



BUILD **TRUST**



# SUSTAINABLE DEVELOPMENT

*is THE CHALLENGE,  
THE FOCUS of EVNGENCO3*

OUR SUSTAINABLE DEVELOPMENT STRATEGY IS BASED ON SUSTAINABLE DEVELOPMENT GOALS OF THE UNITED NATIONS AND GRI 2021. IT IS A DESIRE OF EVNGENCO3 TO BECOME A PRODUCER OF VARIOUS ENERGY PRODUCTS FROM TRADITIONAL ENERGY TO RENEWABLE ENERGY. WE ARE NOW FOCUSING ON SUSTAINABLE DEVELOPMENT GOALS AS FOLLOWS.

- » Maintain power flows, keep power grid stable to ensure national power security.
- » Strictly comply with environmental regulations.
- » Development of new clean electricity sources under the National Energy Transition Program.
- » Build up a manpower capable of meeting future development requirements.

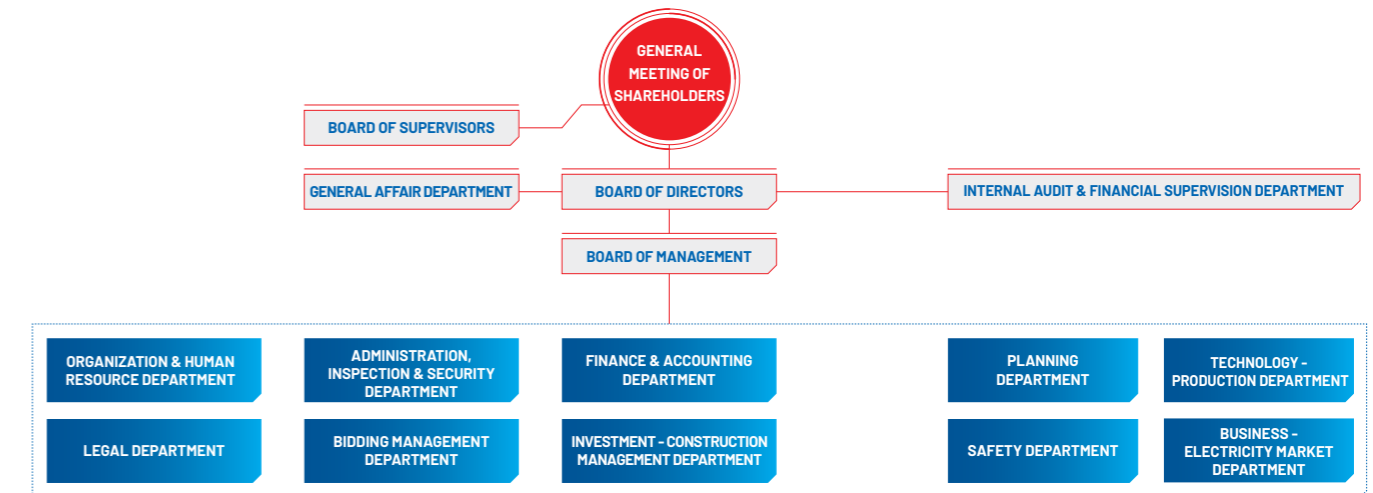


*Sustainable  
development  
management*

*is THE FOCUS  
in all management and operation  
activities of the Corporation*

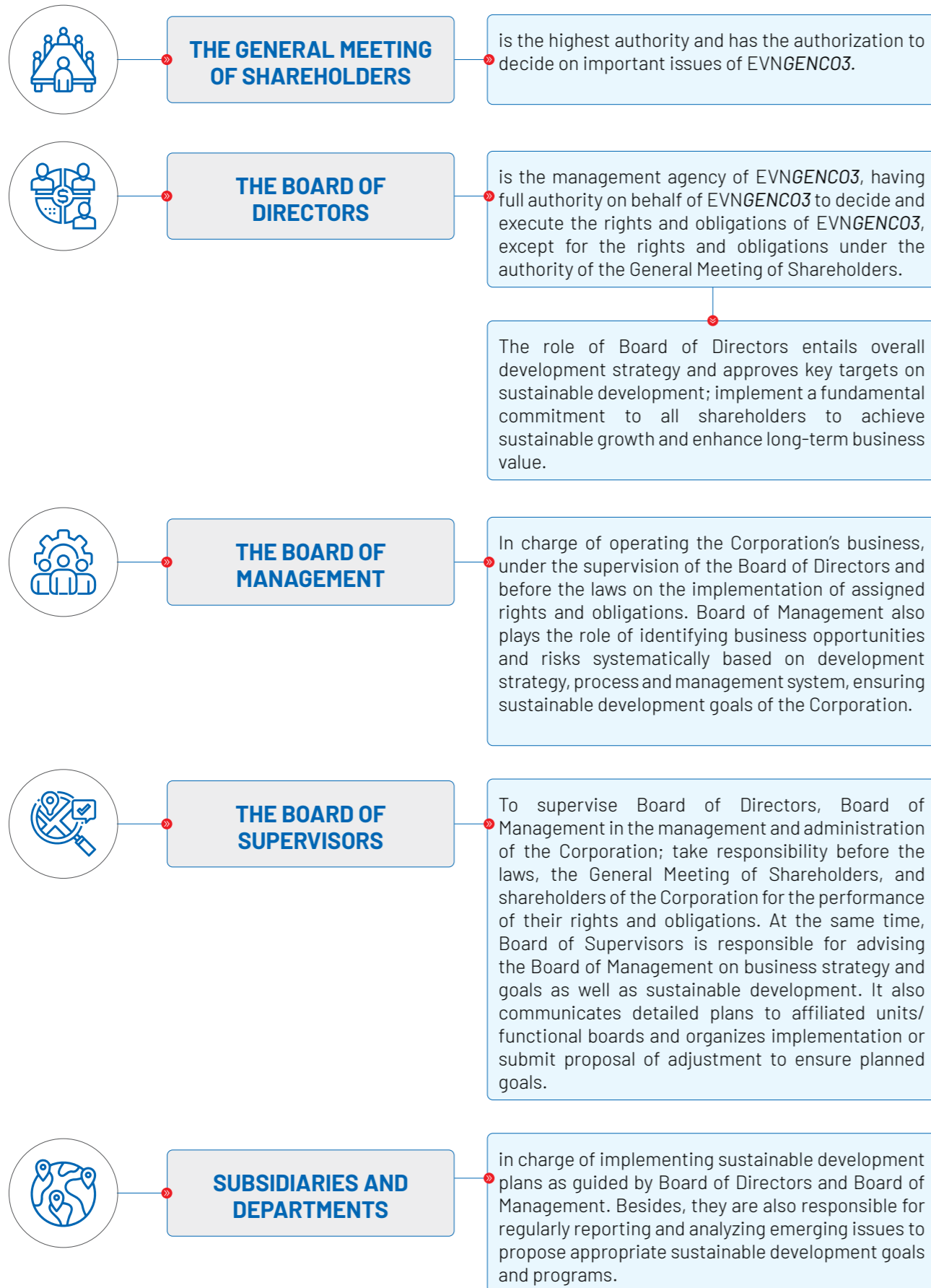


## GOVERNANCE STRUCTURE



### CORPORATE MANAGEMENT MODEL OF EVNGENCO3 INVOLVES THE SET OF FOLLOWING ELEMENTS:

- » Solid foundation for Governance structure: EVNGENCO3 Governance Structure includes the set of governance components of a listed company: General Meeting Of Shareholders, Board Of Supervisors, Board Of Directors, Departments Under Board Of Directors, Board Of Management.
- » Compliance with practices and laws of Vietnam: comply with all regulations of the laws of Vietnam, legal framework of Vietnam and governance mechanisms of a listed company.
- » Uniformly enforce corporate governance tools throughout the Corporation.



