

ROOTS TAKE HOLD DREAMS UNFOLD

Sustainable development report

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PRESIDENT AND CEO’S MESSAGE ON SUSTAINABLE DEVELOPMENT



“2024 WAS A SIGNIFICANT YEAR FOR PVFCCo, MARKED BY NOTABLE DEVELOPMENTS. NONETHELESS, OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT, SOCIAL RESPONSIBILITY, AND STAKEHOLDER PROSPERITY REMAINS UNWAVERING.

Dear Valued Shareholders, Partners and Colleagues,

In 2024, PVFCCo’s Management and employees reached consensus on a strategic direction for the next phase, positioning the Corporation as a global leader in the fertilizer and chemical sectors, while reinforcing our dominance in Vietnam and the region.

Aligned with this direction, we are committed to achieving growth objectives that support social sustainability, minimize environmental impacts, and contribute to the national “green growth” strategy. This commitment is grounded in the governance, environmental, and social (ESG) framework that PVFCCo has diligently developed over the past 20 years.

In late 2024, Typhoon Yagi, the most powerful to hit Vietnam in decades, severely impacted the agricultural sector and communities in Northern Vietnam. The typhoon resulted in hundreds of fatalities, thousands of injuries, and extensive damage to agricultural production. PVFCCo promptly launched support and reconstruction efforts, coordinating donation campaigns to assist affected communities in their recovery and return to normalcy. Driven by a tradition of mutual support and responsibility, PVFCCo is committed to partnering with the local community in the implementation of social security initiatives and programs.

The year 2024 was marked by significant global and domestic events, compelling countries, organizations, and enterprises to swiftly adapt and restructure their operations for greater efficiency. At the same time, they must respond promptly to emerging risks and fluctuations in the business and investment environment, alongside the accelerating global energy transition. Additionally, climate change and the increasing frequency of natural disasters threaten food and energy security, as well as the sustainable development and prosperity of nations and communities.



PVFCCo’s President and CEO undertakes the highest responsibility for the Corporation’s environmental policies/issues.

PRESIDENT AND CEO'S MESSAGE ON SUSTAINABLE DEVELOPMENT (CONTINUED)



In 2024, PVFCCo marks its 18th year as a public company, a milestone that coincides with a pivotal phase of transformation. This year focuses on restructuring and consolidating resources in preparation for the Corporation's expansion into the chemical sector, with the objective of establishing PVFCCo as a leader in basic chemicals and green energy in Vietnam. The Corporation has initiated key actions to progressively achieve its goals. This sustainable development report outlines our commitments, policies, and results in aligning with Governance, Environment, and Society (ESG) criteria, while identifying areas for further development in the next phase.

In 2024, PVFCCo prioritized strengthening ESG practices, rebranding, updating business policies, and enhancing risk management to reinforce corporate governance.

In 2024, the Corporation refined its strategy to prioritize green development, implementing action plans to minimize emissions. Simultaneously, it advanced organizational restructuring and emphasized the development of high-quality human resources to drive transformation and global expansion.

As part of its restructuring, the Corporation has refined performance assessment reporting, adjusted salary scales, and updated compensation, benefits, and labor policies to align with the new business environment, resulting in positive outcomes. Moving forward, the Corporation will continue to assess and enhance its policies to address emerging needs.

2024 was a significant year for PVFCCo, marked by notable developments. Nonetheless, our commitment to sustainable development, social responsibility, and stakeholder prosperity remains unwavering.



The transformation will be implemented with flexibility to adapt to market fluctuations while remaining aligned with the Corporation's sustainable and green development goals. Its success hinges on the shared support, understanding, and trust of shareholders, partners, employees, and the community.

On behalf of PVFCCo's Management and employees, I sincerely thank all stakeholders. As we move forward, we remain committed to strengthening our partnership and value your insights, which drive our pursuit of shared prosperity and sustainable growth.

President and CEO

Phan Cong Thanh

OVERVIEW ON SUSTAINABLE DEVELOPMENT REPORT



TERM OF REPORT

PVFCCo synthesizes information and data from its actual operations for the period of 01 January 2024 to 31 December 2024, into its sustainable development report, accompanying the 2024 Annual Report.

SCOPE OF REPORT

The report highlights PVFCCo’s production and sales of fertilizer and chemical products in Vietnam and its overseas markets. Activities of subsidiaries/affiliates as per PVFCCo’s ownership rates are presented in 2024 Annual Reports of those subsidiaries/affiliates. The disclosure is structured in compliance with Circular 96/2020/TT-BTC, incorporating VNSI sustainability criteria from the Ho Chi Minh City Stock Exchange and prevailing governance practices among leading listed companies.

UNITS/MEMBERS IN CHARGE OF PREPARING REPORT

	The Investor Relations (IR) team and the Legal & Compliance Division/Corporate Governance Officer: Serve as the focal points for report preparation, compliance monitoring of governance (G) regulations, and consolidating the content of the Sustainable Development Report.
	The Technical & Safety Division: Leads the Environmental (E) Report and oversees the planning, governance, and standardization of ESG reports and criteria for seamless integration into the Sustainable Development Report.
	Human Resource Management Division and Administration: Focal point for preparing Labor and Social Report (S).
	Reviewing and approving the report: Chairman and President and CEO.

CONTACT

We sincerely welcome your valuable input to ensure transparency and comprehensiveness in the report. Please feel free to send any contributions related to sustainable development issues to the following address:

IR Team - PetroVietnam Fertilizer and Chemicals Corporation

📍 Address: 43 Mac Dinh Chi, Da Kao Ward, District 1, Ho Chi Minh City

☎ Tel: 028. 3825 6258

✉ Email: lienhe@pvfccco.com.vn

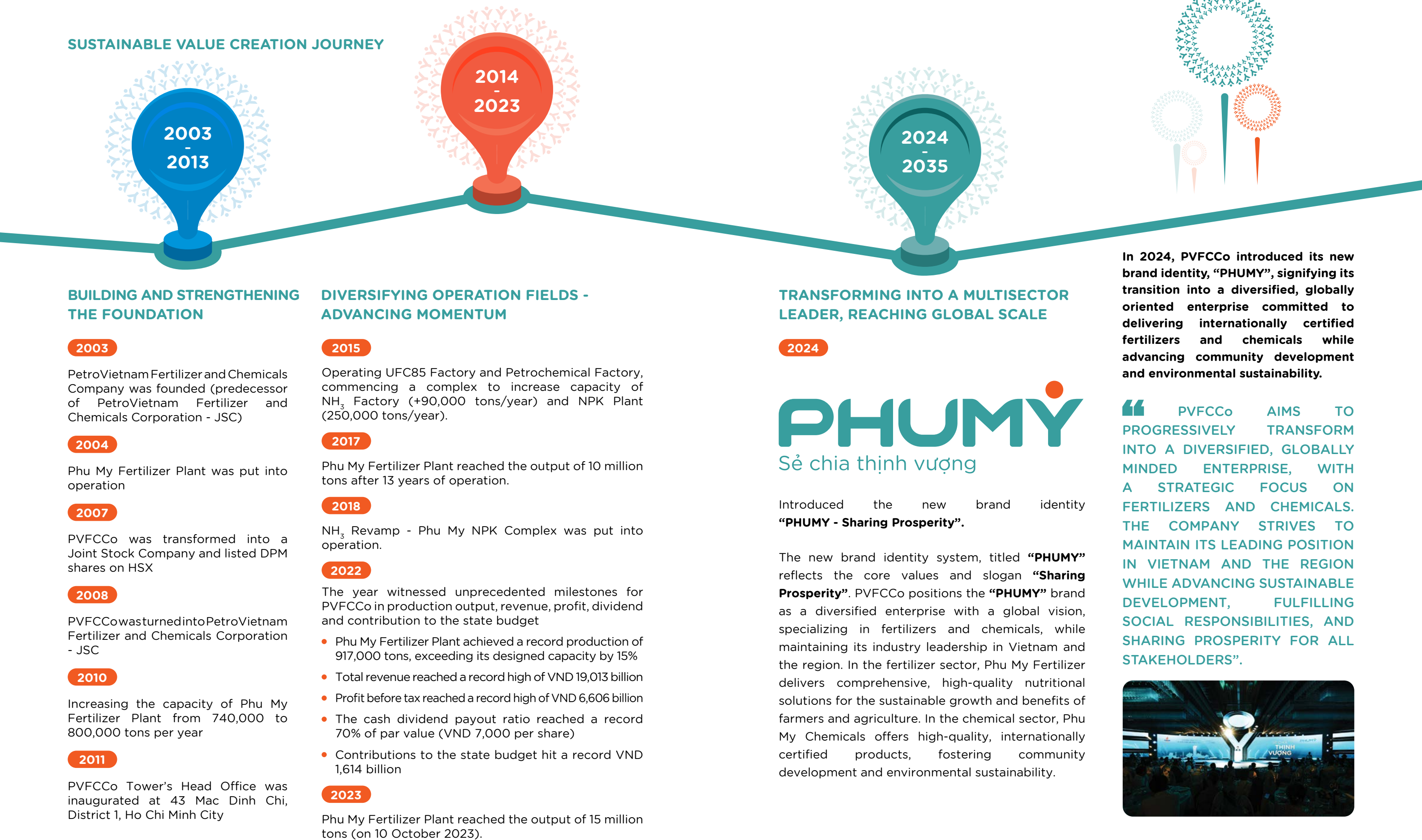
THIRD-PARTY ASSURANCE REPORTING

Information and content of PVFCCo’s Sustainable Development Report are confirmed by third parties, to be specific:

- Financial indicators according to PVFCCo’s 2024 Financial Statements are audited by Deloitte Vietnam.
- Environmental monitoring reports at Phu My Fertilizer Plant are carried out by Environmental Monitoring Center of Ba Ria - Vung Tau Province. Environmental monitoring reports at PVFCCo’s warehouses and office buildings are carried out by functional departments of provinces and cities.
- The HSE & Technology Division conducts the Energy Audit Report in strict compliance with state regulations, subject to review by the Ba Ria – Vung Tau Department of Industry and Trade. PVFCCo publishes these reports periodically on its official website.
- PVFCCo’s adherence to sustainability criteria is independently assessed and recognized by esteemed institutions, including the Ho Chi Minh City Stock Exchange (HoSE) through the VNSI Sustainability Index, the Asia Business Association, Vietnam Economic Times, Saigon Economic Times, and Investment Review.

