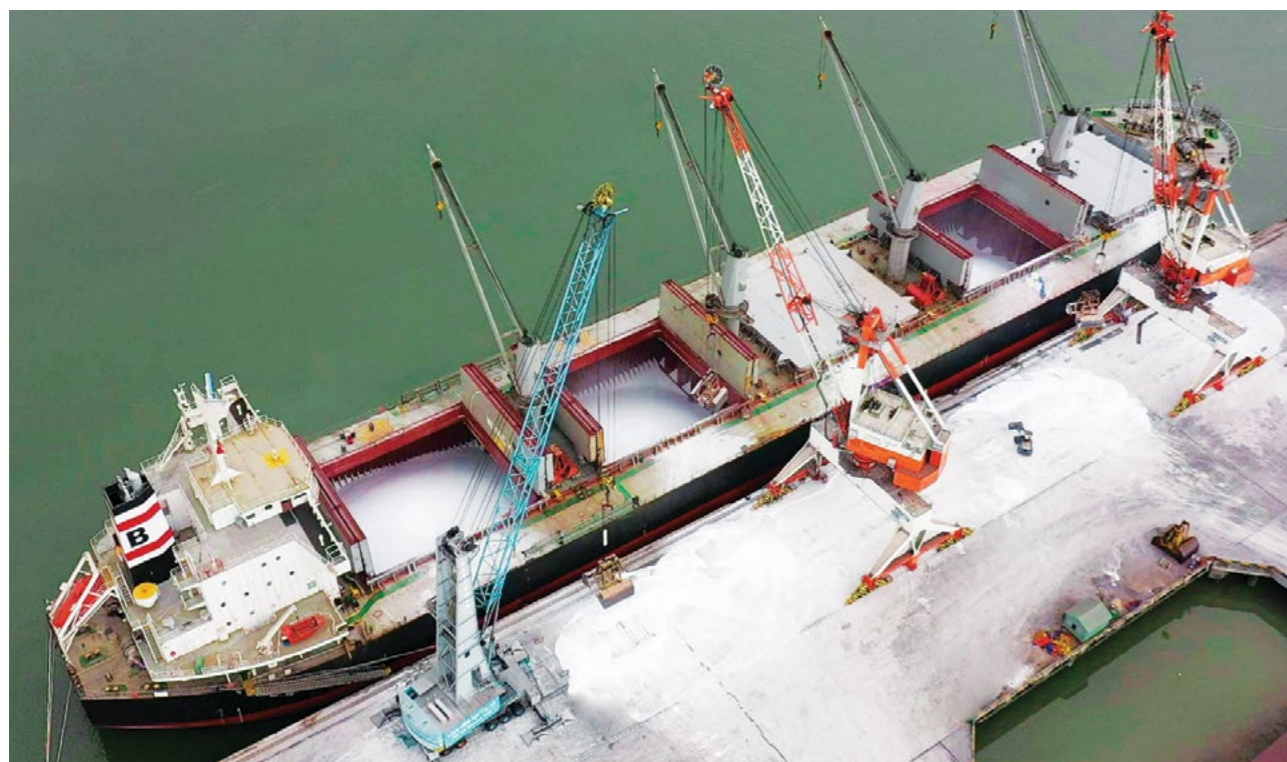
### RISKS REGARDING ENVIRONMENT AND REGULATIONS

In recent years, climate change has impacted the majority of regions in our country, in which some have suffered from the detrimental effects of tropical storms, flash floods and long-lasting heavy rain, others have suffered from long-lasting drought, and were affected by soil salinity, and so on. Climate change also negatively influenced agricultural production and plants. In the future, climate change is expected to become even more unpredictable, indirectly affecting the business and production activities of fertilizer companies in general, and PVFCCo in particular.

Vietnam has to open its fertilizer market in the integration progress, and many foreign enterprises are expected to invest in fertilizer production and business which can partly alter urea. Foreign enterprises with experience and great business management will become our strong counterparts in Vietnam.

Inauthentic and low-quality fertilizers that are not strictly managed would lead to disadvantages for prestigious business and production enterprises as PVFCCo.

The tax policies of Vietnam are currently in a consolidation period, which means that there are frequent changes and supplements directly related to the fertilizer industry. Therefore, risks regarding tax policy application, changes to taxes on fertilizers will have great effects on PVFCCo's operation. Fertilizer products transferred from having a 5% VAT applied to being VAT non-applied has led to the fact that the entire input VAT for fertilizer production and business would not be deducted and be accounted into expenses, which significantly impacts profits. Besides this, executing the EPC contract on the NPK fertilizer production project while there are changes in tax policies can affect the investment efficiency of the project.