LINKING 17 UN SUSTAINABLE DEVELOPMENT GOALS



SDGS - SUSTAINABLE DEVELOPMENT GOALS IS A SET OF UNIVERSAL GOALS. SDGS ARE AN UN URGENT CALL FOR ACTION TO ALL COUNTRIES TO ADDRESS BIG CHALLENGES THAT WE FACE TO ACHIEVE A BETTER AND SUSTAINABLE FUTURE FOR ALL PEOPLE BY 2030.

**SDGs**

**ARE DIVIDED INTO 17 GOALS WHICH RELATE TO THE MOST COMMON ISSUES,**

aiming at everyone including individuals, businesses, authorities and countries of what issues they should care for and how to reduce poverty and eradicate hunger, protect the earth from human impacts and improve quality of human life.



## LINKING EVNGENCO3'S SUSTAINABLE DEVELOPMENT GOALS TO UN'S 17 SDGS



IN 2022, WITH A PURPOSE OF ACHIEVING SUSTAINABLE DEVELOPMENT GOALS OF SOCIO-ECONOMIC AND ENVIRONMENTAL ISSUES, EVNGENCO3 HAS IMPLEMENTED AND ACHIEVED SPECIFIC RESULTS CLOSELY ASSOCIATED WITH UN'S 17 SDGS AS FOLLOWS.



### EVNGENCO3 performance in 2022



#### NO POVERTY

End poverty in its all forms everywhere

- » Regarding to community building activities, EVNGENCO3 has built 12 Great Solidarity Houses for poor families in Ba Ria-Vung Tau province.
- » Vinh Tan Thermal Power Company has coordinated to build 34 houses of love for poor families worth more than VND 3.4 billion.



#### ZERO HUNGER

Achieve food security and improved nutrition and promote sustainable agriculture

- » Total budget for social security in 2022 reached approximately VND 10 billion.
- » EVNGENCO3s has sponsored 47 pupils with difficult circumstances and children orphaned due to COVID-19 in Ho Chi Minh City worth VND 2 million per month (from October 2021) till they complete the 12<sup>th</sup> grade (07 years).
- » Support "the School Milk program" annually.



#### GOOD HEALTH AND WELL - BEING

Ensure healthy lives and promote well-being at all ages

- » Every year, EVNGENCO3 organizes periodical health check for employees. In 2022, total health insurance cost for employees was VND 17.62 billion.
- » Total allowances for employees working in toxic conditions was VND 1.43 billion.
- » Real cost for workplace safety was VND 1.09 billion.



#### QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote life long learning opportunities for all

- » In 2022, PGV and subsidiaries have trained a total of 13,810 people, attracting participation of 2,071 trainees (E-learning sessions for 31,884 trainees) with total training cost of VND 59.55 billion and ensuring at least 40 hours of on-the-job training/year/each employee.



### EVNGENCO3 performance in 2022



#### GENDER EQUALITY

Achieve gender equality and empower all women and girls

- » EVNGENCO3 always promotes gender equality in recruitment process, young talent development, training female staff and improving welfare policies, specifically:
  - > 100% of female employees return to work after maternity leave.
  - > Ratio of female employees/total number of employees was 17.8% in 2022.
  - > Women represent 16.9% of managerial positions with 60 people as of total number of male officers and 3 newly appointed female officers in 2022.
- » EVNGENCO3 has been EDGE (Economic Dividends for Gender Equality) certified (ASSESS, level 1) awarded by EDGE Certified Foundation - Switzerland in 2020-2022 and being successfully re-evaluated from January 11, 2023.



#### CLEAN WATER & SANITATION

Ensure access to clean water & sanitation, hygiene for all

##### 1. Water consumption

EVNGENCO3 exploits and uses the following water sources:

- » Flow of moving water to generate electricity in the hydropower plant: stored in upstream reservoirs of the plant, through energy system to turbine generator and releases downstream channels to rivers and streams.
- » Cooling water in thermal power plants: taken from rivers or sea through a water intake system and then put into water cooled condenser and heat exchanger, then being discharged again to river and sea through the cooling water drainage system.

- » Besides, thermal power plants also use tap water (from water suppliers), lake and sea water to produce demineralized water for power generation; sea water is also used for treatment of exhaust fumes before releasing through chimneys.

##### 2. Wastewater

- » Industrial water: wastewater produced from manufacturing factories including oil-contaminated wastewater, wastewater contaminated with coal, chemical wastewater, etc. Wastewater is collected and treated in a concentrated wastewater treatment system, wastewater after being properly processed will be re-used for appropriate purposes or discharged into receiving sources.
- » Domestic wastewater: small proportion of domestic wastewater after being properly processed will be re-used for tree irrigation or discharge into receiving sources.

##### 3. Online monitoring system for surface water, sea water and wastewater

- » Typical monitoring systems are fully installed in hydropower plant to supervise the process of exploitation and use of lake water and transfer data to authorities as stipulated.
- » Online monitoring systems are fully installed in thermal power plants to supervise surface water, sea water, wastewater and transfer data to local Department of Natural Resources and Environment as stipulated.
- » Data is also transmitted to headquarter of EVNGENCO3 for monitoring and control to enhance more timely, accurate and effective environmental management.



# LINKING EVNGENCO3'S SUSTAINABLE DEVELOPMENT GOALS TO UN'S 17 SDGS

(CONTINUED)



## EVNGENCO3 performance in 2022



### 7 AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

- » EVNGENCO3 is a large-scale power plant in Vietnam with total capacity of 6,565MW as of December 31, 2022 with a variety of power generation (gas fired thermal power, coal fired thermal power, hydropower, solar power).
- » Electricity output in 2022 of EVNGENCO3 (including dependent accounting companies and subsidiaries with representatives of EVNGENCO3) was 32.242 billion kWh, equivalent to 101.23% of the plan.
- » Power plants have participated in power market bidding with average price of electricity in 2022 was 1,694.95 VND/kWh (only including renewable energy power plants, taxes and fees, VAT excluded).

### 8 DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive, sustainable economic growth, full and productive employment and decent work for all

- » Power production revenue (consolidated) reached VND 46,779 billion.
- » Total profit before tax (consolidated) reached VND 3,057 billion.
- » State budget payments reached VND 2,127 billion.
- » Total number of power production workers: 2,055.
- » Labor productivity:

No.	Target	Unit	Plan 2022	Implementation in 2022
1	Generated power/ laborer	Million kWh/person	13.37	13.97
	Parent Company	Million kWh/person	19.65	20.22
2	Number of laborers/ installed power capacity	person/MW	0.35	0.35
	Parent Company	person/MW	0.25	0.25

### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialization and foster innovation

- » In 2021-2025 period, EVNGENCO3 focuses on implementing digital transformation in areas of governance, technical management, investment and construction, IT & telecommunications. Typically, application of Artificial Intelligence (AI) to exploit centralized data, automatic information extraction analysis; construction of mobile based operating and repairing management system for power plants; completion of hydrological monitoring system, combination of weather forecasting and AI application to monitor and operate reservoirs, plants and send flood warning signals to hydropower plants downstream. Besides, EVNGENCO3 also strengthens security readiness and solution to safeguard its operations in network environment, etc.