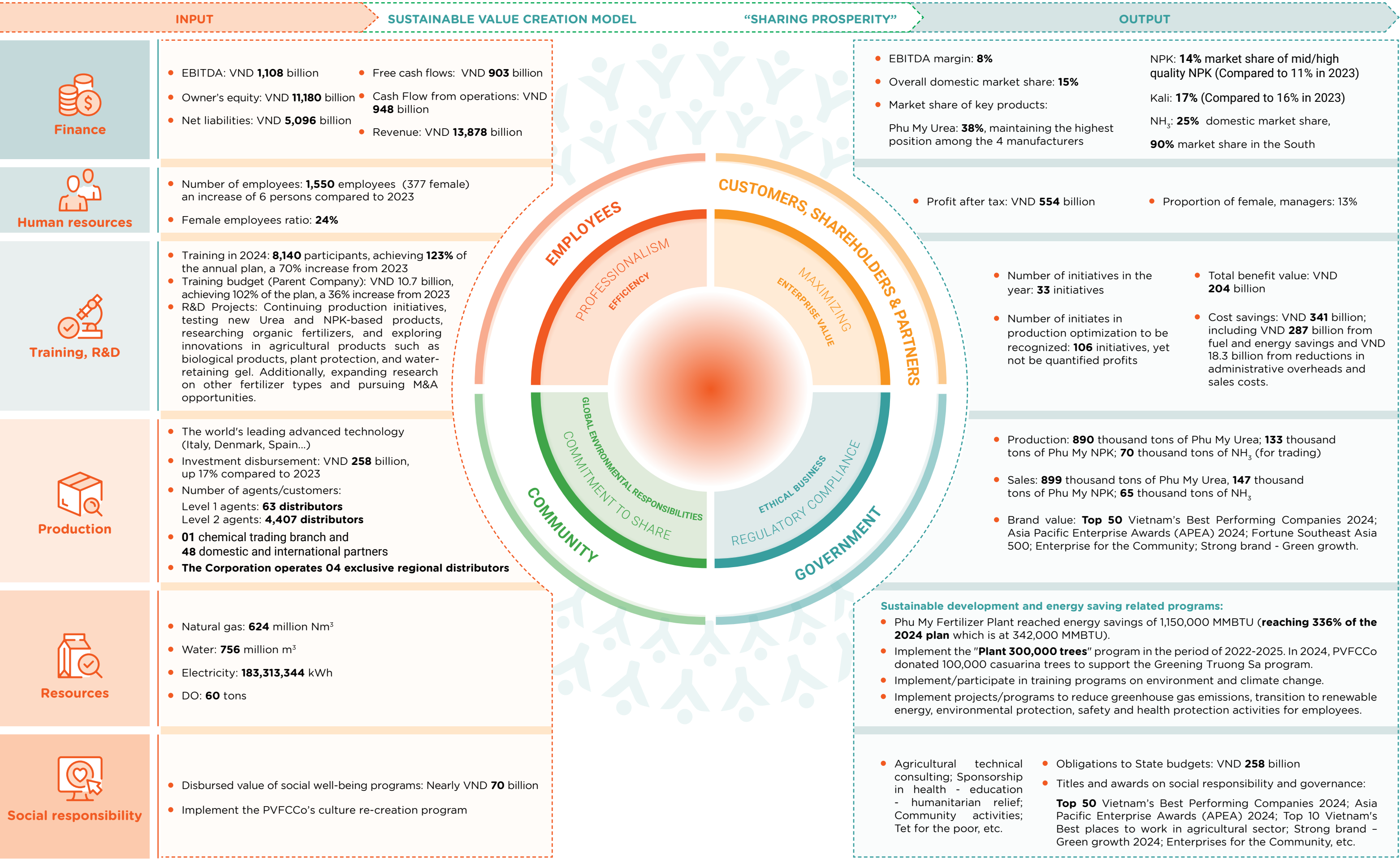
PVFCCo’S SUSTAINABLE VALUE CREATION MODEL

SUSTAINABLE VALUE CREATION JOURNEY



PVFCCo'S SUSTAINABLE VALUE CREATION MODEL

(CONTINUED)



OUTSTANDING AWARDS ON SUSTAINABILITY IN 2024



APEA Awards 2024: This marks PVFCCo's first recognition with this prestigious award, organized by Enterprise Asia, to recognize leading enterprises that advance equal business opportunities, foster a sustainable and diverse economy, and integrate economic, social, and environmental objectives.

Fortune Southeast Asia 500 - for the first time.

Top 10 Vietnam's Best Places to Work 2024 - High-tech agricultural sector; Top 500 Vietnam's Leading Employers 2024: Organized by Dau Tu Newspaper and Vietnam Business Research JSC

Top 10 Strong Brands - Green Growth in Vietnam 2024: Voted by Vietnam Economic Times



In 2024, PVFCCo was recognized as an **"Enterprise for the Community"** by Saigon Times, as part of the Saigon Times CSR awards. This marks the fourth consecutive year PVFCCo has received this honor for its impactful social contributions.



Top 50 Vietnam's Best Performing Companies 2024: Organized by Nhip Cau Dau Tu Magazine and the expert council, acknowledges outstanding achievements in corporate governance and operations. This recognition underscores the companies' contributions to sustainable development, long-term value creation, and their ability to sustain growth and profitability



SUSTAINABLE DEVELOPMENT ORIENTATION

VISION - FUNDAMENTAL MISSION

PVFCCo aims to establish itself as a multi-industry enterprise, retaining its leadership as Vietnam’s foremost fertilizer manufacturer and distributor, while gradually expanding into the basic chemicals and petrochemical sectors, and meeting international standards in both industries.



PVFCCo’S PRINCIPLES OF SUSTAINABLE DEVELOPMENT

The Corporation specializes in fertilizers and chemicals, serving Vietnam’s agricultural sector, including farmers and rural areas comprising nearly 70% of the population. It is progressively transitioning into a multi-industry enterprise, with a focus on fertilizer and chemical production, while expanding into global markets.

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 maintains a balanced and optimized approach to concurrently achieving the following objectives:










SUSTAINABLE DEVELOPMENT ORIENTATION (CONTINUED)

STAKEHOLDER ENGAGEMENT



“ PVFCCo IS ACTIVELY BUILDING AND NURTURING COOPERATIVE RELATIONSHIPS WITH STAKEHOLDERS, EMPHASIZING TRUST, TRANSPARENCY, AND MUTUAL SUPPORT. THIS STRONG CONNECTIVITY SERVES AS A ROBUST FOUNDATION FOR OUR PURSUIT OF SUSTAINABLE DEVELOPMENT AND OUR CONTRIBUTION TO VIETNAM’S AND THE WORLD’S STRATEGIC SUSTAINABILITY AGENDAS.

The specific principles and actions associated with the stakeholders of the Corporation during the past time are as follows:

 Employees	PVFCCo has built a culture of “Creativity - Professionalism - Efficiency - Sharing - Sustainability”, through a positive and professional work environment, fair employee policy and a friendly workplace. It is also a place where employees earn social respect through training, innovation, and are given opportunities to fully develop their professional competencies.
 Customers	The Corporation provided customers with high-quality products, safe and effective solutions and best services.
 Shareholders	The Corporation consistently develops its business operations to maximize enterprise value, continuously increasing value for shareholders.
 Government	PVFCCo has ensured that its business activities complied with the laws. In particular, the achievements of PVFCCo in 2024 are as follows: Contributed to the State budget VND 258 billion.
 Business partners	<p>In working with strategic business partners, the principles and values applied were: Healthy competition, collaboration and advancing customer best interests.</p> <p>The Corporation is committed to carrying out its responsibilities to the community and society.</p>
 Community and society	<ul style="list-style-type: none">• In addition to business efficiency, focusing on compliance with the regulations on environment, health and safety, the Corporation always pay high attention to and fully fulfills its responsibilities to employees and the community through many social well-being activities.• In 2024, the Corporation deployed a lot of work items/social programs with the total value of about VND 70 billion. Since its establishment, the total amount spent on social security activities has reached nearly VND 1,300 billion.
 Environmental and global issues	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 26 th Session of the Conference of Parties joining in the UN Framework Convention on Climate Change (COP26).

GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

THE CORPORATION'S DEVELOPMENT ORIENTATION FOR THE NEXT 10 YEARS 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.

OVER THE NEXT FIVE YEARS, PVFCCO WILL FOCUS ON EXPANDING FERTILIZER AND CHEMICAL PRODUCTION BY OPTIMIZING EXISTING FACILITIES AND PROJECTS, WHILE INTEGRATING NEWLY INVESTED VENTURES IN BOTH SECTORS.

PVFCCo is committed to supporting the Vietnam Oil and Gas Group (PVN) in implementing the national "green growth" strategy, aligning with PVFCCo's sustainable development objectives based on Environment, Social, and Governance (ESG) principles.

PVFCCo has developed an action plan featuring eight green solution groups, aligned with its commitment to sustainable development. This plan focuses on reducing greenhouse gas emissions through strategic management solutions and technological advancements, with an emphasis on energy efficiency, reduced energy consumption, and the adoption of alternative or renewable energies and materials.

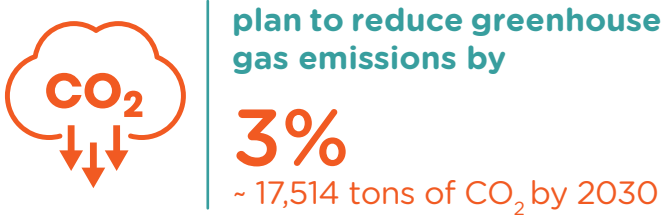


SOLUTIONS AND IMPLEMENTATION ROADMAP

The Prime Minister issued Decision No. 1658/QĐ-TTg on 01 October 2021, approving the National Green Growth Strategy for the period 2021-2030, with a vision extending to 2050. The strategy aims to promote economic restructuring, innovation in growth models, economic prosperity, environmental sustainability, and social equity, ultimately transitioning towards a green and carbon-neutral economy (Net Zero) while supporting global efforts to limit temperature rise.