*With the objective of developing PVFCCo sustainably, risks management is always among of major concern to PVFCCo. Therefore, PVFCCo continuously develops, implements and systematically updates risks management solutions with corporate management using advanced methods. This fulfills the role and enhances the ability of internal audit which is a crucial function in both risk and corporate management, consultation for the BOD and BOS in administration, management and prompt supervision for corporate's activities. In 2022, the internal audit division continued to perform the following tasks.*

- ▶ Conducting periodic audits with internal experts in different fields to totally examine production and business activities at branches and subsidiaries with audit program being built based on risk groups at PVFCCo.
- ▶ Conducting thematic audits based on anticipated, recognized, and assessed operational risks can have a direct impact on PVFCCo's business efficiency.
- ▶ In addition, the Internal Audit Division (IAD) cooperated with the training consultation organization to establish a management report system at PVFCCo according to advanced method, enhancing the ability and skills of audit. Accordingly, PVFCCo's IAD has continued to execute its plan by collaborating with international consulting

organization to perfect its internal managing system, perfect the corporate management framework for the upcoming period and review and update the risks list, build compliance matrix and optimize the execution process.

- ▶ Through annual internal audits, the Internal Audit Division (IAD) of PVFCCo continuously amends significant control issues and assesses the control efficiency in order to maintain an internal control system operating effectively. In addition, internal audits' results are discussed in periodic meetings of the BOD to strengthen management at PVFCCo.
- ▶ Consulting for the BOD in limiting and preventing risks through reporting, examining and appraising reports submitted by BOM under the handling competence and decision of the BOD.

*Not only does PVFCCo focus on target-oriented risks management but it also pays attention to other resources to continuously implement synchronous solutions to improve the efficiency of corporate management in general.*

- ▶ Integrating risks management into management processes, especially focusing on business anticipation and planning; the general resources management system of the enterprise is continuously enhanced, while having successfully operated Enterprise Resources Planning (ERP) in the first period, operated ERP in the second period with Hyperion Planning Management (HPM), Oracle Processing Manufacturing (OPM) was enhanced after being operated, and next would be the third period with Business Intelligence module BI, to maximize automatic control and direct control on the system, which contributes to improve managing competence at PVFCCo.
- ▶ Completing and continuing to amend, and optimizing operation of the reformation project related to the salary policy, which creates a breakthrough in salary distribution to enhance productivity and work efficiency, specifically: amending employee policy; amending and supplementing the Corporation's regulation on salary, bonus and welfare fund; Developing the competence framework for positions and the Key

Performance Indicators (KPIs), which helps the Management evaluate PVFCCo's accomplishment of divisional and overall targets.

- ▶ Recognizing the importance of digital transformation, in 2022 PVFCCo quickly applied digital office solutions and digitalized documents to all of divisions and regional companies, managed online activities through technological applications, and applied digitalized apps in operating to reduce manual work and optimize costs.
- ▶ In addition, PVFCCo gradually hired consultants to train officials in digital transformation in order to change managers' operational mindsets. Digital transformation enables businesses to save money on operational costs and invest in long-term growth plans. Managing through technological applications allows sellers to easily assess customers and improves the buyer's experience. This would increase PVFCCo's competitiveness in providing products and services that meet the needs of its customers.

*In the view of "sustainable, effective and humane development" as well as constantly promoting governance in accordance with advanced practices, the Management of PVFCCo was determined to complete and effectively operate Enterprise Risk Management (ERM), oriented to strategic direction to enhance corporate management capacity, and maintain its leading position and brand in the fertilizer and chemicals industry among investors.*

## PORT ON TRANSACTIONS, REMUNERATION AND OTHER BENEFITS OF THE BOD, BOM AND BOS

### SALARIES, BONUSES, REMUNERATION AND BENEFITS OF THE BOD, BOM AND BOS

PVFCCo implemented an executive remuneration scheme for members of the BOD, BOS and BOM in accordance with the law and PVFCCo's Compensation and Benefits Policy. This is aligned with its annual salary review and budget and the provision of fair reward for the competence and performance of each member.

Part-time members of BOD or BOS are entitled to remuneration according to job role and responsibility.

#### Details of salaries, remuneration and bonuses in 2022

(Unit: VND million)