## EVNGENCO3 performance in 2022



### 10 REDUCED INEQUALITIES

Reduce inequality within and among countries

- » EVNGENCO3 always respects and helps everyone without any discrimination of age, gender, race, disability, ethnicity, origin, religion, economic status and others.

### 11 SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, resilient, safe and sustainable

- » EVNGENCO3 is a large-scale power plant in Vietnam with total capacity of 6,565MW as of December 31, 2022 with a variety of power generation (gas fired thermal power, coal fired thermal power, hydropower, solar power). EVNGENCO3's plants supply an annual average power output of 31-32 billion kWh nationwide y-o-y and make important contributions to national socio-economic development.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

- » EVNGENCO3 always strictly and properly manages, collects, store and process all wastes generated during operation in accordance with National Technical Regulations on Environment and regulations of the current laws.
- » Normal industrial solid wastes will be recycled and re-used. Collection, transportation and process of other normal solid wastes and hazardous solid wastes are implemented by functional units through contracts for handling wastes.
- » Wastewater after being properly treated is re-used or discharged into environment.
- » Cooling water, wastewater and exhaust gas is under 24/24h online and on-site monitoring system, transfer date to Department of Natural Resources and Environment and headquarter of the Corporation as well.
- » Samples of ash and slag are well analyzed in accordance with applicable standards and used for ground leveling, concrete additives, cement production, unburned building material production, mix with concrete in road construction, etc. In 2022, 100% of ash and slag collected from Mong Duong 1 Thermal Power Plant was fully consumed; the ratio of 92.28% and more than 99% for Vinh Tan 2 Thermal Power Plant and Ninh Binh Thermal Power Plant respectively.



# LINKING EVNGENCO3'S SUSTAINABLE DEVELOPMENT GOALS TO UN'S 17 SDGS

(CONTINUED)



## EVNGENCO3 performance in 2022

13

### CLIMATE ACTION

Take urgent action to combat climate change and its impacts

- » EVNGENCO3 continues to strictly control the compliance of the law on environmental protection and climate change, strictly monitor and improve quality of input fuels, apply technical solutions to optimize production process, minimize flow of exhaust fume as well as the amount of pollutants and greenhouse gas concentration.
- » EVNGENCO3 has completed its business, construction and investment development orientation in the period of 2023-2030 and a vision to 2045 in line with COP26, energy transformation roadmap, conversion of operating fuels, investment in hydropower and renewable energy projects.

14

### LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- » EVNGENCO3 uses sea water to cool its machinery and equipment, handles exhaust fume and turns sea water into freshwater for running power production lines at Vinh Tan 2 Thermal Power Plant. Cooling seawater through cooling system will flow through an open channel and return to receiving point without being contaminated with any chemical and other substances.
- » Sea water after being treated to convert into fresh water is put through concentrated wastewater system to be properly treated and reused.
- » Sea water after removing SOx is put into oxygen aeration system to be properly treated before flowing into the open channel.
- » A continuously automatic water quality monitoring equipment is installed at cooling sea water intake and cooling seawater discharge channel.
- » Sea water quality at the wharfs is monitored on quarterly basis without any exploitation of marine resources.
- » Many aquatic species have moved toward the wharf area and water channels of Vinh Tan 2 Thermal Power Plant as their new shelter. Especially, many types of colorful corals have developed right at the foot of the plant. This is a clear proof that marine water quality is strictly protected and well maintained.

15

### LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss

- » Green and fresh spaces at power plants are carefully taken care of and restored with bigger green coverage, creating a clean, green and beautiful space for surrounding areas.
- » Protection forests or primary forests in neighboring areas are absolutely protected and maintain intact forests.
- » There is no single impact on status of land environment, air and terrestrial ecosystems or signs of biodiversity loss.



## EVNGENCO3 performance in 2022

16

### PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

- » Labor Union of Power Generation Joint Stock Corporation 3 organizes labor conference once every two years, 100% grassroots Labor Union also organizes labor conference as stipulated, etc. These activities help leaders of trade unions at all levels timely address legitimate proposals, aspirations of laborers. In 2022, Trade Union also coordinates to build, negotiate, sign and issue collective labor agreements with 48 points that are more favorable for laborers than those provided in labor law.

17

### PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalize global partnerships for sustainable development.

- » EVNGENCO3 always strengthens exchange and cooperation with energy partners in U.S.A, Europe:
  - » Work with LNG suppliers such as Tellurian Inc, Cheniere Energy and General Electric - a long-time partner.
  - » Work with World Bank (WB) to exchange the implementation of WB funded projects as well as the possibility of being financially funded for EVN in the coming time.
  - » Work with Babcock & Wilcox, technical partners and financial institutions to promote cooperation and support opportunities for projects and investment programs of clean power of EVNGENCO3.



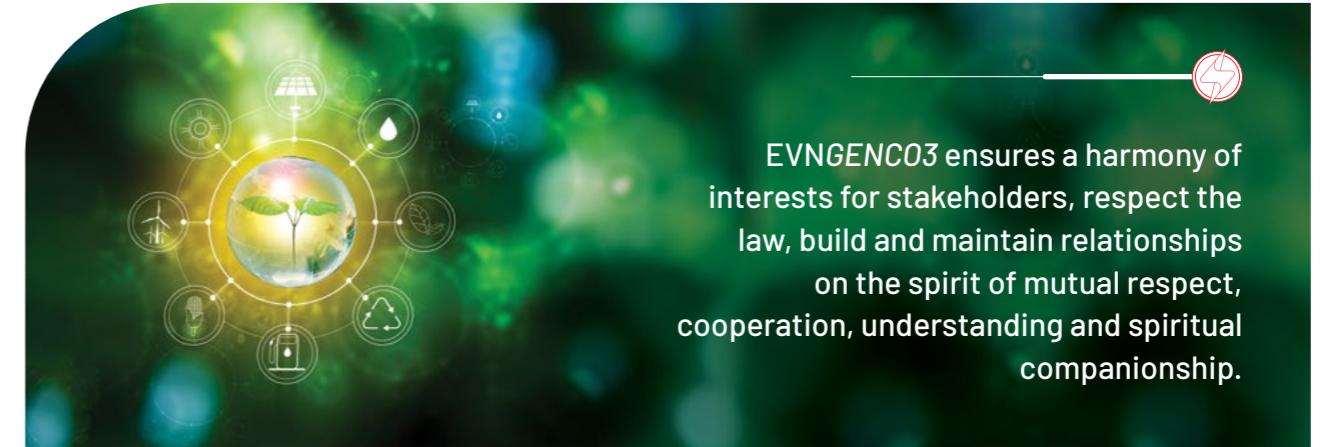





## CONNECT WITH STAKEHOLDERS

Stakeholders are those who have the ability to affect or to be affected by business activities of EVNGENCO3. Therefore, EVNGENCO3 has determined its stakeholders including:




Effective linkage with stakeholders will support operation and development of the Corporation. EVNGENCO3 ensures a harmony of interests for stakeholders, respect the law, build and maintain relationships on the spirit of mutual respect, cooperation, understanding and spiritual companionship.