In alignment with this, PVFCCo has adopted green growth as a key development strategy, emphasizing that economic progress must integrate environmental protection and sustainable production. This strategy is underpinned by key principles and solutions, including:

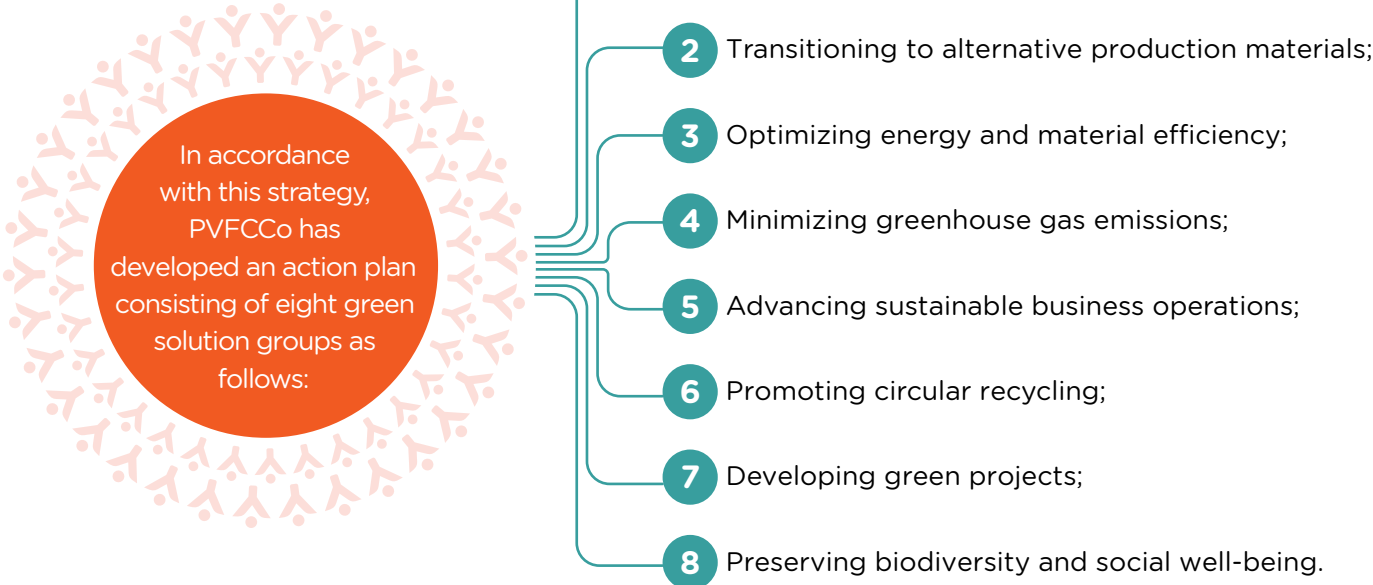
- Transitioning to clean energy and optimizing resource use.
- Recycling waste and reducing carbon emissions towards achieving Net Zero by 2050.
- Responding to climate change and fostering green projects, biodiversity conservation, and social security.



To achieve these objectives, PVFCCo has developed a strategy focused on greening its production and business activities. This includes adopting a circular economy model, leveraging science and technology, utilizing digital transformation, and developing sustainable infrastructure to reduce greenhouse gas emissions and mitigate environmental impact.

Aligned with national objectives, PVFCCo's major shareholder PVN's targets, and the Corporation's operational capacity, PVFCCo has established a plan to reduce greenhouse gas emissions by 3% (equivalent to 17,514 tons of CO₂) by 2030, relative to the Business as Usual (BAU) scenario. This target is a crucial step toward achieving PVFCCo's green growth and sustainable development objectives.



ACTION PLAN



GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

(CONTINUED)

The following outlines the key content, solutions, and outcomes achieved to date:

Green growth solution	Implementation plan	Implementation results in 2024
<div></div> <div>Prioritizing renewable energy utilization</div> <div>Decreasing dependence on fossil fuel, replacing with clean energy sources such as solar, wind, and water.</div>	<ul style="list-style-type: none">Coordinating with solar power producers to install self-produced and self-consumed rooftop solar systems on Corporation buildings and warehouses.Substituting part of the high-emission power grid with a low-emission alternative through a direct power purchase/sale mechanism.Replacing a portion of high-emission natural gas boilers with biomass boilers.Generating steam using biomass materials.	<ul style="list-style-type: none">Partnering with warehouse roof leasing units for solar power installations.Assessing the need to replace grid power with gas turbine-generated power at the Phu My Fertilizer Plant, alongside investing in a 110KV power station.Finalizing the Investment Opportunity Report on the high pressure steam production project at Phu My Fertilizer Plant under the self-investment plan.
<div></div> <div>Transitioning to alternative production materials</div>	<p>PVFCCo is collaborating with PVN and the Vietnam Petroleum Institute (VPI) to explore solutions for producing green H₂ and green NH₃:</p> <ul style="list-style-type: none">Utilizing renewable energy, specifically existing rooftop solar power, to produce green hydrogen.Replacing natural gas (NG) with green hydrogen in the production of green NH₃.Conducting scientific research at the Group level to replace or integrate hydrogen with gas materials at two fertilizer plants under PVN.	<p>Partnering with organizations such as GIZ, SK E&S, DNV, and HTAS to develop green hydrogen production technology and evaluate its application at existing plants.</p> <p>PVFCCo has submitted an official request to temporarily suspend scientific research, awaiting results from related studies to better prepare input conditions, which are critical for hydrogen source replacement and integration, thus minimizing costs and expediting implementation.</p>


Green growth solution	Implementation plan	Implementation results in 2024
<div></div> <div>Optimizing energy and material efficiency</div> <div>PVFCCo implements a range of solutions to improve management practices, enhance technological processes, and optimize production to reduce energy consumption, raw material usage, and greenhouse gas emissions.</div>	<p>Conducting energy audits every two years and implementing energy-saving measures beyond the post-audit plan:</p> <ul style="list-style-type: none">Replacing low-efficiency high-pressure sodium lamps with LED lights.Renovating HVAC (air conditioning) systems in building.Replacing the remaining Urea synthesis tower trays with new, high-efficiency models.Applying ISO 50001:2018 standards in energy management.Implementing an integrated Power Management System (PMS) with greenhouse gas (GHG) emission management.Installing inverters for electric motors.Upgrading the NH₃ recovery system at the Ammonia Plant (ARU).Reducing wasted energy in MP vent gas (air conditioning pipeline) and recovering heat from condensate water.Recovering heat from condensate water.Installing a CESS energy-saving system for the NH₃ compressor motor (Model 70-MPK-20023/K1-1).	<p>The following initiatives have been researched and implemented:</p> <ul style="list-style-type: none">Replacing existing lighting with LED lights.Upgrading the chiller to a new-generation, higher-efficiency model.Replacing the Urea synthesis tower tray with a next-generation version.Recovering MP vent gas, recovering heat from condensate water, and installing a condensate separator for 10E5053.
<div></div> <div>Minimizing greenhouse gas emissions</div>	<ul style="list-style-type: none">Operating the CO₂ Recovery Unit (CRU) to produce and sell commercial CO₂.Measuring greenhouse gas emissions and developing a plan to reduce emissions by 2030.Formulating a strategy to mitigate greenhouse gas emissions for PVFCCo.Launching a campaign to plant 300,000 trees from 2022 to 2025, including guidelines for evaluating and calculating CO₂ absorption.	<p>Planning to restart the CO₂ recovery system at the Phu My Fertilizer Plant to increase commercial CO₂ production and sales.</p> <p>Following the capacity upgrade of the NH₃ Revamp - Phu My NPK Complex Plant (without upgrading Urea capacity), the CO₂ produced is sufficient for high-load Urea production; therefore, the CRU is currently in preservation.</p>

GREEN DEVELOPMENT STRATEGY AND ACTION PLAN

(CONTINUED)

Green growth solution	Implementation plan	Implementation results in 2024
<div></div> <div>Advancing sustainable business operations</div> <div>Optimizing production to minimize waste, reduce resource usage, and create eco-friendly products</div>	<ul style="list-style-type: none">Ensuring compliance with environmental regulations and continuously improving management systems under ISO 9001, ISO 14001, and ISO 45001.Adhering to state regulations on product quality control.Recycling commercial fertilizer packaging.Implementing ESG programs in a comprehensive and effective manner, integrating ESG criteria into the Corporation's operations.Reducing cooling water consumption at the Phu My Fertilizer Plant.	<ul style="list-style-type: none">Local authority inspections confirm full compliance with environmental regulations, with no environmental incidents or violations in 2024.Maintaining and enhancing management systems per ISO 9001, ISO 14001, and ISO 45001, with reassessment and certification in 2024. In December 2024, PVFCCo conducted awareness training and internal audits to expand the team of assessors.In 2024, PVFCCo reported its commercial fertilizer packaging recycling activities on the National EPR Portal in compliance with legal requirements.
<div></div> <div>Promoting circular recycling</div> <div>Reusing and recycling resources to minimize waste and maximize value</div>	<ul style="list-style-type: none">Storing and reusing technological water (residual dust washing water) from NPK production in subsequent production stages at Phu My NPK Plant.Researching solutions to recycle treated wastewater from fertilizer production for irrigation and repurpose pallets into mulch for plants on the Phu My production site's campus.	<ul style="list-style-type: none">Reusing technological water (residual dust washing water) from NPK production in subsequent production stages at Phu My NPK Plant.Executing the procurement of equipment and materials and constructing a new "Dust Washing Water Recovery System (EHU)" at Phu My NPK Plant, with completion and operational launch expected by May 2025.

