



Chapter 6

SUSTAINABLE DEVELOPMENT REPORT

SHARING VALUES

Through 20 years of development, PVFCCo has always maintained and promoted the core value system "Professionalism - Efficiency, Dynamism - Creativity, Professionalism - Sharing, Aspiration - Outreach", through creating high quality products and services, actively contributing to the development of society, promoting the spirit of community building and environmental protection, thereby helping PVFCCo develop soundly and sustainably.



PRESIDENT AND CEO'S MESSAGE

PVFCCo's President and CEO undertakes the highest responsibility for the corporation's environmental policies/issues.



With the mission of accompanying together to build a sustainable foundation for Vietnam's agriculture, the growth goal in PVFCCo's development strategy will be aligned with the goal of accompanying the sustainable development of the agricultural and rural development. That goal will ensure that the achievements in the development of PVFCCo will be shared by supporting the local community as well as exchanging knowledge and experiences to help farmers save costs, enhancing cultivation efficiency, improving incomes and living standards.

PVFCCo has entered 2022 with considerable changes in the global political landscape. The world witnessed significant fluctuations in major economies together with a lot of loss and grief, followed by negative consequences affecting the people around the world. The Russia - Ukraine conflict made energy and agricultural product prices skyrocket, threatening the global supply chain; inflation in the US climbed to its highest level in 40 years. Interest rates also increased and the U.S. dollar appreciated, putting pressure on domestic currency while stock market moved down. Covid-19 pandemic, despite being controlled when almost people have been vaccinated, was still a long-term challenge for public health system.

Given that situation, PVFCCo has deployed appropriate response solutions, especially focusing on forecasting

to effectively adapt to market fluctuations, grasping opportunities to break through, affirming its position as a leading enterprise in the industry, achieving impressive business performance with highest-ever profit, strongly increasing benefits for shareholders.

However, we are also aware and believe that, to maintain long-term profitability, by not only ensuring shareholder benefit but also ensuring stakeholder inclusiveness. Given that awareness, in 2022 PVFCCo set up task groups associated with sustainable development goals, connecting with the groups that benefit from employees, suppliers, customers, people and other vulnerable persons caused by adverse market fluctuations in recent years. Some typical targets/activities and achievements of PVFCCo in 2022 are as follows:



Ensuring safe, stable, efficient and economical operation of the system; continuing to perfect the lean governance on the principle of strict compliance with regulations on environment and sustainable development as prescribed by law:

In 2022, PVFCCo has fully promoted our advantages, opportunities and resources to improve production capacity and operational efficiency in all areas. Accordingly, all factories have been operating in a safe

and stable manner, ensuring product quality. During the year, there have been no incidents related to safety, health and environment that may cause mishaps to people and production.



Maintaining a close connection in our system and implementing strategies and policies to cope with long-term pandemic, giving priority to digital transformation, accelerating application of information technology and ERP system:

Continuing to review and update pandemic prevention plans as recommended by Vietnamese agencies. At the same time, the Corporation set up a specialized department/special working group to prepare facilities, human resources and means to be readily respond to the pandemic circumstances.

Collectively deploying digital technology in business activities; deploying digital offices and increasing exploitation of information technology in order to improve the effectiveness of the Corporation's governance. In 2022, the Corporation has established a functional department to take responsibilities for the digital transformation.



Completing and implementing the 5-year development strategy from 2021 to 2025, adapting in the long term for the next period while focusing on seeking a stable source of manufacturing materials to maintain productivity, consolidating the Corporation's position as a leading enterprise in local market, expanding into overseas markets:

Based on the development direction to 2035 and the strategic vision to 2045 approved by the Annual General Meeting of Shareholders, PVFCCo has completed 5-year development plan and long-term development strategy.

Accordingly, the Corporation's general long-term development goal is to maintain its position as the No.1 fertilizer manufacturer in Vietnam and expand to producing and selling basic chemicals and petrochemical products with the goal of positioning PVFCCo as a pioneering chemical and green energy producer in Vietnam.



Building a professional team, while promoting the spirit of solidarity to overcome difficulties, willingness to sacrifice and dedicate with the policies in ensuring good physical and mental health, working conditions, and income for employees:

Apart from medium-term and long-term development strategy, PVFCCo continues to accelerate overall restructuring plans in terms of our operating model along with executing/perfecting employee policies,

skills training, taking care and improving living standards with many supporting activities and cultural exchanges, creating a playground to improve spiritual and physical life for employees.



Sharing success - community responsibility: Typical community support and social security programs in 2022...

During the past years, social security activities have become a tradition and cultural beauty in PVFCCo's great family. Inheriting that tradition, Trade Unions, Youth Unions, Veteran Associations, etc. have coordinated, connected and implemented many social security programs and projects to give direct support to the families entitled to enjoy numerous benefits from State policies and the families with difficult circumstances in countless localities across Vietnam.