STAKEHOLDERS	CONCERNS	APPROACH	ACTIONS BY EVNGENCO3
	<ul style="list-style-type: none"> <li>» Ensure the efficiency of investment capital.</li> <li>» Ensure transparency and timeliness of information provision.</li> <li>» Stabilize and increase the value of business and the company's shares on the stock exchange.</li> <li>» Ensure equality and interests of shareholders and investors.</li> </ul>	<ul style="list-style-type: none"> <li>» Organize Annual or Extraordinary General Meeting of Shareholders as stipulated.</li> <li>» Receive, communicate via telephone, fax, email, etc...</li> <li>» Organize annual meetings to summarize, report business and production results to shareholders and investors.</li> <li>» Disclose information on the website.</li> <li>» Attend forums, investor seminars to share information and investment opportunities.</li> </ul>	<p>Always aware of when and how to fully implement procedures of disclosure of information as stipulated by Ministry of Finance to ensure timeliness of disclosure of information to shareholders, investors and ensure transparency in business and production activities.</p> <ul style="list-style-type: none"> <li>» Proactively disclose important information that can affect interests and investment decisions of investors, help shareholders and investors closely monitor operation development of EVNGENCO3.</li> <li>» Exchange and disclosure of information is implemented in a fair manner, ensure equal investment opportunities for all investors.</li> </ul>
	<ul style="list-style-type: none"> <li>» Ensure the availability of power units.</li> <li>» Ensure competitive electricity prices.</li> <li>» Risk sharing in the electricity market.</li> </ul>	<ul style="list-style-type: none"> <li>» Propose, negotiate electricity price and electricity trading agreements.</li> <li>» Offer reasonable prices in the electricity market.</li> </ul>	<ul style="list-style-type: none"> <li>» Improve business and production efficiency, reduce cost and electricity price, ensure sufficient quantity as committed.</li> <li>» Comply with applicable regulations of electricity trading agreement and operation of electricity market.</li> </ul>
	<ul style="list-style-type: none"> <li>» Win-win cooperation.</li> <li>» Implementation progress.</li> </ul>	<ul style="list-style-type: none"> <li>» Direct contact and discussion.</li> <li>» Through articles of business cooperation agreements between two parties to build long term relationships.</li> </ul>	<ul style="list-style-type: none"> <li>» Pursue principles of fairness, honesty and mutual benefits in all business cooperation activities with EVNGENCO3.</li> <li>» Ensure equal treatment between domestic and foreign partners.</li> </ul>



STAKEHOLDERS	CONCERNS	APPROACH	ACTIONS BY EVNGENCO3
 <p>STATE OWNED AGENCIES</p>	<ul style="list-style-type: none"> <li>» Respect the laws.</li> <li>» Implement &amp; support the State's policies.</li> <li>» Promote local economic development and industrial development.</li> <li>» Commit to implementing corporate social responsibility.</li> <li>» Contribute to the State budget.</li> </ul>	<ul style="list-style-type: none"> <li>» Make report as stipulated in the business and production activities such as environmental protection, fire prevention and fighting, announcement, etc.</li> <li>» Contribute opinions to documents, decisions and regulations issued by State owned agencies.</li> <li>» Coordinate with inspection groups of Ministries, Departments, Agencies to explain related issues, overcome shortcomings and limitations (if any) as required and recommended by inspection groups.</li> <li>» Attend specialized conferences and seminars organized by Ministries, Departments, Agencies.</li> </ul>	<ul style="list-style-type: none"> <li>» Strictly comply with regulations on tax, environmental protection, labor safety, etc.</li> <li>» Proactively and closely coordinate with local authorities to build, repair power plants, ensure implementation schedule, contribute to the State budget and create jobs for local laborers.</li> <li>» Propose appropriate adjustments on controversial issues in policies and regulations, support the Government and authorities at all levels to better implement management policies.</li> </ul>
 <p>SOCIAL COMMUNITY</p>	<ul style="list-style-type: none"> <li>» Implement regulations on environmental protection, ensure fire safety measures and environmental safety at power plants.</li> <li>» Promote economic development, improve quality of health and education facilities, etc., in localities.</li> </ul>	<ul style="list-style-type: none"> <li>» Strengthen coordination with local authorities.</li> <li>» Disseminate and raise awareness of environmental safety.</li> <li>» Promote bilateral exchange in events.</li> <li>» Coordinate with trade unions and youth unions.</li> </ul>	<ul style="list-style-type: none"> <li>» Promote business and production activities closely associated with responsibilities for environmental protection, social safety and security.</li> <li>» Implement annual social security programs and activities according to the Corporation's plans such as construction of houses of love and schools, giving scholarship, constructing bridges, etc.</li> <li>» Share &amp; support people with difficult circumstances caused by natural disasters, epidemic, etc.</li> </ul>
 <p>WORKFORCE</p>	<ul style="list-style-type: none"> <li>» Ensure income, remuneration policies and labor safety.</li> <li>» Create a civilized working environment without discrimination.</li> <li>» Provide training courses, improve capacity and personal development skills.</li> <li>» Recognition of employee dedication and contribution.</li> </ul>	<ul style="list-style-type: none"> <li>» Organize annual laborer conferences.</li> <li>» Organize review conferences.</li> <li>» Organize training courses.</li> <li>» Improve internal communication.</li> <li>» Promote direct exchange mechanisms and complaint settlement.</li> <li>» Issue and implement policies.</li> <li>» Maintain and uphold corporate culture through team building activities.</li> </ul>	<ul style="list-style-type: none"> <li>» Promote labor agreements signed between leaders of the Corporation and representatives of laborers.</li> <li>» Establish trade unions, youth unions, women's clubs, etc.</li> <li>» Collect opinions via email, survey reports, etc.</li> <li>» Create typical individual and group selection program.</li> <li>» Promote occupational health - safety and environmental protection.</li> <li>» Create training plans, knowledge sharing courses for employees.</li> <li>» Organize cultural, artistic, sports and tourism activities, etc.</li> </ul>





## MATERIAL ISSUES



EVNGENC03 APPROACHES STAKEHOLDERS VIA INTERACTIVE CHANNELS WITH VARIOUS FORMS. WE ALWAYS STUDY ASPIRATIONS AND INTERESTS OF STAKEHOLDERS TO PROMOTE EFFECTIVE BUSINESS ACTIVITIES.



## IDENTIFICATION PROCESS OF MATERIAL ISSUES

Identify sustainable development related areas that can affect EVNGENC03, as well as its impacts on stakeholders' concerns.