Green growth solution	Implementation plan	Implementation results in 2024
<div></div> <div>Developing green projects</div>	<ul style="list-style-type: none">Researching and developing the DEF/AdBlue project, an eco-friendly exhaust gas treatment fluid.Implementing biomass initiatives, including biomass-based steam generation, Phase II of the Commercial CO₂ project (exploiting the CRU cluster), and off-gas recovery.Investigating the production or co-production of fertilizers from organic sources.	<p>Contributing to PVN's strategic projects and programs, including the Green NH₃ Project and value chain expansion from the Long Son Petrochemical Complex, by preparing FS reports for component projects.</p> <ul style="list-style-type: none">Researching alternatives to partially replace gas raw materials/fuel sources at the Phu My Fertilizer Plant.Implementing energy-saving solutions, such as recovering heat from condensate water to heat fuel gas for Urea production and utilizing residual heat from boilers to reduce energy consumption, lower production costs, and cut CO₂ emissions.
<div></div> <div>Preserving biodiversity and social well-being</div>	<ul style="list-style-type: none">Implementing "Plant 300,000 trees" program in the period of 2022-2025.Organizing activities to raise employee awareness in support of campaigns such as "Clean Up the World", Earth Hour, and World Environment Day.Expanding social well-being initiatives.	<ul style="list-style-type: none">By the end of 2024, PVFCCo, in collaboration with the 4th Regional Command, had planted 205,650 trees, contributing to the greening of Vietnam's seas and islands. Tree planting will continue as planned for 2023-2025 (*).Hosting seminars and disseminating information on environmental protection through websites, SharePoint, and public areas.



() PVFCCo has actively participated in the "Greening Truong Sa" program launched by the Zone 4 Navy Command in 2023. In the first year, PVFCCo donated 100,000 casuarina trees and accompanying supplies. In December 2024, another 100,000 trees and supplies were donated for delivery to the Truong Sa islands. This effort reflects the Corporation's commitment to environmental stewardship and its support for the development of Truong Sa, enhancing its landscape, environment, and living conditions.*

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

ESG MODEL AND ORGANIZATION

The diagram illustrates the ESG Model and Organization. At the top, a large circular graphic features the letters 'ESG' in the center, with 'ENVIRONMENT', 'SOCIAL', and 'GOVERNANCE' written below it. The circle is surrounded by a ring of stylized human figures holding hands, and the background shows a city skyline with wind turbines. Below this graphic, a quote from the Board of Directors (BOD) describes the 2024 organizational changes. A flowchart below the quote shows the hierarchy: BOD - Science, Technology and Investment Committee (Independent BOD member) at the top, followed by the President and CEO, then the Vice President in charge of internal affairs, environmental safety, and legal compliance. This Vice President oversees two entities: the ESG Focal Point (Engineering & Safety) and Functional divisions/units and a network of coordinators in charge of ESG.

“ IN 2024, THE BOD CONSOLIDATED AND IMPROVED THE ORGANIZATIONAL STRUCTURE TO IMPLEMENT ENVIRONMENTAL - SOCIAL - GOVERNANCE (ESG) ACTIVITIES. ACCORDINGLY, THE BOD HAS APPOINTED AN INDEPENDENT MEMBER, WHO IS HOLDING THE POSITION OF THE HEAD OF SCIENCE, TECHNOLOGY AND INVESTMENT COMMITTEE, TO BE IN CHARGE OF ESG. THE COMMITTEE IS RESPONSIBLE FOR ADVISING THE BOD ON STRATEGIES AND ACTION PLANS ASSOCIATED WITH SUSTAINABLE DEVELOPMENT GOALS AND PARTICIPATING IN IMPLEMENTING AND SUPPORTING ACTIVITIES RELATED TO SUSTAINABLE DEVELOPMENT IN THE CORPORATION. DIRECTING, PROMULGATING AND IMPLEMENTING ESG POLICIES ARE UNDERTAKEN BY PRESIDENT AND CEO, VICE PRESIDENT IN CHARGE OF INTERNAL AFFAIRS, SAFETY TECHNIQUE AND LEGAL COMPLIANCE TOGETHER WITH THE FUNCTIONAL DIVISIONS AND MEMBER UNITS OF THE CORPORATION, BY ESTABLISHING A NETWORK OF COORDINATORS AS ESG FOCAL POINTS TO COLLABORATE WITH THE DEPARTMENTS SPECIALIZED IN ENVIRONMENT, SOCIETY AND GOVERNANCE”.

BOD - Science, Technology and Investment Committee
(Independent BOD member)

President and CEO (the person with the highest responsibility for ESG activities)

Vice President in charge of internal affairs, environmental safety and legal compliance

ESG Focal Point
(Engineering & Safety)

Functional divisions/units and a network of coordinators in charge of ESG

Professional governance, transparent information

PVFCCo was transformed from a 100% state-owned company into a joint stock company in 2007, operating in the model of parent company - subsidiaries.

Parent company and its subsidiaries are organized in the form of public joint stock companies, complying with the governance standards of a listed company. The current Board of Directors (BOD) of the Corporation has 5 members, including President and CEO and 01 independent member.

The BOD has 03 committees in charge of key areas, i.e. Planning and Business Committee, Risk Management and Policy Committee, and Investment Development and Science & Technology Committee. The committees are headed by BOD members with extensive experience in related fields. Committee Secretaries are managers with extensive experience and in-depth expertise in planning, investment, business, management and compliance along with a clear understanding of the Corporation’s operating strategy.

In 2024, the BOD consolidated and improved the organizational structure to implement Environmental - Social - Governance (ESG) activities. Accordingly, the BOD has appointed an independent member, who is holding the position of the Head of Science, Technology and Investment Committee, to be in charge of ESG. The Committee is responsible for advising the BOD on strategies and action plans associated with sustainable development goals and participating in implementing and supporting activities related to sustainable development in the Corporation. Directing, promulgating and implementing ESG policies are undertaken by President and CEO, Vice President in charge of internal affairs, safety technique and legal compliance together with the functional departments and member units of the Corporation, by establishing a network of coordinators as ESG focal points to collaborate with the departments specialized in environment, society and governance.

The Supervisory Board consists of 1 Head, 1 full-time member, and 1 part-time member.

A BOD member is holding the position of President and CEO. Assisting President and CEO includes Vice Presidents in charge of different areas such as production - technology and product quality, finance and marketing, international cooperation, legal compliance, internal affairs and R&D, investment and accounting & auditing.

At the Parent company, acting as advisors to the management is functional divisions according to each field. Dependent accounting units include branches and subsidiaries in the production and business localities of the Corporation.

Since its transformation into a public company, PVFCCo has operated for 18 years, achieving significant milestones. The extensive management experience acquired has established a strong foundation for the Corporation’s growth into a reputable, high-capitalization listed entity. DPM shares have garnered shareholder trust and recognition, consistently ranking among the top listed companies for information disclosure and corporate governance.

The fertilizer market (which is a core business operation of the Corporation) has undergone significant changes with new challenges and opportunities. Although the chemical sector has great potential for development, up to now, it has contributed a small proportion to revenue and profit. This requires a breakthrough in the Corporation’s corporate governance. A difficult duty of the BOD in this term is to thoroughly handle outstanding issues, improve exploitation efficiency of existing assets, enhance performance of previously implemented projects and promote the deployment of new investment projects in both fertilizer and chemical sectors with great potential as previously studied. At the same time, the Corporation needs to continue researching and establishing M&A process, finding new business cooperation opportunities to set out strategic goals in the direction of medium- and long-term sustainable development.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

For business management

The Corporation's system of regulation, policy, process and business model is required to be updated and completed to meet the market needs in the new context, enhancing efficiency of business management and minimizing risks. Business operation need to be planned in the alignment of medium and long-term product development strategy and regularly updated to suit the domestic and international market/developments.

For production

Phu My Fertilizer Plant has operated in more than 20 years; therefore, it is necessary to operate and maintain the plant in a focused and methodical manner through overall plans to improve maintenance and operation capacity, maintaining the Plant's performance and preventing arising risks. In addition, it is required to promote the coordination between production and business to maintain and improve capacity of NPK Complex Plant and chemical plants.

In addition to improving management efficiency in production and business, the BOD in this term continues to focus on restructuring Parent Company and its subsidiaries, improving and completing salary regime, employee policy, talent development and human resource enhancement to ensure high-quality manpower for the development in new stage.

Leveraging 20 years of achievements and the corporate governance expertise of the previous BOD, the new Board of Directors (2024-2029) is committed to steering PVFCCo and the Phu My Urea and chemical brand

towards overcoming challenges and achieving new heights. Our focus remains on delivering sustained value to shareholders, customers, employees, and the community, in alignment with our mission and business philosophy.

Under the leadership of the Board of Directors in 2024, PVFCCo successfully accomplished its established objectives, delivering notable results in the economic, environmental, and social sectors. The details are as follows.



ECONOMIC - ENVIRONMENTAL - SOCIAL PERFORMANCE

ECONOMIC PERFORMANCE

In 2024, amid the general economic backdrop and challenges within the fertilizer market, PVFCCo diligently strived to accomplish its production and business targets for the year with some key targets as follows:

- Total production output of Phu My Urea, NPK and other fertilizers: 1.03 million tons
- Total sales volume of Phu My Urea, NPK and other fertilizers: 1.3 million tons
- Total revenue reached VND 13,878 billion, a decrease of 1% compared to 2023.
- Profit before taxes reached VND 669 billion, a decrease of 3% compared to 2023.
- Dividend payment in cash: VND 1,500/share.

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.

Implementation results of digital transformation, risk management and sustainable development:

In 2024, the Corporation developed roadmap and plan for digital transformation in the period of 2023 - 2025, with a vision to 2030, and at the same time, making a plan to apply digital initiatives in conformity with PVFCCo's goals and resources, including the digital initiatives to support procurement, management, use, and optimal storage of raw materials, both meeting the needs of continuous and safe production of fertilizers and chemicals and improving production and business efficiency. In 2024, the Corporation also established Digital Transformation and Information Technology Division to be in charge of carrying out digital transformation and operating the information technology system in the Corporation.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Initiatives to improve and rationalize production and business, research and develop products and save energy:

The Corporation's Management is constantly concerned with and actively manages activities aimed at improving and rationalizing production and business. In 2024, the Corporation issued Regulations on science and technology management and Regulations on innovation and invention implementation. Accordingly, the regulations on management and bonus for research and innovation have been completed, encouraging employees to actively participate.

In 2024, a total of 33 initiatives were recognized for improving and rationalizing production and business operations (32 initiatives from Phu My Fertilizer Plant and 1 from the Corporation's Office). These improvements generated a value of VND 204 billion, with 106 production rationalization initiatives remaining unquantifiable. Additionally, the Corporation received 209 ideas (108 from the Plant and 29 from the Corporation's Office). Relevant ideas will be developed into initiatives to enhance production and business efficiency.