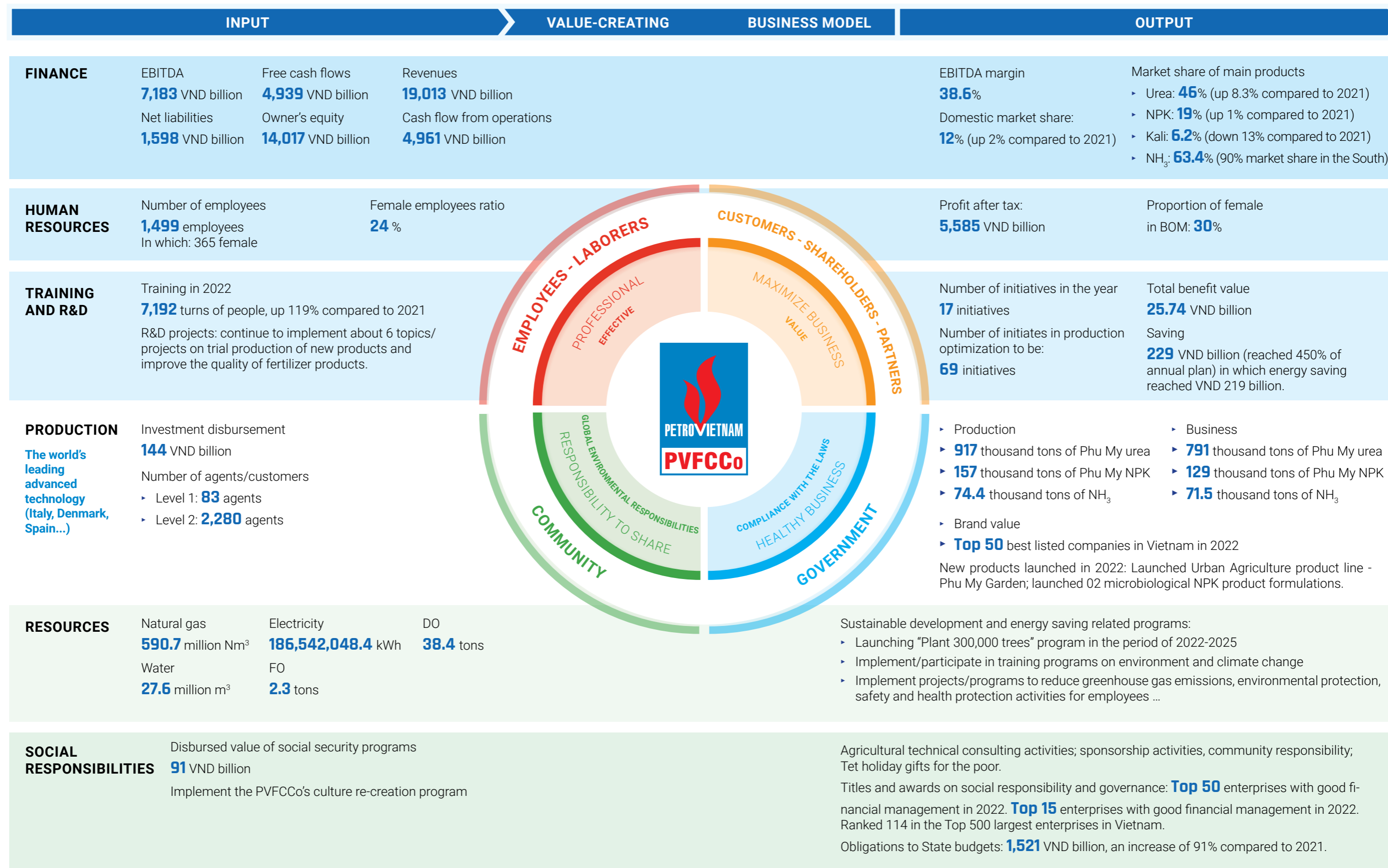
That goal will ensure that the achievements in the development of PVFCCo will be shared by supporting the local community as well as exchanging knowledge and experiences to help farmers save costs, enhancing cultivation efficiency, improving incomes and living standards.

The Corporation is well aware of challenges, disadvantages and negative impacts on sustainable development in both short-term and long term. With the mission of accompanying together to build a sustainable foundation for Vietnam's agriculture, the growth goal in PVFCCo's development strategy will be aligned with the goal of accompanying the sustainable development of the agricultural and rural development.

With the outstanding achievements that the Corporation has achieved in the past year, on behalf of the Board of Management, I would like to express my recognition of the spirit of dedication, cooperation and continuous efforts of PVFCCo's collective towards the common goals. During the past year, we have witnessed many struggles and unpredictable changes. However, the most important thing is that we have been ready to change and adapt with a spirit of optimism and persistence. With that will and spirit, I believe that we will be able to do better and go further to create sustainable values for shareholders and the community.