- » Research, review market information and electricity industry
- » Analyze press information
- » Review customer and partner surveys, etc.
- » Information from industry associations
- » Internal discussions with laborers, contacts to local authorities

Select materials issues of interest of stakeholders

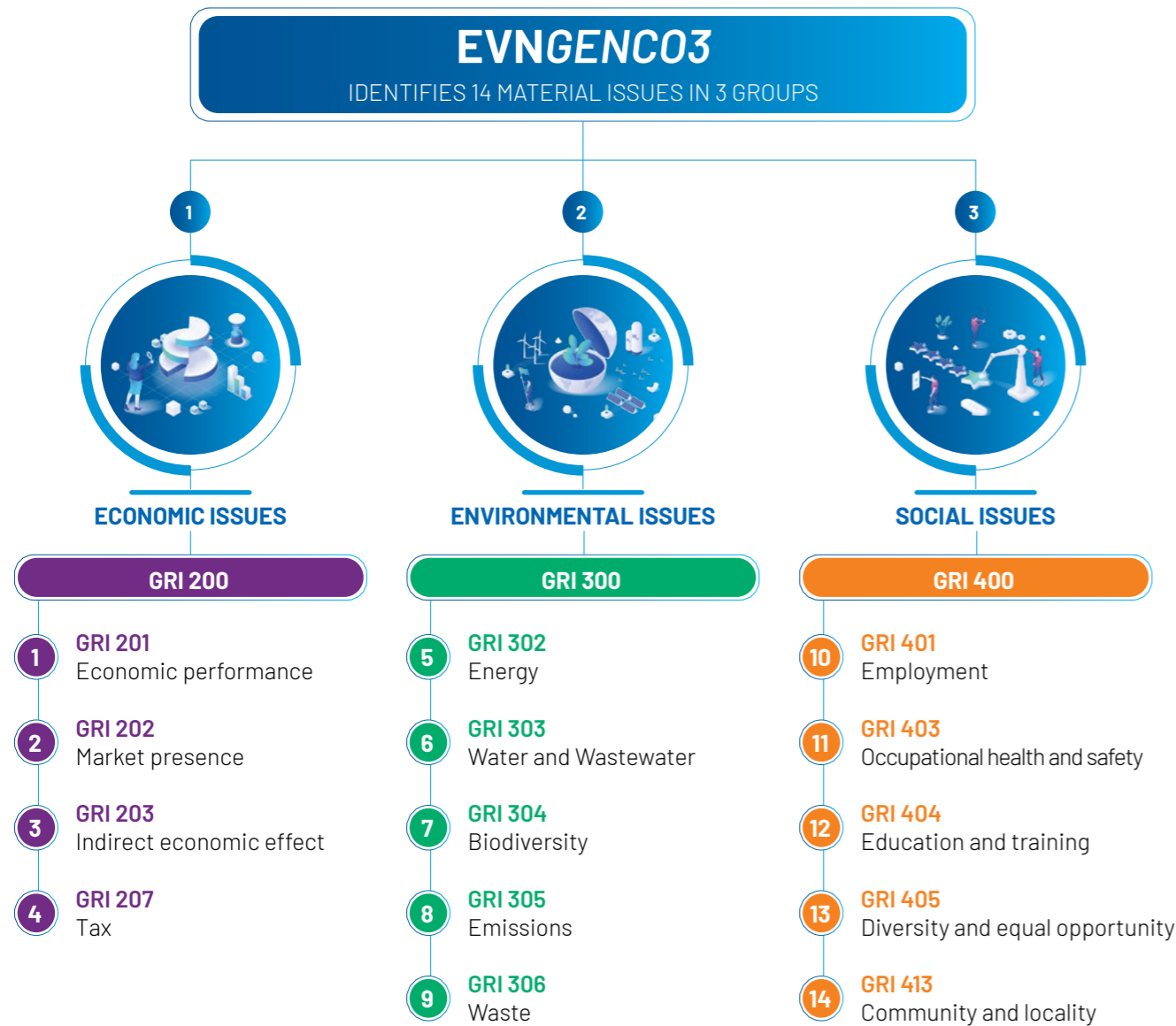
- » Identify priority areas
- » Validate material issues of senior management
- » Identify material issues of EVNGENC03
- » Classify material issues based on 3 groups of content: economic-social-environmental

## MATRIX OF MATERIAL ISSUES



BY ASSESSING IMPORTANCE OF AREAS BASED ON CORRELATION BETWEEN LEVEL OF CONCERN OF STAKEHOLDERS AND LEVEL OF INFLUENCE ON BUSINESS ACTIVITIES, EVNGENC03 BUILDS "MATRIX OF MATERIAL ISSUES" TO IDENTIFY LEVEL OF PRIORITY AND ALLOCATE RESOURCES TO BEST MEET STAKEHOLDER EXPECTATION AS WELL AS TO ENSURE SUSTAINABLE DEVELOPMENT OF THE CORPORATION.





**GRI 200 ECONOMIC EFFICIENCY**

**ECONOMIC PERFORMANCE - GRI 201**

**GRI 201-1 DIRECT ECONOMIC VALUE CREATED AND DISTRIBUTED**

**Direct economic value - revenue**

» EVNGENCO3's plants have directly penetrated electricity market, the Corporation manages and monitors the price performance; coordinate with operation and repair of power units and plants to increase revenue; comply with regulations on electricity market.

» Despite high price of gas fuel early 2022 which causes impacts on mobilization of gas turbine units and challenges of coal fuel supply, this has affected business and production performance, but EVNGENCO3 has flexibly adapted and achieved important results.

» Total power output reached 32.242 billion kWh, equivalent to 101.23% of the plan.

» Total revenue of parent company was VND 46,382 billion, equivalent to 102.13% of the plan.

**Economic value - operating costs**

» Power Generation Joint Stock Corporation 3 has shortened progress of repair of engine units, strengthening digital transformation and technical solutions to reduce operating costs.

» In 2022, dependent accounting companies have completed 06 overhaul projects (Phu My 1: TI GT11, TI GT12 and CI GT13 overhauls; Phu My 4: GT42 overhaul; Mong Duong 1: S1 overhaul; BuonTua Srah: H1 overhaul) to ensure safety, quality with 14 days ahead of schedule.

» Overhaul costs in 2022 estimated at VND 513,385 billion, lower than the plan by VND 155,733 billion.

» Implement the project of reducing ricks, reduce machine downtime which was much lower than the plan.

» Units have synchronously implemented many solutions to reduce heat losses with 10,536 kJ/kWh in 2022, down 36 kJ/kWh as of 2021.

» COGS/revenue was 88.35% in 2022, almost the same period of 2021.

**Economic value distributed-salary & employee benefits**

» EVNGENCO3 implements the salary and bonuses for employees corresponding to the level and nature of work; ensure that social insurance and unemployment insurance deductions are fully implemented in accordance with law.

» The Corporation regularly reviews and adjusts welfare policies, creates more practical incentives to ensure the well-being of all employees.

**Economic values distributed - payments to capital providers**

» With unique characteristics of electricity industry, it requires large loans for investment projects. The Corporation always ensures loan payment schedule to financial organizations. Total outstanding loans was VND 40,499 billion end of 2022, down VND 5,073 billion as of end of 2021.

**Economic value distributed - Accounts payable to Government**

» EVNGENCO3 always makes full payment to the State budget with total of VND 2,079 billion of parent company in 2022, of which water resource tax and environmental forest fees reached VND 608.65 billion.

**Economic value distributed - community projects**

» Regularly carry out charitable activities such as paying visits and giving gifts to the poor, families under preferential treatment policy, giving support to programs of localities.

» Total budget for community activities reached approximately VND 10 billion in 2022.