Scientific research activities in 2024 were conducted in accordance with the approved Science and Technology Plan. The Corporation undertook 12 research projects, including 5 assigned to the Safety Technical Division and Plant, and 7 to the Research & Application Center. Some of these projects align with the Vietnam Oil and Gas Group's program, such as the "Research and Investment Opportunity Report for the Long Son H₂SO₄ Production Project" at the Long Son Petrochemical Complex (LSP) under PVN.



In 2024

33 initiatives were recognized generated a value of VND 204 billion

In 2024, the Corporation continued to focus on product research and development, new investment projects, and energy-saving initiatives as follows:

- The Corporation advanced the development of new fertilizers to meet market demand, with an emphasis on diversifying products derived from Urea and NPK. It also prioritized the research and pilot testing of imported organic fertilizers, aiming to distribute approximately 15,000 tons in collaboration with large corporations by 2025. Additionally, the Corporation partnered with subsidiaries nationwide to explore other agricultural products, including biological products, pesticides, and water-retaining gels, while conducting research, application testing, and trials for potential fertilizers to expand the domestic market.
- Chemical projects: The Corporation collaborated with PVN on strategic projects to enhance the downstream value chain, such as preparing an investment opportunity report for the Long Son Petroleum Industrial Park, which includes six component projects: H₂O₂, H₂SO₄, MeOH, NaOH/PVC, ABS, and Green NH₃ (GNH₃). It also explored alternative raw materials and gas fuel for the Phu My Fertilizer Plant due to the decreasing availability of natural gas, rising gas prices, and the Government's prioritization of gas for power generation.
- The Corporation sought investment opportunities in new product development to optimize capital and expand operational capacity, including the H₂O₂ project, off-gas recovery, Melamine and AdBlue.
- Energy-saving initiatives focused on researching, evaluating, and applying solutions to reduce energy consumption, lower production costs, and minimize CO₂ emissions, thereby improving plant efficiency.

ENVIRONMENTAL PERFORMANCE



TO ENSURE PRODUCTION EFFICIENCY AND SUSTAINABLE DEVELOPMENT WITHIN THE CHEMICAL FERTILIZER SECTOR, HEALTH, SAFETY, AND ENVIRONMENT(HSE)REMAINSACORE PRIORITY FOR THE CORPORATION.

Since its inception, the Corporation has been recognized as a leading entity within the Vietnam Oil and Gas Group for its commitment to HSE. Acknowledging the critical importance of HSE, PVFCCo has developed a comprehensive and cohesive management system, ensuring alignment from the Corporation level to plants and member units, and from top leadership to full-time and part-time specialists.

In response to global challenges such as climate change, environmental protection, and social equity, the Corporation has not only maintained the effectiveness of its HSE activities but has also integrated ESG solutions into its production and business strategies. This initiative aims to enhance social responsibility and support national sustainable development goals. By aligning with ESG standards tailored to the industry's unique characteristics, the Corporation positions itself to access resources more efficiently, particularly in the context of the global energy transition, especially within the oil and gas sector.

HSE system according to international standards and implementation mechanism

PVFCCo has issued HSE and Energy Policy with a strong commitment to ensuring safety for human and assets, environmental protection and climate change limit; ensuring product quality as registered; using energy efficiently in production and business; increasingly improving to enhance product quality and productivity.

At present, the Corporation still maintains and improves HSE system and quality control in accordance with the international standards ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015. PVFCCo's HSE system is annually audited and

re-certified every 3 years by Det Norske Veritas (DNV). This is a message of the Corporation on its concern and compliance with regulations on occupational health and safety, community responsibility, and environmental protection towards the goals of increasingly enhancing product quality of the Corporation.

Since its beginning, the Corporation has built HSE system from the Corporation level to its member units. Accordingly, PVFCCo has issued a lot of regulations in written on rights and obligations related to HSE to full-time and part-time staff and set up a safety and hygiene network to ensure that all HSE activities comply with the law, the Group's policies and the Corporation's regulations.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Report on Safety - Fire Prevention & Fighting - Emergency Response in 2024

Occupational accidents/technology and equipment failures

- In 2024, all production and business activities of the Corporation took place in safety without any occupational accidents at any work.
- There were 13 technology/equipment incidents at Phu My Fertilizer Plant in 2024. However, all incidents have been investigated for direct causes and root causes according to Accident investigation and reporting guidelines of the Corporation. Preventive and corrective actions for each incident have been also implemented, monitored, completed, reported and recorded sufficiently.
- All units submit their grassroots occupational accident reports to the local Departments of Labor, War Invalids and Social Affairs in accordance with regulations.

Fire Prevention & Fighting - Emergency Response

- In 2024, the Corporation has consolidated the Steering Committee for Emergency Response and Assistant Team for the Steering Committee for Emergency Response of the Corporation.
- In September 2024, the Corporation held a conference to summarize 5 years of implementing the regulations on coordinating to ensure Security and Order, Safety - Fire Prevention & Fighting between the Police of Ba Ria - Vung Tau and PVFCCo and to reward collectives and individuals with achievements in implementing the Coordination Regulations.
- The Corporation continued to repair Fire Prevention & Fighting system of the buildings at 43 Mac Dinh Chi and 27 Dinh Bo Linh. Phu My Fertilizer Plant repaired underground fire

water pipeline of 10,000-ton finished goods warehouse. The work has been reported to the Police of Ba Ria – Vung Tau as regulated.

- All units in the Corporation have maintained and checked fire prevention and rescue equipment in accordance with regulations, instructions and standards and always ensured that they are ready for operation. All equipment is monthly checked, recorded into minutes and filed in fire prevention & fighting dossiers.
- All projects of the Corporation are subject to mandatory fire and explosion insurance according to the applicable regulations.
- In 2024, the Corporation conducted 16 fire drills and chemical incident response at the buildings, the technological zones of the Plants and all the warehouses and ports of the Corporation in accordance with the law. The chemical incident response plan for the works arising during the production process of Phu My Fertilizer Plant has been appraised by the Ministry of Industry and Trade. The oil spill response plan for the An Giang inland waterway port have been approved by the competent authority.
- The units have developed 2024 OHS plan, implemented 2024 OHS action month, and summarized 2023 group-level OHS & fire prevention awards.
- Deploying and reporting the results of activities in response to National Week for Natural Disaster Prevention and Control; issuing directives to strengthen security, safety and fire prevention during holidays; and strengthening response during 2024 stormy season.
- In 2024, the Corporation fully reported on fire prevention & fighting and emergency response to PVN and the competent authorities in accordance with regulations.



Technology safety and equipment inspection

- In 2024, the Corporation completed the registration and inspection for 1,853 devices with strict safety requirements in accordance with legal regulations.
- Maintaining technology safety assurance such as applying technology safety system at the plant, for examples, RBI, SYSTEM 1, PSM, etc. to prevent technology and equipment incidents.
- STOP (Safety Training Observation Program) continues to be effective at Phu My Fertilizer Plant. In 2024, the number of unsafe STOP cards accounted for a high proportion (69.8%) while the number of safe STOP cards accounted for a small proportion (30.2%). All STOP cards were investigated for causes to propose corrective actions and make statistics for monitoring and prevention.

Expenses for Safety - Fire Prevention & Fighting - Emergency Response:

Total expenses for Safety - Fire Prevention & Fighting - Emergency Response in 2024 was VND 46.17 billion.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

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Health care and occupational hygiene

Periodic health check-ups and occupational diseases

- In 2024, all units conducted periodic health check-ups for all employees according to regulations, in which 1,507/1,550 employees participated in health examination (accounting for 97%). The health examination results of employees were classified and the employees were provided with disease consultation by the doctors of the units.
- Occupational diseases: As of 31 December 2024, the number of cases affected with occupational deafness was 27 people (one person less than in 2023 because he was re-examined and concluded not to have occupational deafness).
- In 2024, Phu My Fertilizer Plant has 20 cases submitted to Medical Assessment Council for occupational deafness examination. At present, the Plant is coordinating with the Medical Assessment Center of Ba Ria-Vung Tau Province for examination, expected to be completed by March 2025. All cases of occupational deafness at the Plant have been recorded and shifted to the working areas with noise level below 85 dBA, less time exposed to noise and regular examination to ensure no recurrence or severe progression.

First aid and health insurance

- The Corporate’s Head Office is equipped with Medical Room. Phu My Fertilizer Plant is also equipped with a medical station with many hospital beds, ambulances and other medical equipment. Ports and warehouses are also provided with first aid cabinets.
- The Corporate’s Head Office and Phu My Fertilizer Plant have specialized doctors and medical staff to provide first aid and medical advice to employees as necessary.
- 100% of the Corporation’s employees have health management records. Every 6 months, the units send occupational health report to the local authorities.

- The Corporation continues medical and personal accident insurance (PVI Care) for all employees and supports PVI care for their family members.

Labor Hygiene – Personal Protective Equipment (PPE)

- In 2024, all units developed and approved their OHS Plan to implement and report. Particularly at Phu My Fertilizer Plant, OHS report is quarterly reported to OHS Council.
- In 2024, all units completed labor environment monitoring report and submitted to the local Departments of Health in accordance with legal regulations.
- Personal Protective Equipment (PPE): 100% of plant workers, the staff who regularly work at the plant and employees at the units are fully equipped with PPE according to regulations.
- In 2024, the number of workers working in hazardous environment at Phu My Fertilizer Plant were 724 people. 100% of employees enjoyed monthly allowances for hazardous work in accordance with the law (including fresh milk, condensed milk and fruit juice).
- At the offices of the Corporation and Phu My Fertilizer Plant, 5S Program is applied to keep a clean and safe working environment.
- In 2024, the Plant collaborated with the Ho Chi Minh City Nutrition Research Institute (NRI) and the Southern Branch of the National Institute of Occupational Safety and Health (SNIOSH) to host a “Seminar on health consultation and the prevention and control of occupational deafness”.

Total expenses for Health Care - Labor Hygiene in 2024 was: VND 29.172 billion



Environmental activities

In 2024, environmental management was performed well, complying with legal requirements. There was no violating the law and environmental pollution incident.