**President and CEO
LE CU TAN**

VALUE CREATION MODEL OF PVFCCO

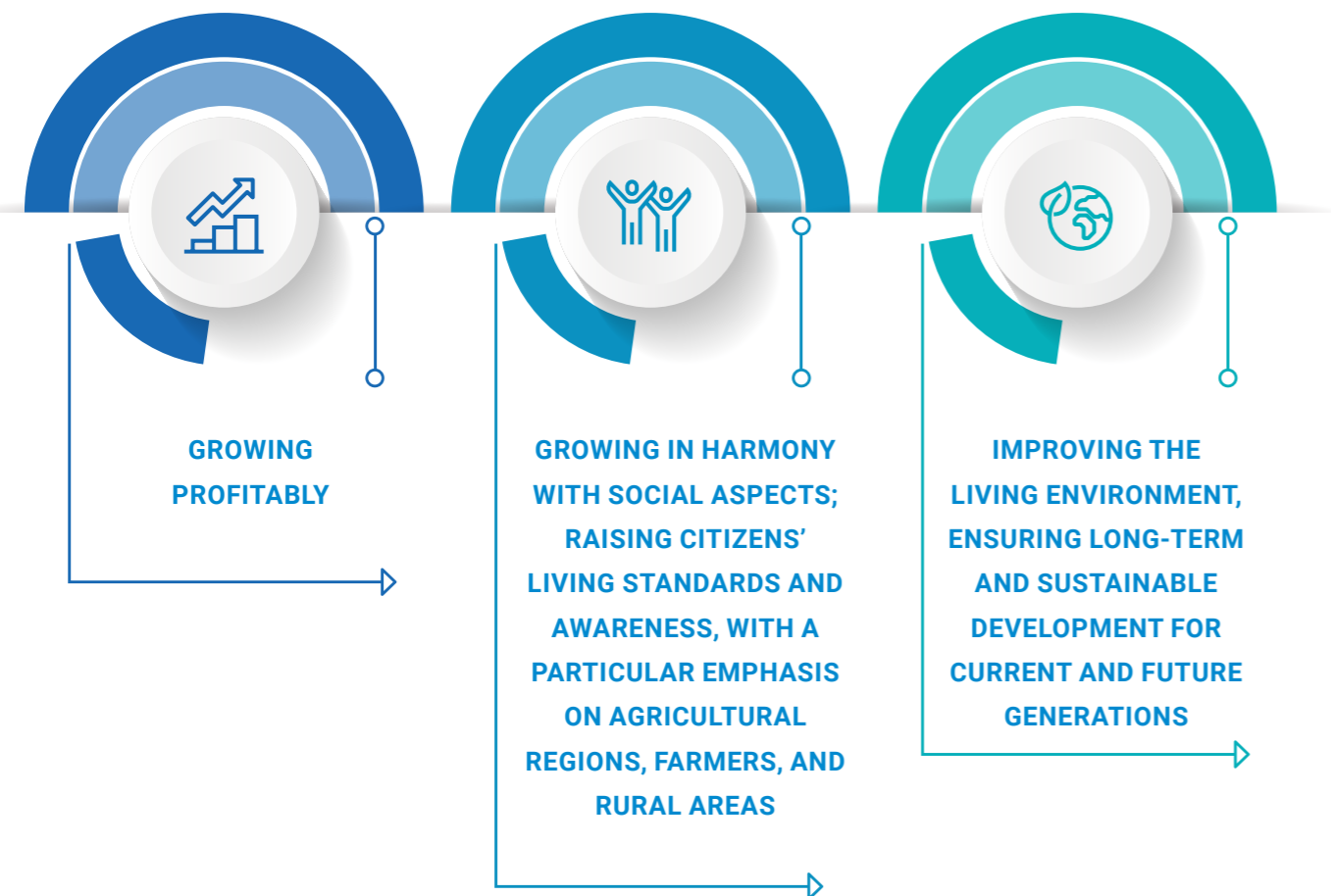


SUSTAINABLE DEVELOPMENT REPORT



In the past 20 years of developing, the business orientation “developing the enterprise integrated with environmental protection and social responsibility” has been preserved and developed by generations of employees as an asset and a cultural beauty of the enterprise.

The Corporation is a producer and distributor of fertilizer and chemicals. It is inextricably linked to agriculture, farmers, and rural Vietnam (the region accounts for 70 percent of the total population of Vietnam). In its development strategy, the Corporation considers sustainable development as its orientation, principle and core value. In the past 20 years of developing, the business orientation “developing the enterprise integrated with environmental protection and social responsibility” has been preserved and developed by generations of employees as an asset and a cultural beauty of the enterprise. The Corporation consistently pursues a balanced priority among goals and optimizes the execution thereof.



The Corporation has been acting in the interest of sustainable development, participating in society's activities in order to successfully implement Vietnam's strategic orientation toward sustainable development in particular, and the world's counterpart in general. The Corporation has recently implemented the following principles and activities:

EMPLOYEES

PVFCCo has built a culture of “Professionalism - Efficiency; Dynamics - Creativity; Aspiration - Outreach; and Responsibility - Sharing”, through a positive and professional work environment, fair employee policy and a friendly workplace. In particular, the achievements of PVFCCo are as follows:

- ◆ PVFCCo has invested in a manufacturing plant system and an office building, which are well-designed, properly ventilated, well-lit and air-conditioned. The Corporation has achieved energy efficiency and provided good working conditions for its workers.
- ◆ PVFCCo introduced key performance indicators (KPI) and improved their reward system. The Corporation also set up a framework to ensure a fair and professional working environment. At the same time, PVFCCo improved its human resource policies to ensure its employees have the amicable working conditions and career advancement opportunities.