## BUSINESS PERFORMANCE OF EVNGENCO3 IN 2022 REGARDING MATERIAL ISSUES (CONTINUED)

### ECONOMIC PERFORMANCE - GRI 201

#### GRI 201-2

EFFECTS OF CLIMATE CHANGE RISKS ON FINANCIAL PERFORMANCE AND OTHER OPPORTUNITIES

- » Vietnam has witnessed extreme weather phenomena in recent years such as higher temperature, rainfall, sea level rise. Therefore, input factors of EVNGENCO3's hydropower plants are also hit such as rain, evaporation, flood season flow, dry season flow, erosion, reservoir sedimentation, etc. These abnormal changes have caused direct impacts on power production (energy safety), construction safety, flood, drought, etc.
- » Risks & opportunities emerged from climate change can create major changes in operation cost and revenue of power plants:

Risks	Opportunities	Impacts on EVNGENCO3
<ul style="list-style-type: none"> <li>» Effects of flood and heavy rainfall on construction site safety.</li> <li>» Water flow reduced due to El Nino event.</li> </ul>	<ul style="list-style-type: none"> <li>» Increase water flow due to prolonged La Nina weather pattern.</li> </ul>	<ul style="list-style-type: none"> <li>» Complicated weather developments have caused impacts on water flow forecasting and operation of EVNGENCO3.</li> <li>» Especially, continuous period of dry weather reduces power input of power plants.</li> </ul>

#### Risk management plan:

- » To operate the hydropower plans safety and effectively during stormy and rainy seasons, the Corporation works out a maintenance & repair plan for equipment, power stations and 220kV power cable network on a yearly basis and at the appropriate time depending on current weather status to maximize the plant capacity.
- » It also requires to assess effects of climate change on water flow to reservoirs in the future, build optimal operation process to take advantage of water volume during flood season for power generation; plan to conduct a survey on mapping the topography of reservoirs, propose dredging programs to ensure useful capacity and flood control capacity of reservoirs as designed.
- » Build a plan on natural disaster prevention & control, search and rescue with "4 on the spot" motto: command manpower-materials and logistics to improve capacity and specialized responsibilities, ensure construction site safety during flood seasons, make safety as a top priority during the whole operation process.
- » To timely provide information of production operations and reservoir regulation to communities downstream, the Corporation has established 24 flood warning stations downstream (Buon Tua Srah: 14 stations; Buon Kuop Reservoirs: 10 stations) and along the river downstream to get local people alerted. At the same time, the Corporation has installed Zalo groups at 3 reservoirs with local authorities to announce, exchange and provide information in a timely and quick manner to related parties to improve efficiency of flood & rain response.
- » Buon Kuop Hydropower Company has successfully researched and put into application a remote flood warning system replacing whistle warning to help local people in the downstream area to avoid unfortunate accidents, limiting damage when storms and floods occur.

#### GRI 201-4

GOVERNMENT BACKED FINANCE

- » The Corporation's power projects, during the process of investment, have been funded by competent authorities through loans, guaranteed loans, foreign loans such as:
  - » Mong Duong 1 Thermal Power Plant: financed by ADB and KEXIM worth 1,440,710,000 USD.
  - » Vinh Tan 2 Thermal Power Plant: financed by China Eximbank worth 980,025,629.05 USD and 600,000,000 CNY.

### MARKET PRESENCE - GRI 202

#### GRI 202-1

RATIO OF STARTING WAGE BY GENDER TO REGION'S MINIMUM WAGE

- » EVNGENCO3 implements a salary and bonus regime corresponding to level and nature of work, ensure deduction of social insurance & unemployment insurance premium to be fully done as stipulated.
- » The Corporation ensures the starting wage of employees not lower than regional minimum salary as stipulated without any gender gap in payment.

### INDIRECT ECONOMIC IMPACTS - GRI 203

#### GRI 203-1

INFRASTRUCTURE INVESTMENT & SUPPORTED SERVICES

- » In 2022, EVNGENCO3 continues to accompany localities where its power plants are located to improve infrastructure system and living quality of local people.
- » The Corporation/Vinh Tan Thermal Power Company also coordinates with Binh Thuan Television Station, Vietnam Fatherland Front Committee of Binh Thuan province to implement the "House of Love" program, giving houses of gratitude to families with difficult circumstances in Binh Thuan province worth 100 million VND/unit. Since 2019, the program has handed over 34 houses of gratitude.
- » Phu My Thermal Power Company, Mong Duong Thermal Power Company, Buon Kuop Hydropower Company, Vinh Son - Song Hinh Hydropower JSC has given 19 great solidarity houses to families with difficult circumstances in Binh Thuan province.
- » EVNGENCO3 Youth Union also supports to build rural roads by using ash concrete from Vinh Tan Thermal Power Plant, implement rural road lighting project with 3km long by doing solar power in provinces such as Tay Ninh, Ba Ria-Vung Tau.

### TAX - GRI 207

#### GRI 207-1

TAX APPROACH

- » The Corporation declares and pay taxes in compliance with the applicable laws including: corporate income tax (CIT), value added tax (VAT), business license tax, personal income tax (PIT) earned from stock investment and other taxes as prescribed by the laws.
- » Besides, every subsidiary, associate company is entitled to special tax rate due to preferential tax incentives entitled for investment, construction of power plants.
- » Corporate income tax (CIT): The Corporation pays CIT according to Decree 218/2013/ND-CP dated December 26 2013 of the Government on implementation of amended laws, supplement of some articles of CIT laws, Decree 126/2020/ND-CP dated October 19, 2020 of the Government detailing some articles of tax administration laws and VAT

related guiding documents: applied to business and production activities of the Corporation in accordance with laws on VAT 2008 and the law amending and supplementing a number of articles of laws on VAT 2013 and implementation guidance.

- » Personal income tax: The Corporation and its shareholders with incomes earned from share investment must pay personal income tax in accordance with the applicable laws.





ENVIRONMENTAL ISSUES

ENERGY - GRI 302

Be aware of importance of energy saving during power production process is a key factor to ensure sustainable development, Power Generation Corporation 3 has implemented many solutions to reduce heat losses, strengthen digital transformation and optimize fuel inventory.

FUEL VOLUME USED FOR POWER PRODUCTION 2022

Power plant	Fuel type	Unit price	Volume	Supplier
<b>Non-renewable fuel</b>				
<b>Phu My Thermal Power Plant</b>	Natural gas	million BTU	80,870,221	Petrovietnam Gas Joint Stock Corporation
	DO	Liter	1,711,065	Petroleum suppliers
	Self-consumption of electricity	kWh	214,213,759	Self-producing and purchasing
<b>Vinh Tan 2 Thermal Power Plant</b>	Coal dust	Tons	3,088,301	» Vietnam National Coal-Mineral Industries Holding Corporation Limited » North East Corp » Coal imported from other suppliers
	DO	Liter	5,946,741	» Many suppliers
	Self-consumption of electricity	kWh	466,597,812	» Self-producing and purchasing from EVN (power from the grid)
	Coal dust	Tons	3,393,937	» Vietnam National Coal-Mineral Industries Holding Corporation Limited » North East Corp
<b>Mong Duong 1 Thermal Power Plant</b>	DO	Liter	3,311,547	» Many suppliers
	Self-consumption of electricity	kWh	712,126,542	Self-producing and purchasing
	<b>Renewable fuel</b>			
<b>Vinh Tan 2 Solar Power Plant</b>	Heat radiation	W/m <sup>2</sup>	1,643,602	

WATER & WASTE WATER - GRI 303

WATER CONSUMPTION

The Corporation is exploiting and using water sources as follows:

- » Hydropower water use: stored in reservoirs upstream through a system of energy routes, flowing through the turbine and discharging the plant downstream through a system of canals and pipelines to rivers and streams.
- » Cooling water in hydropower plants: cooling water intake from rivers or sea through water intake structures, flowing to condensers for heat exchange, then discharging into rivers or sea through cooling water drainage canals.
- » Besides, thermal power plants also use running water (from suppliers), lake water or sea water to produce demineralized water for use in thermal power plant; sea water is also used for treatment of exhaust fumes before going through chimneys.