There were 4 environmental inspections in 2024. The inspection results show that the environmental acts at the Plant have been effectively implemented in compliance with legal regulations. To be specific:

Application for Environmental License and Environmental Registration

- Already submitted application for Environmental License for Long An and Tien Giang warehouses.
- Coordinating with the Corporation’s Head Office to complete application for Environmental License for Building 27 Dinh Bo Linh.
- Phu My Fertilizer Plant is conducting procedures to hire consulting services to apply for Environmental License for housing area in Phu My Fertilizer Plant.
- Already completed environmental registration for Phu My Fertilizer Apartment, acid tank project and Binh Phuoc warehouse.

Greenhouse gas inventory

- Completing 2022, 2023 greenhouse gas inventory and developing greenhouse gas emission reduction plan for the 2026 – 2030 and 2030-2050 period. Greenhouse gas inventory report is posted on the Corporation’s website: www.dpm.vn
- Providing 2023 greenhouse gas inventory to PVN.
- The Plant is preparing the 2024 Greenhouse

Gas (GHG) Inventory Report for submission to the People’s Committee of Ba Ria-Vung Tau Province by 31 March 2025. Upon review, the finalized report will be submitted to the Ministry of Industry and Trade and the Ministry of Natural Resources and Environment by 31 March 2025, in compliance with regulations.

Sustainable development

As the focal point for ESG implementation across the Corporation, the HSE Division implemented the following activities in 2024:

- Entering survey data and collecting data to implement PVN’s scientific researches such as “Researching and proposing management policy and techniques to enable PVN and units to be ready for participating in domestic and international carbon market”, and surveying information on tree planting program.
- Preparing for carbon management according to the regulations.
- Making reports to PVN on greenhouse gas such as: Synthesizing the implementation of climate change and greenhouse gas emission reduction; Requesting reports on the implementation and the plan for Carbon capture and storage (CCS) to reduce emission.
- Attending training courses and workshops on: ESG overview and issues for PVN and its member units; the 2nd Workshop “Practice carbon market simulation tool”; Workshop “Low-carbon energy and technology development – opportunities and challenges”; “Carbon footprint calculation method for PVN and its member units”; Adaptation to climate change, greenhouse gas reduction of Vietnam Oil and Gas Group and its member units; MRV guidelines for greenhouse gas reduction and greenhouse gas inventory in industry and trade sector.
- Attending Training/Workshop: carbon footprint calculation methodology, carbon market
- Reporting to PVN on the implementation of Circular 42/2020/TT-BCT on importing data into Environmental Database of industry and trade sector.
- Organizing activities in response to: World Wetlands Day 2024, World Water Day, World Meteorological Day, and Earth Hour Day 2024.

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Giving opinions on environmental legal documents

- Giving guidance on investigation, assessment and compensation for damages caused by environmental incidents arising from oil and gas activities; making summary report on the implementation of the Law on Marine and Island Resources and Environment 2015, Decree of amending and supplementing Decree No. 06/2022/ND-CP, Decree of amending and supplementing Decree No. 08/2022/ND-CP, and Draft regulations on industrial emissions and wastewater.

Recycling packages and managing solid waste, gas emissions and wastewater

- Already recycled packaging of fertilizer products and declared on the National EPR (Extended Producer Responsibility) Portal.
- Handling waste including solid waste, gas emission and wastewater in accordance with legal regulations: Solid waste is classified at source and collected into hazardous bins (orange), industrial bins (black) and household bins (green). The bins are placed at production sites, offices and workshops where waste is generated and are periodically gathered to the hazardous waste storage area.

- Emissions at Phu My Fertilizer Plant are periodically monitored according to the approved environmental impact assessment report. At Phu My Fertilizer Plant, an automatic continuous emission monitoring system has been installed, according to Decree No. 08/2022/ND-CP, for 02 chimneys i.e. 20-SK-2201 of UFC85 production process and 70-SK-2001 of NPK Plant, and officially transmitted data to the Department of Natural Resources and Environment of Ba Ria - Vung Tau Province.
- Domestic wastewater and industrial wastewater are monitored according to the approved environmental impact assessment report. Phu My Fertilizer Plant has 01 automatic continuous cooling river water monitoring system and has transmitted data to the Department of Natural Resources and Environment of Ba Ria-Vung Tau Province since February 2021.

2024 environment-related figures:

- Fuel consumption:

No.	Raw materials, fuel, power and water consumption	Unit	Quantity 2024	Compared to 2023
1	Gas	Tr.m³	623.8	524.6
2	DO	Ton	59.925	223.2
3	Petroleum	Ton	48.09	7.3
4	Water (surface water and tap water)	m³	33,160,813	30,316,452
5	Electricity	kWh	183,313,344.17	160,678,296.1

- Waste figures

No.	Type of waste	Unit	Waste quantity 2024	Amount of treatment	Level of treatment (meet national technical regulation)	Compared to 2023
1	Wastewater	m³	177,886	177,886	Good	203,677
2	Cooling wastewater	m³	30,782,436.85	30,782,436.85	Good	27,837,071.1
3	Emissions	m³/year	12,047,468,160	12,047,468,160	Good	11,981,273,280
4	Domestic solid	Ton	126.135	126.135	Good	115.4
5	General industrial solid waste	Ton	359.963	359.963	Good	1,331.7
6	Hazardous waste	Ton	302.68	302.68	Good	403.2475

- Costs for environmental activities in 2024 (including investment in environmental protection equipment, operation and maintenance of environmental protection equipment, environmental monitoring, waste treatment, environmental taxes/fees and other costs): About VND 12.049 billion.
- Waste indicators (industrial wastewater, exhaust gas, and industrial solid waste) in 2024 showed a decrease compared to 2023, as Phu My Fertilizer Plant conducted total productive maintenance (TPM) in 2023, which had led to an increase in waste. Specifically, cooling and domestic wastewater volumes rose in 2024 due to the absence of a one-month operational shutdown for TPM.
- All environmental indicators (wastewater and exhaust gas) at the plants and facilities of the Corporation are monitored and are within the limits of Vietnamese standards. At plants and warehouses, hazardous waste storage area is arranged according to Decree No. 08/2022/ND-CP and Circular No. 02/2022/TT-BTNMT.

Costs for environmental activities in 2024 about VND 12.049 billion



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Energy management and climate change mitigation

- Auditing every 3 years according to Circular No. 25/2020/TT-BCT dated 29 September 2020, PVFCCo has hired a functional unit to conduct energy audit for Phu My Fertilizer Plant - the major energy-using facility. The latest energy audit was conducted at the end of 2022.
- Issuing the Corporation's energy management goal and plan for 2024.
- Reported to PVN on the updated list of energy-using facilities for 2024, as well as the implementation results for 2024 and the planned tasks for 2025 under the national energy efficiency program for the 2019 - 2030 period.
- Funding to organize seminars for Vietnam Energy Association.
- Giving opinion on the proposal to amend and supplement the Law on Economical and Efficient Use of Energy.
- Building energy saving items according to the proposal of Research and Application Center (installing condensate separator for 10E5053 and returning MP gas flow to 10H2001).
- Promoting power saving according to Directive No. 20/CT-TTg dated 8 June 2023 of the Prime Minister.
- Total energy saved at Phu My Fertilizer Plant in 2024 was 1,150,000 MMBTU (reaching 336% of the 2024 plan of 342,000 MMBTU).



HSE inspection and training

In 2024, HSE inspection was planned and fully implemented in accordance with the Corporation's procedures. In particular, PVFCCo conducted 35 Level-IV (the Corporation level) safety inspections. Recommendations from the inspections were recorded and resolved on schedule.

At the production facilities, Phu My Fertilizer Plant has also inspected fire protection equipment, portable fire extinguishers, fire water system, automatic fire alarm, and fire trucks.

In addition, the Corporation's Head Office and Phu My Fertilizer Plant has 01 HSE internal audit and 01 HSE external audit conducted by DNV.

HSE training including the training on labor hygiene, chemical safety, radiant safety and advanced professional training is carried out as regulated and planned.




HSE assessment in 2024

- In 2024, there were no labor accidents or incidents related to fire exposure or environment at all the Corporation's facilities.
- 100% of HSE plan in 2024 was completed on schedule.
- There were no violations against the law on fire fighting and environment. All inspections by the authorities shows that the Corporation fully complies with the law.
- Implementing the duties of PVN and the authorities relating to climate change and emission reduction. Building a strategy to reduce emissions at the Corporation and completing gas emission inventory report at Phu My Fertilizer Plant.
- Managing waste according to the legal regulations. All environment indicators meet Vietnamese standards.
- Continuing to complete HSE report software to put into use to enhance HSE performance.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT


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Main tasks of the safety, health and environment work in 2025



Safety, fire control, emergency response


- Ensuring compliance all legal regulations on HSE - Fire Prevention & Fighting - Emergency Response in production and business.
- Completing in a safe and prompt manner the TPM plan at Phu My Fertilizer Plant.
- Preventing any incidents causing harm to people or property, and avoiding serious workplace accidents at all the Corporation's sites.
- Effectively applying equipment maintenance program, PSM technology safety management system, and HSE system at Phu My Fertilizer Plant to reduce the number of incidents and downtime due to incidents.
- Coordinating to develop requirements on HSE - Fire Prevention & Fighting - Emergency Response in new projects of the Corporation to ensure compliance with legal requirements.






Environmental acts

- Ensuring compliance with the legal regulations on environment in production and business.
- Ensuring no environmental incidents or violations, especially in TPM at Phu My Fertilizer Plant in 2025.
- Implementing directions of the Management in developing and applying ESG criteria throughout the Corporation.
- Completing "Greenhouse gas response and reduction strategy to 2030, 2023 and vision to 2050".
- Implementing greenhouse gas emissions mitigation plan at Phu My Fertilizer Plant.
- Handling waste at all Corporation's projects in accordance with legal regulations.
- Periodically inspecting HSE performance in accordance with the legal regulations, the Corporation and its member units.
- Continuing to coordinate with the units to collect data to prepare for recycling plastic fertilizer packaging.
- Ensuring to comply with the legal regulations on environment at investment projects.