TRAINING AND DEVELOPING HUMAN RESOURCES

7,192 turns of people
6 VND billion total training cost

- ◆ In 2022, the Corporation delivered training to 7,192 people, implementing 124% of the plan for 2022, reaching 119% from 2021, with total training cost of VND 6 billion, completing 62% of the plan for 2022, increasing 184% from 2021. The Corporation has continued to pay great attention to training activities to maintain and improve labor force quality.

- ◆ Building Corporate Culture: Accelerating Steering and Implementation Committee activities for PVFCCo culture; releasing an action plan for the last 6 months of 2022 on the basis of the Resolution of the Corporation's Communist Party on PVFCCo's cultural reproduction. Hiring consultants/experts for implementing PVFCCo's cultural reproduction; organizing 2022 PVFCCo culture seminars/workshops; organizing Team building with the topic “Conveying enthusiasm - Determining to succeed”.
- ◆ Assuring stable employment and income for the labor force. Fully implementing employee policies in accordance with national, Corporation, and labor agreements. Salary payments are made in accordance with the Corporation's regulations.



SUSTAINABLE DEVELOPMENT REPORT (continued)

CUSTOMERS

The Corporation provided customers with high-quality products, effective solutions and services as mentioned below:



- ◆ Ensuring high quality products is a top priority. All Phu My fertilizer products, other fertilizers and chemicals are complied with registered standards.
- ◆ To help farmers optimize the ratio of fertilizer usage and crop yield, PVFCCo partners with local authorities and scientists to organize cultivation technique workshops at experimental gardens and sample fields to train farmers.
- ◆ PVFCCo maintains its warehouse and logistics management systems well nationwide, so that their products are delivered to farmers on time at reasonable prices.

- ◆ PVFCCo maintains a product quality management system in accordance with the international standard ISO 9001:2015 to ensure that the product's quality remains consistent with its claims.

SHAREHOLDERS

In order to create products and services to maximize shareholder value, PVFCCo has carried out the following activities in 2022:

- ◆ PVFCCo implemented and completed targets and plans in production and business in 2022, especially the targets of revenue and profit before tax. Total revenue and profit before tax reached more than VND 19,000 billion and VND 6,606 billion, an increase of 45% and 74% respectively compared to 2021, continuing to set a new record in revenue and profit since the establishment of the Corporation.
- ◆ To ensure optimal use and control of its resources, PVFCCo has invested in IT such as business support software, document management software and other innovative approaches. The Corporation also invested and built its own resources planning application software such as ERP, STOP, 5S, APC, System 1, RBI, KPI, etc.
- ◆ The Corporation's Management is constantly concerned with and actively manages activities aimed at improving and rationalizing production and business. In 2022, 17 initiatives were approved, resulting in a profit of VND 26 billion; and 69 initiatives to rationalize production were approved, yet not be quantified profits.
- ◆ The activities relating to science and technology, research, and development continued to be cared for by the Corporation. Given the difficulties caused by the Covid-19 pandemic in the first half of 2022, the authors have made efforts to complete and deploy 7 topics and 10 items about other science and technology, prepare 4 reports on investment opportunities for potential projects to develop new products, test and successfully launch 1 new fertilizer product line in Vietnam (2 products with microorganism NPK Phu My) and especially develop and introduce a product line specialized for urban agriculture - Phu My Garden.
- ◆ The Corporation effectively reformed administrative procedures, conserved resources, and avoided waste in order to reduce management and product costs. The total savings in 2022 were estimated at VND 229 billion, or 450% of the year's budget, with approximately VND 219 billion in energy savings.

PROFIT BEFORE TAX

6,606 VND billion
an increase of 74% compared to 2021

TOTAL SAVINGS IN 2022

229 VND billion
reached 450% of the plan

GOVERNMENT

PVFCCo has ensured that its business activities complied with the laws. PVFCCo has achieved the following results:

PVFCCo contributed to the state budget: VND 1,521 billion, which reached 206% of the 2021 plan, an increase of 91% compared to 2021.

PVFCCO CONTRIBUTED TO THE STATE BUDGET

1,521 VND billion
▲ 91% compared to 2021

BUSINESS PARTNERS

In working with strategic business partners, the principles and values applied were: Healthy competition, collaboration and advancing customer best interests.



COMMUNITY AND SOCIETY

The Corporation is committed to carrying out its responsibilities to the community and society.

- ▶ Besides effective development and environmental protection, the Corporation was served both the employees and society.
- ▶ In 2022, the Corporation invested nearly VND 91 billion in numerous projects/programs (details in pages 112-113).

ENVIRONMENTAL AND GLOBAL ISSUES

Sustainable development along with environmental preservation and social responsibility is always the Corporation's motto.