WASTEWATER

- » Industrial wastewater: generated during production activities of the plants including oil contaminated wastewater, coal and chemical contaminated

wastewater, etc. Wastewater is collected and treated at concentrated wastewater treatment plants, then re-used for appropriate purposes or discharged into receiving sources after properly being treated.

- » Domestic wastewater: small amount, re-used for tree irrigation or discharged into receiving sources after being properly treated.

ONLINE SURFACE WATER, SEA WATER AND WASTE WATER MONITORING SYSTEM

- » HydroPower Plants have fully installed monitoring equipment systems to supervise the process of exploitation, use of lake water and transferred data to the authorities as stipulated.
- » Thermal Power Plants have fully installed online surface water, sea water and wastewater monitoring systems and transferred data to local Department of Natural Resources and Environment as stipulated.
- » Data is also transferred to headquarter of EVNGENCO3 to supervise, control and contribute to environmental management in a prompt, accurate and effective manner.

WATER CONSUMPTION AT POWER PLANTS IN 2022

Power Plants	Parameter	Unit	Volume
Phu My Thermal Power Plant	Clean water	m <sup>3</sup>	1,085,951,808
Vinh Tan 2 Thermal Power Plant	Clean water	m <sup>3</sup>	1,185,789,833
Mong Duong 1 Thermal Power Plant	Clean water	m <sup>3</sup>	1,223,261,000
Buon Kuop Hydropower Plant	Total flow of running water	m <sup>3</sup>	3,141,931,680
Buon Tua Srah Hydropower Plant	Total flow of running water	m <sup>3</sup>	6,594,492,960
Srepok 3 Hydropower Plant	Total flow of running water	m <sup>3</sup>	8,584,729,920

VOLUME OF WASTEWATER GENERATED IN 2022

Power plants	Volume (m <sup>3</sup> )
Phu My Thermal Power Plant	298,112
Vinh Tan 2 Thermal Power Plant	99,020
Mong Duong 1 Thermal Power Plant	831,640





## ENVIRONMENTAL PROTECTION (CONTINUED)

### BIODIVERSITY - GRI 304

- » Spacious land areas inside Thermal Power Plants are covered with green trees, except for areas for prevention of fire and explosion. Trees are also planted in surrounding areas of slag yards in coal thermal power plants.
- » Hydropower plants also plant trees at the additional construction site of the plants, they also pay forest environmental service fees to the State budget.
- » Power plants using surface water for producing power, cooling machine and equipment pay the charge of granting water exploitation right and water resource tax.
- » Power plants generating wastewater discharged to receiving sources after being treated pay environmental protection fees on wastewater.



### EMISSION - GRI 305

Target	Unit of measurement	Parameter in 2022			
		Phu My Thermal Power Company	Vinh Tan Thermal Power Company	Mong Duong Thermal Power Company	Buon Kuop Hydropower Company
Total volume of gas emissions	million m <sup>3</sup>	33,620.26	10,555.99	23,233.54	-

#### TREATMENT SYSTEM

- » Exhaust fume from thermal power plants is relatively clean due to clean input energy combined with burners with advanced emission control technology, therefore, concentration of exhaust emissions which can cause bad impacts on environment such as SO<sub>x</sub>, NO<sub>x</sub>, dust is still lower than the allowable limit. Exhaust gases after passing through the heat recovery will go into high chimneys and releases to receiving sources.
- » Exhaust gases in coal-fired thermal power plants after coming out of combustion chamber will go SCR system to reduce NO<sub>x</sub> and FGD system to remove SO<sub>x</sub> as well as ESP system to remove dust. Then, exhaust gases will go into high chimneys and release to receiving sources. Therefore, concentration of exhaust emissions which can cause bad impacts on the environment is still lower than the allowable limit.
- » The current greenhouse gas emissions in thermal power plants are mainly CO<sub>2</sub>. EVNGENCO3 is studying and researching greenhouse gas emissions reduction technology to reduce greenhouse gas emissions at the lowest level.

#### ONLINE EMISSION MONITORING SYSTEM

- » Coal-fired thermal power plants of EVNGENCO3 have fully installed online emission monitoring system and transfer data to local department of natural resources and environment as stipulated.
- » At the same time, data will be transferred to headquarter of EVNGENCO3 to supervise, control and contribute to environmental management in a prompt, accurate and effective manner.

### WASTE - GRI 306

#### HAZARDOUS WASTE

- » A majority of hazardous waste is generated in thermal power plants mainly including granule shaped abrasive materials with hazardous components (sand, abrasive powder, etc.), fluorescent lamp sand and waste glass; oil and grease waste, oil contaminated water from oil water separator; filter material (oil filter material) contaminated with hazardous components; chemicals and laboratory chemical compounds containing hazardous components; gloves, rags contaminated with waste oil; refractory lining materials with hazardous components; oxidizing substances.
- » Hazardous wastes will be collected, transported and treated by approved waste disposal units.

#### NON-HAZARDOUS WASTE

- » Solid waste generated in workplace as well as from food and drink preparation, domestic waste.
- » Ash and slag generated from power production activities in coal-fired thermal power plants.
- » Ordinary industrial solid waste: poor-quality materials.
- » Non-hazardous waste is collected, transported and treated by approved waste disposal units.

#### WASTE REDUCTION METHODS

- » Regularly propagate, disseminate and implement the policy of thrift practice, combat wastefulness of natural resources to each employee; monitoring, inspecting, urging and reminding.
- » Viewpoint: effective exploitation and resource efficiency, effective use of fuel, materials, chemicals and stationery, etc. optimizing re-use and recycling of materials, fuels, stationery, poor quality scraps, limitation for waste disposal.
- » Ash and slag exploitation as a form of products or goods that can be exchanged, sold or used in building activities or construction of roads, ground leveling, etc.

Targets	Unit of measurement	Parameters in 2022				Total
		Phu My Thermal Power Company	Vinh Tan Thermal Power Company	Mong Duong Thermal Power Company	Buon Kuop Hydropower Company	
Ordinary solid waste (domestic and industrial wastes)	Tons	76.71	155.45	277.09	2.00	511.25
Ash and slag from coal-fired thermal power plants	Tons	-	1,429,496	2,045,762.11	-	1,429,496
Hazardous waste	Tons	194.61	121.89	226.92	1,310.00	1,626.50





# GRI 400 SOCIAL ISSUES

## EMPLOYMENT - GRI 401

### GRI 401-1 NUMBER OF NEW HIRES AND TERMINATED EMPLOYEES

- » A number of new hired employees of the Corporation in 2022: 74 employees
- » A number of terminated employees of the Corporation in 2022: 106 employees

### GRI 401-2 BENEFITS ATTACHED TO FULL TIME EMPLOYMENT

- » Power Generation Joint Stock Corporation 3 always ensures competitive income and full welfare policies for employees such as health insurance, vacation time, flexible working model, learning and self-development opportunities abroad/at home, maternity benefits for female employees.