Health Labor Hygiene

- Organizing annual health check for employees in accordance with regulations and taking care of health at work.
- 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.
- Fully implementing regulations on allowances for employees working in hazardous and toxic conditions.
- Ensuring food safety and hygiene in canteens.



Maintenance and improvement of the HSE management system

- Setting up 2025 HSE targets at the Corporation and its member units. Monitoring and making periodic reports according to the process.
- Implementing HSE requirements. Monitoring, inspecting and evaluating internally to ensure compliance.
- Monitoring corrective and preventive actions and improving the System to ensure compliance with legal regulations and new developments.

Other activities

- Purchasing mandatory fire and explosion insurance and environmental liability insurance for Phu My Fertilizer Plant and all the Corporation's projects in accordance with the provisions of law.
- Organizing training courses on group safety and radiation safety in accordance with legal regulations. Organizing advanced HSE training and seminars for specialists at units.
- Maintaining STOP and 5S programs at Phu My Fertilizer Plant and 5S at the Corporation's offices.
- Coordinating with Youth Union and Trade Union in OSH network to organize activities to raise awareness and compliance with rules and regulations on HSE for all employees such as OSH Week, Fire Prevention Day, Earth Hour, World Environment Day.

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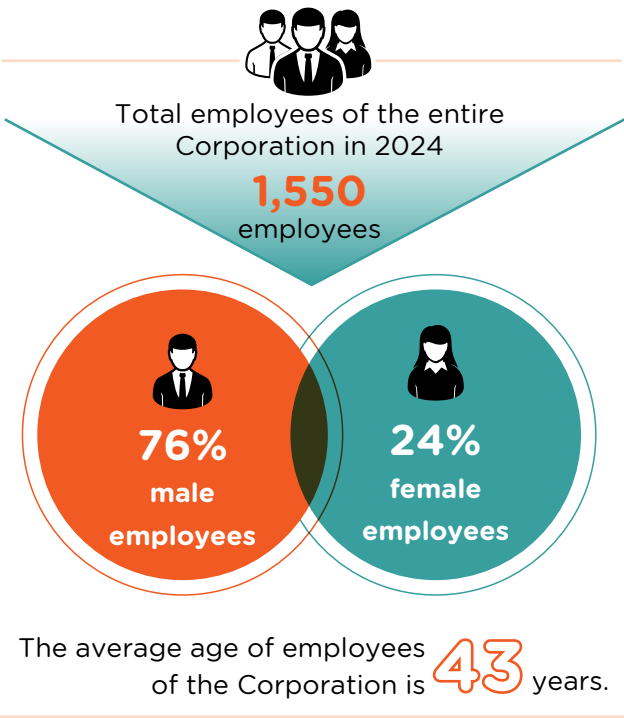
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SOCIAL PERFORMANCE

PVFCCo RECOGNIZES PEOPLE AS THE KEY DRIVERS OF SUSTAINABLE DEVELOPMENT. SINCE ITS ESTABLISHMENT, THE COMPANY HAS PRIORITIZED PROVIDING EMPLOYEES WITH OPTIMAL WORKING CONDITIONS, AMPLE OPPORTUNITIES FOR PERSONAL AND PROFESSIONAL GROWTH, AND A FULFILLING LIFE. PVFCCo’S MANAGEMENT TEAM AND ALL EMPLOYEES HAVE JOINTLY FOSTERED A SPIRIT OF RESPONSIBILITY AND SHARING, MAKING EVERY EFFORT TO FULFILL CORPORATE SOCIAL RESPONSIBILITY, BECOMING A TYPICAL ENTERPRISE CONTRIBUTING TO LOCAL DEVELOPMENT.

Human resources information

Total employees of the entire Corporation in 2024 (including Parent Company and its subsidiaries) were 1,550 people, consisting of 1,173 male employees (76%) and 377 female employees (24%). The average age of employees of the Corporation is 43 years.



In particular, the achievements of PVFCCo are as follows:

Working environment and corporate culture

The Corporation has renovated offices at the Corporation’s Head Office and at the divisions to create a fresh working space and facilitate coordination among divisions. At the same time, the Corporation has arranged more trees in the working areas and encouraged employees to

plant at least 10 trees each year in the 2022 - 2025 period at the office, at home and in localities if possible, contributing to creating a green and clean landscape, increasing quality of ecosystem at the projects, plants and offices of PVFCCo.

Corporate culture communication: To innovate form of corporate culture communication, the Corporation has applied visual and vivid propaganda with many different contents



and forms such as standee, wooden board and television to attract viewers and create a modern working space. In addition, the Corporation has promoted communication on digital platforms such as Website, Facebook, YouTube, and Zalo OA. The Corporation has also created software to survey and evaluate the implementation of corporate culture and get feedback from employees.

employees to actively participate in Oil and Gas Cultural Week, engaging in contests such as “I Love PetroVietnam”, “PetroVietnam in Me” photo contest, and “PetroVietnam Pride” video competition. Numerous individuals and teams have received awards.

Corporate Culture Training: The Corporation organized foundational cultural training courses, including 7 Habits, Culture of Building Trust, and Culture of Building Happiness, with over 1,500 employees in attendance. In August 2024, PVFCCo hosted the “Leadership with the Power of Trust” training program, co-organized with Franklin Covey Vietnam Co., Ltd., which was attended by 16 senior and middle managers from the Corporation and its subsidiaries.

The Corporation always ensures 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.

Insurance policy and other policies for employees and relatives

Annually, PVFCCo conducts health check-ups for employees in hazardous work environments to detect occupational diseases early. Additionally, medical examinations and social insurance are provided for affected employees.

In addition, to support employees with financial assurance in case of medical examination and hospitalization, PVFCCo has applied PVI Care insurance for employees so that they can work with peace of mind.

The Corporation continues monthly contributions to social insurance based on actual positions and salaries of employees, while also maintaining voluntary retirement and accumulated pension insurance, along with PVI Care health insurance. Assistance is provided for employees to purchase PVI Care health insurance for their family members. Sustaining employee contributions to social and voluntary retirement insurance is a key commitment, ensuring their entitlements are honored during claims processing and supplementing retirement benefits beyond statutory provisions upon retirement.

In essence, the Corporation’s policies demonstrate the utmost care for its employees’ welfare within legal parameters and its organizational capacity. They aim to inspire creativity in their work, fostering the Corporation ongoing development and fostering enduring loyalty.

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Health Care - Disease prevention

Healthcare and disease prevention measures at the Corporation remained robust in 2024, with all units conducting regular health check-ups for employees as mandated by law and the collective labor agreement.

- Employees requiring ongoing health monitoring received thorough guidance and support from the Corporation’s medical officers.
- In addition, Phu My Fertilizer Plant has done screening of occupational diseases for employees to detect early and arrange for suitable outcomes. The cumulative number of employees with occupational diseases by 2024 was 35 people, of which the employees newly affected with occupational deafness were 7 people.
- Issuing Instructions on health care for employees such as Instructions for checking food safety and hygiene at canteen of the Corporation’s Office; Instructions on first aid and medicine use at the Corporation’s Office; Guidance on Occupational Hygiene and Employee Health management at the Corporation’s Office.
- Purchasing Health Insurance (PVI Care) for all employees of the Corporation.
- Performing first aid and medicine to employees in case of occupational accidents.

- Regularly updating and implementing pandemic prevention measures (seasonal flu, monkeypox and other diseases) in accordance with the regulations, recommendations and instructions of the Vietnamese Government, the Ministry of Health, and other State agencies.
- The cost for healthcare and pandemic prevention in 2024 is estimated at about VND 10 billion (including periodic health check, occupational disease examination, procurement of medical supplies, propagandizing, training, etc.).
- PVFCCo will continue to promote Health Care - Disease Prevention, to be specific:
 - Updating and notifying the situation of diseases 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.
 - Organizing annual health check for employees in accordance with regulations and taking care of health at work.



Talent development

In 2024, the Corporation promoted training activities, organizing 143 training courses for 8,140 attendants, reaching 123.4% of the year plan, with a total training budget of VND 10.7 billion (reaching 102% of the year plan).

In addition to professional and safety training according to the law, the Corporation also organizes training courses to update knowledge on energy transition, sustainable development, technology and AI application in business. PVFCCo has organized 10 training courses for 95 managers and focused on in-depth training and expert development. E-learning system has been applied in internal training to increase flexibility and efficiency in human resource development.

PVFCCo has reviewed, updated and revised Training Management Regulations and Training Process to improve human resource policies and manage training closely and effectively.



Fair employee policy

The Corporation has implemented an employee policy effective since 1 January 2009, annually adjusted to reflect current circumstances. It includes welfare provisions for all staff and additional benefits for high-performing employees with managerial and professional expertise, covering aspects such as salary, bonuses, training, education, leave, accommodation, and other welfare benefits.

Additionally, the Corporation has issued democratic regulations and established a Labor Union organization to protect workers’ legitimate rights and interests. Regular dialogues, held every 3 to 6 months at the grassroots level, involve proactive collaboration between labor unions and authorities to ensure effective and compliant discussions through flexible formats. Topics include policies, welfare, income, employment, restructuring efforts, grassroots democracy regulations, and other worker-related concerns.