During the last year, the Corporation has continued to keep its commitment to environmental protection, by actively participating in the action programs promoted by the Government within the "National environmental protection strategy to 2030, vision to 2050" and "National strategy on climate change to 2050" to implement Vietnam's commitments at the 26th Session of the Conference of Parties joining in the UN Framework Convention on Climate Change (COP26).

In particular, PVFCCo has implemented and achieved the following results:

- ◆ Implementing the research on clean energy transformation to reduce greenhouse gas emissions and environmental pollution.
- ◆ Measuring greenhouse gases, emissions and actions to reduce greenhouse gas emissions during fertilizer production.
- ◆ Maintaining preparation, communication and compliance with Policies, Regulations, and Processes in production and business. Continuing the existing programs and researching new programs on technology safety management and equipment maintenance program according to the standards of advanced countries in order to maintain the stability and the safe operation of equipment and machinery, minimizing energy consumption and CO₂ emissions.
- ◆ Applying and effectively maintaining the system for managing quality-health safety-environment energy according to the international standard ISO 9001:2015, ISO 45001:2018, ISO 14001: 2015 and ISO 50001:2011.
- ◆ In research and development activities, the Corporation always gives priority to application of the most advanced technology, reducing energy consumption and minimizing emissions and greenhouse gases.
- ◆ In 2022, the Corporation coordinated sustainable development objectives and duties as mentioned in its business and production and achieved positive outcomes.

REPORT ON SAFETY, HEALTH AND ENVIRONMENTAL PROTECTION



In 2022, the HSE implementation suffered from the general difficulties in the Corporation's business and production, resulting from the world fluctuations, the Covid-19 pandemic which was still present in the 1st quarter of 2022, hidden natural disasters, potential climate changes, the age of Phu My Fertilizer Plant after 19 years of operation with high risks from the old machines and equipment, etc.

However, the Corporation has taken the advantages in 2022 to overcome all difficulties and complete the plan and the targets as set out. Accordingly, the 2022 plan for HSE activities has been completed with the results as follows:

Maintenance and improvement of the Health, Safety, and Environment (HSE) management system according to international standards

◆ In 2022, the Corporation maintained and applied effectively HSE management system in line with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. In January 2022, the Corporation DNV received certificates for 3 systems and conducted 1st assessment by DNV.

- ◆ Accelerating HSE management system of the Corporation and its member units. Building regulation on HSE responsibilities in full time and part time. Enhancing HSE team under Trade Union, effectively supporting the HSE at workplace.
- ◆ The Corporation and its member units has built and deployed HSE objectives on the basis of HSE policy, in compliance with the actual business situation of each member units. HSE performance is quarterly assessed to evaluate completion level and timely give solutions to the uncompleted items.



Safety - Security, fire control, emergency response

Safety - Security, fire control and emergency response activities in 2022 have been completed as per the plan assigned by the Corporation's management team.

- ◆ In 2022, there will be no serious industrial accidents, fires, or explosions that endanger people or property.
- ◆ All entities, plants, ports and warehouses have strictly complied with the Corporation's requirements and the legal regulations.
- ◆ Completing Quantitative Risk Assessment Report 2022 for Phu My Fertilizer Plant, which was approved by the Ministry of Industry and Trade.
- ◆ Completing PSM Technology Safety Management System for Phu My Fertilizer Plant and applying maintenance management system for other equipment such as System 1, RBI, etc.
- ◆ Organizing maintenance workshops related to the increase in equipment failures due to inappropriate inspection and control of equipment.
- ◆ Organizing preliminary review of regulations on coordination between Ba Ria - Vung Tau's Police and PVFCCo to ensure Safety - Security and fire control.
- ◆ PVFCCo implemented repairs to the system of FPF at the building on 43 Mac Dinh Chi street and the building on 27 Dinh Bo Linh street as approved.
- ◆ Periodically inspecting Safety - Security and fire control at Phu My Fertilizer Plant and its affiliates. At the same time, inspecting for OSHA violations before the holidays.
- ◆ Producing statistics, reporting and investigating accidents and incidents in 2022 at all units. All incidents at Phu My Fertilizer Plant have been investigated and analyzed for the root cause to find any preventive measures.
- ◆ In 2022, Phu My Fertilizer Plant and its member units have tested 1,817 pieces of equipment with strict safety requirements in accordance with the law. In addition, safety - fire control equipment at Phu My Fertilizer Plant has been inspected and maintained, including: fire protection equipment, respiratory safety equipment, portable gas meter, fire truck, and ambulance.
- ◆ Organizing 17 disaster rehearsals regarding fire control and emergency response at Phu My Fertilizer Plant and the Corporation's warehouses, including a Rehearsal of Rescue and Fire Fighting Plan with many forces at Phu My Fertilizer Plant, attended by Fire and Rescue Police Department of Ba Ria - Vung Tau Province.
- ◆ All units in the Corporation strengthen security, safety and fire prevention during the national public holidays such as New Year, Lunar New Year, Reunification Day and Independence Day, and report to PVN as required.
- ◆ Making reports on occupational accidents and occupational safety and health in 2022 to the Department of Labor, War Invalids and Social Affairs and the Department of Health.
- ◆ Reporting rescue and fire control activities in 2022 to the local Fire and Rescue Police in accordance with regulations.
- ◆ Spreading safety information to employees was well maintained in the daily bulletin boards of the Corporation.
- ◆ PVFCCo estimated that the cost of fire prevention and suppression, as well as emergency response activities (including insurance against fire and explosion risks, rehearsals, trainings, propagandizing, purchasing and maintaining FPF equipment...) would be approximately VND 17 billion in 2022.