No.	Full name	Position	Salary and bonus fund		
			Salary fund	Bonus fund	Total income
<b>I. Board of Directors</b>			<b>6,938</b>	<b>832</b>	<b>7,815</b>
1	Hoang Trong Dung	Chairman of the BOD	1,732	216	1,948
2	Le Cu Tan	Member of the BOD cum President and CEO	1,848	231	2,079
3	Duong Tri Hoi	Member of the BOD	1,595	199	1,795
4	Trinh Van Khiem	Member of the BOD	1,477	185	1,662
5	Louis T Nguyen	Independent member of the BOD	331	-	331
<b>II. Vice president and Chief accountant</b>			<b>10,642</b>	<b>1,330</b>	<b>11,972</b>
1	Le Van Quoc Viet	Vice president	1,595	199	1,795
2	Le Thi Thu Huong	Vice president	1,595	199	1,795
3	Dao Van Ngoc	Vice president	1,468	184	1,652
4	Tran Thi Phuong Thao	Vice president	1,595	199	1,795
5	Cao Trung Kien	Vice president	1,520	190	1,709
6	Ta Quang Huy	Vice president	1,420	178	1,598
7	Vo Ngoc Phuong	Chief accountant	1,447	181	1,628
<b>III. Board of Supervisors</b>			<b>3,199</b>	<b>363</b>	<b>3,562</b>
1	Huynh Kim Nhan	Chief supervisor	1,595	199	1,795
2	Le Vinh Van	Member of the BOS	1,313	164	1,477
3	Luong Phuong	Member of the BOS	291	-	291
<b>Total</b>			<b>20,824</b>	<b>2,525</b>	<b>23,349</b>

#### Trading of internal shareholders' and related persons' shares

- ◆ On March 4<sup>th</sup> 2022, the related shareholders in a group of shareholders of Nghe An Agricultural Materials Joint Stock Corporation announced they sold shares, decreasing their ownership rate to 5.998%.
- ◆ On March 25<sup>th</sup> 2022, Chief Accountant Vo Ngoc Phuong reported the sale of 24,700 shares, decreasing his ownership rate to 0%.
- ◆ On May 6<sup>th</sup> 2022, Deputy General Director reported the sale of 1,000 shares, decreasing the number of shares owned to 33,700 shares.
- ◆ On June 10<sup>th</sup> 2022, the related shareholders in a group of foreign shareholders i.e., Amersham Industries Ltd, CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Grinling International Ltd, KB Vietnam Focus Balanced Fund, Vietnam Enterprise Investment Ltd, and Wareham Group Ltd announced the purchase of 1,400,000 shares, increasing their share of ownership rate to 5.0852%.
- ◆ On June 22<sup>nd</sup> 2022, the related shareholders in a group of foreign shareholders i.e., Amersham Industries Ltd, CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Grinling International Ltd, KB Vietnam Focus Balanced Fund, Samsung Vietnam Securities Master Investment Trust, Vietnam Enterprise Investment Ltd, and Wareham Group Ltd announced shares purchased, increasing their share of ownership rate to 6.1604%.
- ◆ On September 29<sup>th</sup> 2022, the related shareholders in a group of foreign shareholders i.e., Amersham Industries Ltd, CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Norges Banks, Grinling International Ltd, KB Vietnam Focus Balanced Fund, Samsung Vietnam Securities Master Investment Trust, Vietnam Enterprise Investment Ltd, and Wareham Group Ltd announced shares sold, decreasing their share of ownership rate to 5.9472%.
- ◆ On October 7<sup>th</sup> 2022, the related shareholders in a group of foreign shareholders i.e., CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Norges Banks, Grinling International Ltd, KB Vietnam Focus Balanced Fund, Samsung Vietnam Securities Master Investment Trust, and Vietnam Enterprise Investment Ltd announced shares purchased, increasing their share of ownership rate to 6.2424%.
- ◆ On November 15<sup>th</sup> 2022: the related shareholders in a group of foreign shareholders i.e., CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Norges Banks, KB Vietnam Focus Balanced Fund, and Samsung Vietnam Securities Master Investment Trust announced shares purchased, increasing their share of ownership rate to 7.0544%.
- ◆ On December 5<sup>th</sup> 2022: the related shareholders in a group of foreign shareholders i.e., CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Norges Banks, KB Vietnam Focus Balanced Fund, Samsung Vietnam Securities Master Investment Trust announced shares purchased, increasing their share of ownership rate to 8.1035%.
- ◆ On December 30<sup>th</sup> 2022: the related shareholders in a group of foreign shareholders i.e., CTBC Vietnam Equity Fund, DC Developing Markets Strategies PLC, Norges Banks, KB Vietnam Focus Balanced Fund, and Samsung Vietnam Securities Master Investment Trust announced shares purchased, increasing their share of ownership rate to 9.2023%.

#### Contract or transaction with internal shareholders

In 2022, there were no transactions between the Corporation and the members of the Board of Directors, Board of Supervisors, Board of Management and managers.

#### Contracts or transactions with related organizations and individuals

- ◆ Gas sales contract with PetroVietnam Gas Joint Stock Corporation (PV Gas).
- ◆ Trademark transfer contract with Vietnam Oil and Gas Group (PVN).
- ◆ Purchase and sales contract between the Corporation and 4 affiliated subsidiaries.
- ◆ Contracts and transactions between the Corporation and other related parties (as disclosed in Corporate Governance Report in 2022).