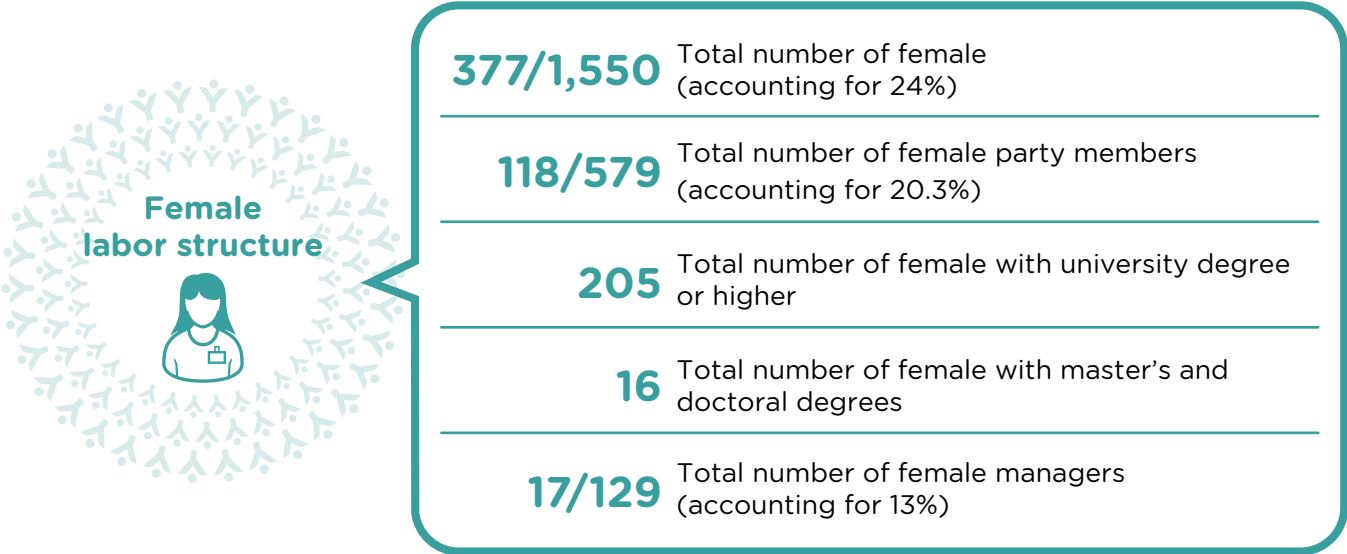
Gender equality & empowerment of women

Since the beginning, PVFCCo has always paid attention to gender equality and created equal development opportunities for female staff. At PVFCCo, the activities of Women’s Union for the empowerment of women have always received attention from leaders of the Party, Government and Unions to facilitate women to best promote their roles and abilities in all aspects and successfully complete assigned tasks. PVFCCo’s female staff are conscious to develop in their work and are enthusiastic and energetic in movement activities.

ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

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Situation and results of gender equality & empowerment of women at PVFCCo in 2024



Policy to promote professional capacity of female employees:

- At PVFCCo, 100% of female employees are given the best conditions to participate in professional and skill training courses to improve their qualifications and knowledge. PVFCCo's leaders always pay attention to planning and training for female employees.
- Integrating gender equality in the development and implementation of regulations and policies of the Corporation and its member units, focusing on gender factor in developing policies to promote women's capability effectively and appropriately.
- Strengthening inspection and supervision in the implementation of policies, programs and planning female employees.
- At PVFCCo, no female employees lost their jobs.

Welfare policy for female employees:

- Welfare for female employees are guaranteed and beyond the legal regulations.
- In addition to general labor welfare, female employees are entitled to additional benefits on maternity leave and leave during childcare as well as policies on education, training, and recruitment for their children.
- Enjoying break hours during their menstruation.
- Receiving gifts and participating in cultural activities on special days.
- Annual health check-ups and periodic gynecological examination.
- Caring for female with difficult circumstances, supporting their children to overcome difficulties and study well.
- Participate in gender and gender equality advocacy activities to raise awareness and promote gender equality.

Customer and partner relations

In its production and business endeavors, PVFCCo consistently emphasizes upholding credibility, quality, and continually enhancing the value of its products and services for customers and partners:

- Good product quality is always the top priority of PVFCCo in its production and business. Phu My fertilizers and chemicals and other self-traded products that the Corporation provides to customers always ensure quality according to registered standards. During the past years, Phu My Urea and Phu My NPK products have been trusted by farmers nationwide and voted as National Brands.
- 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.
- The Corporation has established a protocol for receiving and addressing feedback from product users. Additionally, it conducts regular evaluations of customer satisfaction regarding product quality and services to continually enhance quality standards. Safety advisories for product users are also implemented.
- The Corporation has a hotline with contact address on the website to promptly receive and handle customer feedback.

In 2024, along with the new brand identity of Phu My Fertilizer, PVFCCo has changed packaging design. New product packages are designed in a modern style, with full information on ingredients, nutritional formulas and warnings/instructions for use. In addition, with the durable and waterproof packages of “Phu My Fertilizer”, farmers can easily reuse the packages.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

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Social responsibilities

SOCIAL WELFARE WORK STANDS AS A CULTURAL HALLMARK OF PVFCCo. DESPITE ENDURING ECONOMIC CHALLENGES DUE TO PROLONGED GLOBAL POLITICAL AND ECONOMIC FLUCTUATIONS, PVFCCo REMAINS STEADFAST IN ITS COMMITMENT TO COMMUNITY RESPONSIBILITY, ACTIVELY ENGAGING IN MEANINGFUL AND PRACTICAL SOCIAL WELFARE WORK INITIATIVES.

Committed to supporting the agricultural and rural sectors, the Corporation established the Social Welfare Council to oversee and implement social programs through the Social Security Group (SSG). Additionally, the Corporation organized various initiatives to promote a culture of mutual support and community service among employees, including the following:

- Typical communication initiative programs on social activities within the Corporation.
- Participating in events to raise community awareness and programs to contribute to environmental protection such as Earth Hour and World Environment Day.
- Encouraging employees to participate in practical activities with the community and contributing to environmental protection.
- Programs to promote energy and resource saving practices such as 5S initiative and waste/battery collection at PVFCCo headquarters.
- Encouraging employees to do physical exercises and sports during working hours to limit occupational diseases; organizing marathon, table tennis, football and other sport competitions attracting a lot of employees.
- Prioritizing online training/meeting to save time and cost for travelling and training costs.

With the spirit of mutual love permeating to all PVFCCo members, Social Security Team (under the Corporation’s Head Office) has actively coordinated with Youth Unions and Women’s Unions at the Corporation’s Head Office and member units to implement many meaningful programs, to be specific.

Corporate Social Responsibility Report in 2024

PVFCCo continues to uphold its cultural traditions while striving to meet production and business goals. In addition to these efforts, the Corporation remains committed to social responsibility through numerous meaningful programs.

In 2024, Vietnam’s economy experienced stable growth, with rising agricultural product prices boosting fertilizer demand and pricing. However, farmers faced significant challenges due to natural disasters, particularly Typhoon Yagi in September, which was the most destructive storm in 70 years. The typhoon caused severe damage to lives and property, disrupted education, and left millions of children unable to attend school, with total economic

losses estimated at VND 81,508 billion. Despite these challenges, PVFCCo not only overcame operational hurdles to meet its business objectives but also directed resources toward supporting farmers, helping them recover and stabilize their livelihoods.

With the motto **“Sharing prosperity”**, despite the challenges in business, PVFCCo has not reduced the budget for social security activities, but keeping the budget at VND 42.75 billion. In addition, the Corporation has promoted transition program from 2023, raising the total disbursement budget in 2024 to about VND 70 billion for health - education, humanitarian - disaster relief, solidarity houses and gratitude activities.



ENVIRONMENTAL – SOCIAL – GOVERNANCE (ESG) REPORT

(CONTINUED)

Humanitarian relief - Support to farmers

Implementing the Prime Minister’s direction to request Lao Cai Province and benefactors to urgently deploy a resettlement area for farmers in 3 villages i.e. Lang Nu, Nam Tong and Kho Vang, which suffered from severe landslide after the storm, and the General Secretary’s direction of “no one left behind, no one without a home, no student without a school”, Vietnam Oil and Gas Group has sponsored VND 40 billion, including VND 4 billion from PVFCCo, putting the resettlement area into use ahead of schedule (on 22 December 2024) with the joy of the farmers.

At the same time, to support the people in the Northern areas, who were directly affected by Typhoon Yagi and serious floods and landslides, PVFCCo has launched a donation with a total amount of VND 1 billion (of which, VND 603,950,000 from the employees and VND 396,050,000 from the Corporation’s fund to support people affected by natural disasters).

In addition, on the occasion of Tet holidays, PVFCCo organizes the program “Tet for the poor” for farmers to help them have a happy new year. This year, PVFCCo has presented 13,027 gifts worth nearly VND 9 billion to poor farmers in 104 communes in 43 provinces and cities across the country. PVFCCo’s Trade Union has also launched the program “Thousands of cakes, thousands of loves”, attracting many union members to join hands to wrap 1,000 banh chung (Lunar New Year square cakes) for the people in difficult circumstances and the elderly homeless.

Education

this initiative, allocating a total of VND 28.5 billion, the largest portion of its social security budget. This funding supported the inauguration of numerous schools, providing children with access to spacious, modern classrooms.

Healthcare

With a planned disbursement of VND 3 billion in 2024, PVFCCo will continue to fund projects for building medical stations and treatment facilities in remote areas in the coming years.

Great Unity houses

In 2024, PVFCCo put into use nearly 570 new Great Unity houses, with a value of more than VND 21 billion, to support the poor households to “settle down and thrive”. Up to now, PVFCCo has supported tens of thousands of households across the country who face difficulties in their accommodation.

PVFCCo’s social responsibility activities are implemented through Social Security Council, closely connected with member units, partners and local social organizations, ensuring compliance with the following principles:

- Supporting in the right place at the right time;
- Supporting exactly necessary things;
- Supporting directly to beneficiary units and individuals;
- Supporting is not for advertising or branding purposes, but comes from the needs of the community in a sense of responsibility;
- The activities are implemented with connection, resonance and spread in the community.

PVFCCo’s social responsibility initiatives, driven by a strong commitment to corporate social responsibility, have consistently garnered attention from the community, especially during periods of economic difficulty. In 2024, hundreds of media reports highlighted these efforts, enhancing PVFCCo’s image among the public, government, and society.

Since 2024, the fertilizer market has undergone many changes where the supply of urea fertilizer in domestic market was surplus, leading to increasingly competitive. BOD and all employees of PVFCCo are aware that it is required to be closer to customers and understand the market better to continue to affirm and maintain its leading position in the market. Therefore, besides humanitarian purposes and social responsibility, supporting farmers is also a valuable opportunity for

PVFCCo to meet and listen to its end-users. This is also the most practical way to show gratitude to tens of millions of farmers, contributing to sustainably improving their lives.

Social security budget in 2024 by areas:

- Great Unity houses: VND **10** billion.
- Education: VND **28.5** billion.
- Healthcare: VND **3** billion.
- Disaster and humanitarian relief, and gratitude: VND **13** billion.
- Tet for the poor in the year of the Dragon: VND **8.6** billion.
- Self-implemented by the Corporation: VND **6.25** billion.