REPORT ON SAFETY, HEALTH AND ENVIRONMENTAL PROTECTION (continued)

Health Care - Disease prevention

The Covid-19 pandemic was complicated in the first quarter of 2022 and was then controlled effectively; therefore, the Corporation's business and production as well as the employee healthcare have recovered. Healthcare and pandemic prevention activities during the past year have achieved the following outcomes:

- ◆ In 2022, the Corporation has carried out periodical health checks for all employees in accordance with regulations.
- ◆ As the financial support for employees in case of medical treatment and hospitalization, PVI Care, the employee insurance program, continued to be implemented and supplemented.
- ◆ In addition, Phu My Fertilizer Plant has done screening of occupational diseases for employees to detect early and arrange for suitable outcomes. The number of employees with occupational deafness in 2022 is 24 people (compared to 25 people in 2021).
- ◆ Maintaining the Corporation's Steering Committee for Pandemic Prevention to promptly direct the pandemic prevention and quickly handle possible pandemic breakouts.
- ◆ Implementing seasonal flu vaccination for all the Corporation's employees.
- ◆ Regularly updating and implementing pandemic prevention measures (Covid-19 pandemic, monkeypox and other diseases) in accordance with the regulations, recommendations and instructions of the Vietnamese Government, the Ministry of Health, and other State agencies.
- ◆ Closely coordinating with localities, health agencies, and CDC to exchange information and promptly handle disease-related issues.
- ◆ All employees are aware of raising the spirit of proactive pandemic prevention, constantly updating and seriously implementing pandemic prevention measures under the guidance of the Ministry of Health.
- ◆ Purchasing equipment, chemicals and supplies for pandemic prevention such as face masks, hand sanitizer, etc.
- ◆ The cost for healthcare and pandemic prevention in 2022 is estimated at about VND 20 billion (including periodic health check, occupational disease examination, procurement of medical supplies, propagandizing, training, etc.).



Environmental protection and waste control

- ◆ In 2022, there was no violating the law and environmental pollution incident.
- ◆ All Business Units have fully implemented tasks to comply with the law on environmental protection such as announcing 2021 periodic environmental monitoring plan to the Departments of Natural Resources & Environment, carrying out periodic environmental monitoring as required in the Environmental Assessment Report and managing waste in accordance with the legal regulations.
- ◆ Renovating and repairing wastewater treatment system, including ETP at NPK Workshop and wastewater treatment system of the Building at no.27 Dinh Bo Linh Street.
- ◆ Implementing emissions inventory, greenhouse gas emission reduction and climate change mitigation such as emission inventory for production and business activities in 2022, making report on the performance of action plan on climate change mitigation and adaptation on PVN's Database, propagandizing PVN Handbook for Climate Change Communication, supporting Vietnam Petroleum Institute (VPI) in surveying and collecting documents related to greenhouse gas emission in production and business. In addition, the Corporation also implements energy efficiency (as described in Section 5 below).
- ◆ Working with the environmental inspection teams and inspectors in 2022: reporting and providing documents to the Inspection Team under the Government Inspectorate as requested by the General Department of Environment, working with the Delegation Team under the Environmental Police Department covering surveying, collecting information and documents on emission in the field of fertilizer production.