### GRI 401-3 PARENTAL LEAVE

- » The Corporation offers paid parental leave benefits following local legislation, employees are entitled to maternity leave with social insurance benefits and allowance as stipulated in Collective Labor Agreement.



## EMPLOYMENT - GRI 403

- » Strictly comply with regulations of the State, Ministries, Departments and EVN on working environment monitoring upon periodical inspection and assessment, ensure all indicators reviewed according to accepted standards, periodically carrying out employee satisfaction and health check.
- » Make the work environment more beautiful, green and clean, ensure occupational safety and labor hygiene; regularly checking pandemic-related workplace safety and hygiene, especially prevention and control measures during Covid-19 pandemic.
- » Organize and participate in medical training courses, first aid training, occupational health and safety.
- » Arrange rehabilitation services for employees with health of grade 4 or 5 or those engage in heavy, dangerous or hazardous jobs or extremely heavy, hazardous, dangerous jobs according to the list of heavy, hazardous, dangerous jobs stipulated in Circular No 11/2020/TT-BLDTBXH dated November 12 2020 of Ministry of Labor, War Invalids and Social Affairs.

### GRI 403-1 OCCUPATIONAL HEALTH AND SAFETY

- » The Corporation has established health management profile as stipulated and monitored personal health via human resource management system (HRMS), it makes it easier for both employees and employers to monitor their health and assignment of work in a way that suitable with specific nature of work.
- » Medical rooms of affiliated units have been fully equipped with necessary medical tools, offering training courses for medical staff with grant of practicing certificates, drug distribution, taking care of workers with common diseases as well as conduct basic first aid, monitoring and taking them to approved hospitals with contracts for initial medical services for effective treatment, ensuring health for employees.

### GRI 403-3 OCCUPATIONAL HEALTH SERVICES

- » The Corporation/affiliated units organize periodical health check ups for employees at least once a year as stipulated, once in every 6 months for those with heavy or hazardous jobs; creating conditions for employees to take intensive health examination to identify early signs of health issues and effective treatment. In addition, some units have actively organized gynecological examination for female employees twice a year.
- » The Corporation offers health care benefits through health insurance plan for employees y-o-y.

### GRI 403-5 WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY

- » Proactively participate in intensive training courses on medical profession to improve qualifications and professional skills of medical staff at the Corporation's medical units, ensuring adequate records and grant of practicing certificates, training participation certificates.
- » The Corporation has coordinated with related parties to organize training courses to improve knowledge of occupational health and safety, regularly propagates occupational health and safety for employees to minimize risks and hazards at the workplace.



## SOCIAL ISSUES (CONTINUED)

### EDUCATION AND TRAINING - GRI 404

#### GRI 404-1

##### AVERAGE ANNUAL TRAINING HOURS PER EMPLOYEE

In 2022, the Corporation and its affiliated units have conducted 13,810 training sessions with participation of 2,071 people (31,884 e-learning sessions) with total training cost of VND 59.55 billion, ensuring at least 40 hours of training per year per employee.

#### GRI 404-2

##### PROGRAMS FOR UPGRADING EMPLOYEE SKILLS AND TRANSITION ASSISTANCE PROGRAMS

- » As its annual training program, the Corporation always focuses on training contents associated with business and production tasks upon model of learning organization, building up a highly-skill and professional human resource.
- » Take initiative in training and re-training activities, especially in field of digital transformation, ensuring physical health and capability for workforce to complete their tasks flexibly, safely and effectively; focusing on intensive training programs associated with domestic and overseas training courses (generator disassembly and calibration specialists in Switzerland, steam turbine repair & maintenance, wind turbine repair & maintenance in U.S.A; CFD simulation software in Germany; offshore wind farm training programs in Australia).

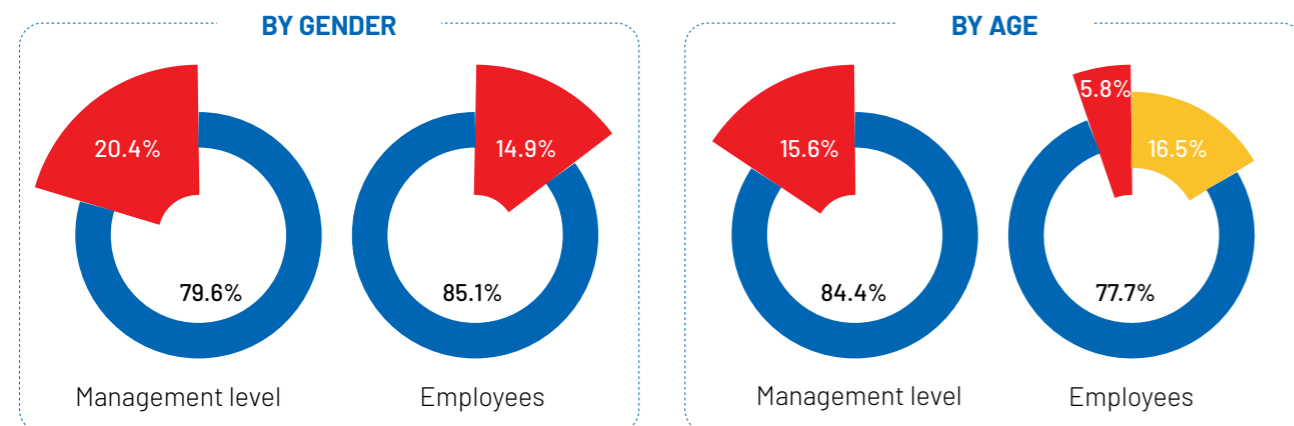
### DIVERSITY & EQUAL OPPORTUNITY - GRI 405

#### GRI 405-1

##### EMPLOYEE DIVERSITY AND MANAGEMENT TEAM DIVERSITY

- » EVNGENCO3 always ensures fair recruitment without any gender discrimination related to welfare policies.
- » Engage in assessment and obtain Global Gender Equality Certificate, this affirms EVNGENCO3's determination to promote gender equality in the workplace toward sustainable development of the Corporation based on the benefits of health and equal working environment.

#### EMPLOYEE STRUCTURE



	By gender		By age		
	Male	Female	<30	30-50	>50
Management level	79.6%	20.4%	0.0%	84.4%	15.6%
Employees	85.1%	14.9%	16.5%	77.7%	5.8%

### LOCAL COMMUNITIES - GRI 413

- » Give periodical support to 47 students with difficult circumstances, children orphaned by Covid-19 in HCMC on a monthly basis till the complete the 12<sup>th</sup> grade worth VND 1.28 billion per year.
- » Implement the "School Milk" program for primary schools in Phu My and Vinh Tan worth over VND 1 billion, donate 50 computers and learning equipments for schools in Phu Yen and Binh Dinh provinces affected by natural disasters and storms.
- » At the same time, the Corporation & its subsidiaries visits and donates gifts to villages and people in downstream areas, families under preferential treatment policy and poor households on occasion of holiday and Tet; humanitarian blood donation in response to Pink Week; customer appreciation month; construction of school and roads, etc. upon local actual needs, and EVN/EVNGENCO3 policy and spirit.