- ◆ Assessing the impact of legal documents on environmental protection, including Decree No. 08/2022/ND-CP, Circular No. 02/2022/TT-BTNMT, Decree 06/2022/ND-CP, Circular No. 01/2022/TT-BTNMT, and Decree No. 45/2022/ND-CP to instruct the units.
- ◆ Giving opinions on the development of legal documents regarding the environment: providing information about the survey on the implementation of regulations on tax and environmental protection fees, giving opinions on the draft of the project of making payment for forest environmental services in Ba Ria - Vung Tau Province, Giving opinions on the list of technologies, equipment and products to the environmental sector under industry and trade, providing information to serve quantitative risk assessment quantitative risk assessment of the effects of climate change on PVN's oil and gas projects.
- ◆ Training and participating in environmental instruction courses such as internal training on recycling fertilizer packaging, training on environmental monitoring done by the Southern Center for Environmental Monitoring, attending the workshop "Building and guiding measurement, reporting, and verification (MRV) to assess greenhouse gas emissions of Vietnam Oil and Gas Group in the period 2018-2030", attending the symposium "Re-valuing enterprises from environmental perspective: contribution of enterprises towards zero emission roadmap" organized by VCCI, etc.
- ◆ Coordinating with the departments in environmental works such as acceptance of environment-related reports in 2021 at the Corporation's fertilizer warehouses, the environment-related requirements applicable to the chemical business branch as for removing Petrochemical Mixing Workshop to NH₃ campus in Phu My Fertilizer Plant.
- ◆ Participating in World Wetlands Day, World Environment Day, Environment Month and Vietnam Sea and Island Week, and Ocean Day in 2022.
- ◆ Installing online monitoring equipment at Phu My Fertilizer Plant:
 - ▶ Online monitoring system for river water used for cooling has been accepted by DONRE and the system has transmitted data to DONRE in accordance with all regulations.
 - ▶ Granulating tower: continuing to follow up the feedback of MONRE on the proposal not to install online emission monitoring because no solution is found and increase monitoring frequency to once a month from 2020.
 - ▶ Online monitoring system of emissions at the chimney 20SK2201 at the old UFC85 Workshop (03 parameters: emission volume, total dust, and temperature): The system works normally.
 - ▶ Online monitoring system of emissions at the chimney 20SK2201 at UFC85 Workshop (07 parameters: SO₂, NO_x, O₂, CH₃OH, HCHO, Pressure, and CO): in progress of bidding package for installation.
 - ▶ Online monitoring system of emissions at the chimney 70SK2001 - NPK Workshop has been completed and transmitted data to DONRE from June 3rd 2022 as regulated.
 - ▶ 2022 environment-related figures are as follows:
 - » Fuel consumption:

No.	Fuels	Unit	Amount
1	Gas	Million m ³	590.7
2	FO	Ton	2.3
3	DO	Ton	38.4
4	Water	m ³	27,605,943.8
5	Power	kWh	186,542,048.4

Consumption water includes domestic water and groundwater serving production, river water for cooling machinery and equipment.

Waste figures

No.	Type of waste	Unit	Emissions	Amount of treatment	Level of treatment (meet national technical regulation)
1	Wastewater (*)	m ³	152,737	152,737	Good
2	Cooling water	m ³	29,132,940	29,132,940	Good
3	Air emission	m ³ /Quarter	12,080,565,600	12,080,565,600	Good
4	Domestic solid	Kg	113,352	113,352	Good
5	Industrial solid waste	Kg	1,171,833	1,171,833	Good
6	Hazardous waste	Kg	77,720	77,720	Good

(*) Wastewater includes: Domestic wastewater and production wastewater.

Estimated cost for environmental activities in 2022: Approximately **9** VND billion.

REPORT ON SAFETY, HEALTH AND ENVIRONMENTAL PROTECTION (continued)

Implementing energy saving and climate change mitigation

- ◆ Continue to implement projects/programs to reduce greenhouse gas emission in accordance with the list in Appendix 1 of Vietnam Oil Corporation's action plan to mitigate and adapt to climate change from 2018 to 2030.
- ◆ Consolidating the Steering Committee for Energy Management and its supporting team to save energy at the Corporation.
- ◆ Enhancing and replacing human resources in the Plant's energy management network.
- ◆ Publishing the Corporation's goals and action plans for efficient energy use in 2022 according to Decision no.114/QĐ-PBHC dated 19 April 2022.
- ◆ Paying all fees in 2022 to Vietnam Energy Association.
- ◆ Reporting plan to implement the 2023 tasks under the national program on economical and efficient use of energy in the period of 2019-2030.
- ◆ Hiring energy auditing consulting service at Phu My Fertilizer Plant in 2022.
- ◆ Attending the seminar on mechanisms, policies, and solutions for sustainable energy development in Vietnam which was organized in Hanoi on June 17th 2022.
- ◆ Updating legal documents in the energy sector.
- ◆ Conduct energy audit at Phu My Fertilizer Plant in 2022.
- ◆ Preparing records to participate in the award "Energy Efficiency in Industry in 2022" organized by Vietnam Association of Science and Technology for economical and efficient use of energy.
- ◆ Preparing records to participate in the program "Enterprise for sustainable development of Vietnam's energy" in 2022, organized by Vietnam Energy Association.
- ◆ In 2022, the Corporation as well as its member units have set goals for cost saving. The performance results have been monitored, reviewed and assessed KPI completion.
- ◆ At Phu My Fertilizer Plant, the goals are set for economical and efficient use of energy. The report on economical and efficient use of energy in 2022 and the policy for 2023 have been prepared and submitted to the Department of Industry and Trade of Ba Ria - Vung Tau Province.



Training, coaching and propagating HSE

- ◆ In 2022, the Corporation has organized many training courses on HSE and professional skills for employees to improve their job performance and management capacity:
 - » Training on OSH, Fire Control and Chemical Safety: group safety training in accordance with the law, radiation safety in industry, coaching fire control and rescue, giving technical guidance on Basel Convention and other guidance on monitoring the management of mercury-containing wastes, etc.
 - » Training and joining in environmental training courses such as: providing internal training on implementing responsibility for recycling packaging of fertilizer products, organizing specialized training course on environmental monitoring with Southern Environmental Monitoring Center, attending the Workshop "Building and guiding to measure, report and verify (MRV) to assess greenhouse gas emissions of Vietnam Oil and Gas Group in the period 2018-2030", attending the Symposium "Re-valuing enterprises from environmental perspective: Contributions of enterprises towards zero emission roadmap" organized by VCCI, etc.
- ◆ Promoting during the week of occupational safety and health, World Environment Day, Earth Hour, National Fire Prevention and Fighting Day, etc., only on live and online newsletters.
- ◆ STOP and 5S Programs are still applied and periodically evaluated at Phu My Fertilizer Plant to raise awareness of employees in OSH.
- ◆ Continuing to evaluate and reward employees according to the regulation by the quarter HSE rewards to encourage employees to actively participate in HSE at workplace.



REPORT ON SAFETY, HEALTH AND ENVIRONMENTAL PROTECTION (continued)

Main tasks of the safety, health and environment work in 2023



Safety, fire control, emergency response

- ▶ The most important task related to safety and fire control in 2023 is to ensure safety for overall maintenance at Phu My Fertilizer Plant.
- ▶ Ensuring not to incur any fire and explosion incidents that may cause damage to people and assets of the Corporation. Ensuring not to incur any serious occupational accidents at all works of the Corporation.
- ▶ All Units created procedures and implemented disaster rehearsals about emergency responses and chemical incident responses in 2023 to ensure preparedness in emergency cases.
- ▶ Consolidating fire prevention and fighting teams, making plan on regular and irregular fire and safety inspections in accordance with the law and the Corporation to ensure a stable human and material resource in case of an emergency.
- ▶ Phu My Fertilizer Plant continues to effectively applying equipment inspection and maintenance programs, continuing to improve and putting PSM technology safety management system into operation.
- ▶ All Units regularly check storm and flood response to ensure safety for people and avoid damage to goods in stores.
- ▶ All Units regularly check storm and flood response to ensure safety for people and avoid damage to goods in stores.
- ▶ Maintaining training courses on safety and fire control in accordance with the law as well as the advanced professional courses to meet the work requirements and ensure safety for production and business.
- ▶ Continuing to maintain STOP and 5S programs at Phu My Fertilizer Plant, building 5S at the Corporation's office (after repair), deploying educational supplies and activities, raising awareness in safety and fire control during the week of Occupational Safety and Health, Fire Prevention, etc.

Environmental acts

- ▶ Ensuring no environmental incident and full compliance with legal regulations on environmental protection.
- ▶ Continuing to implement the projects under the action plan for climate change mitigation and adaptation of PVN database.
- ▶ Deploying emission inventory, supporting PVN in developing projects on emission control and reduction of greenhouse gas emissions.
- ▶ Supporting the development of environmental requirements in the Corporation's projects.
- ▶ The Business Units fully make plan and conduct environmental monitoring for the warehouses/works and report to local governments as regulated.
- ▶ Monitoring wastewater and emissions, classifying and storing solid waste and hazardous waste in accordance with regulations. Signing contract of solid waste transfer with a legal treatment unit.
- ▶ The Units review hazardous waste storage to ensure that the storage area is in compliance with regulations (technical requirements for warehouses, labeling containers, etc.). Phu My Fertilizer Plant has built a new hazardous waste storage to replace the current temporary storage (NH₃ extraction station).
- ▶ The Units make plans for periodic inspection of environmental management in accordance with the regulations of the law, the Corporation and the Business Units.

Health - Pandemic Prevention

- ▶ Maintaining the Covid-19 pandemic preparedness in accordance with the legal regulations.
- ▶ Updating the situation of new diseases (monkeypox, influenza B, etc.) to have appropriate response and prevention plans.
- ▶ Annually monitoring working environments and having occupational disease examination as a basis for improving working conditions, preventing occupational accidents and diseases for employees in the entire Corporation.



CORPORATE SOCIAL RESPONSIBILITY REPORT



Implementing Social Security activities is the culture of PVFCCo. Given the situation that the country's economy in general and the agriculture in particular are facing to many difficulties and challenges which result from the pro-longed impact of Covid-19 pandemic, climate changes, natural disasters and economic - political fluctuations around the world, PVFCCo has continued promoting the spirit of sharing responsibilities with the community through meaningful and practical social security programs.

In 2022, PVFCCo has implemented numerous social security activities, valued up to over VND 91 billion, including building 150 great solidarity houses; deploying 2 healthcare projects/programs, 17 educational programs, gratitude programs, etc.; and giving scholarships to poor students and so on.

In early October 2022, Storm number 4, the strongest in the last 20 years, has caused damage to people and property in the North Central provinces. Faced with that situation, PVFCCo has cooperated with the Red Cross Society in Nghe An Province to give emergency relief to the families with property damage and unfortunate families who have loss of loved ones to overcome financial difficulties, trying to return to normal life and restore production after natural disasters.

PVFCCo has distributed approximately 30,000 Tet holiday gifts, worth almost VND 20 billion, to individuals facing challenging circumstances in 50 provinces and cities throughout Vietnam. This initiative, which was launched during the Lunar New Year, has contributed to providing a meaningful Tet celebration and a fresh start to the underprivileged.