

No.: 1107/PVCFC-IR

Ca Mau, date 10 month 6 year 2024

Re: Announcement of approved the ESG -
Sustainable Development Strategic
Orientation

**DISCLOSURE OF INFORMATION ON THE STATE SECURITIES
COMMISSION'S PORTAL AND HCMC STOCK EXCHANGE'S PORTAL**

To: - The State Securities Commission;
- HCMC Stock Exchange.

Name of the Company: **PetroVietnam Ca Mau Fertilizer Joint Stock Company**

Stock Symbol: **DCM**

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Submitted by: Mr. Do Thanh Hung

Type of information disclosure:

Periodic

Irregular (24h)

Irregular (72h)

Others

Content of Information disclosure:

On June 10th, 2024, the Board of Directors of PetroVietnam Ca Mau Fertilizer Joint Stock Company approved the ESG - Sustainable Development Strategic Orientation of PetroVietnam Ca Mau Fertilizer Joint Stock Company.

This information was posted on PVCFC's website at www.pvcfc.com.vn, under Investor Relations section on 10/6/2024.

The Company hereby declares to be responsible for the accuracy and completeness of the above information.

Recipients:

- As above;
- Board of Directors-PVCFC (to report);
- Supervisory Board -PVCFC(to report);
- General Director-PVCFC (to report);
- Filed: Archive. IR.

Attachments:

- Summary of ESG - Sustainable Development Strategic Orientation.

**PERSON AUTHORIZED TO
DISCLOSE INFORMATION
PERSON IN CHARGE OF
CORPORATE GOVERNANCE**

(Signed & Sealed)

Do Thanh Hung

SUMMARY OF ESG - SUSTAINABLE DEVELOPMENT STRATEGIC ORIENTATION – PVCFC

Fertilizer production plays a crucial role in ensuring national and global food security. Fertilizers help increase crop productivity and quality, contributing to the stability and development of Vietnam's agricultural sector, thereby improving farmers' living conditions. However, the production and use of fertilizer also create certain environmental impacts. Fertilizer production can cause greenhouse gas emissions; water pollution and reduce soil health, while inappropriate use can lead to eutrophication and degradation of soil quality.

PetroVietnam Camau Fertilizer SJC (hereinafter referred to as “PVCFC”/ “the Company”) recognizes our role and responsibility towards the environment and society. Throughout the development process, PVCFC has always prioritized Sustainable Development as a strategic focus, integrating economic growth with the principle of balancing stakeholder benefits, environmental sustainability and society prosperity.

To help sustainable development activities create more positive impacts and influences, the Board and management of PVCFC have issued a Sustainable Development Strategic Orientation with the following main contents.

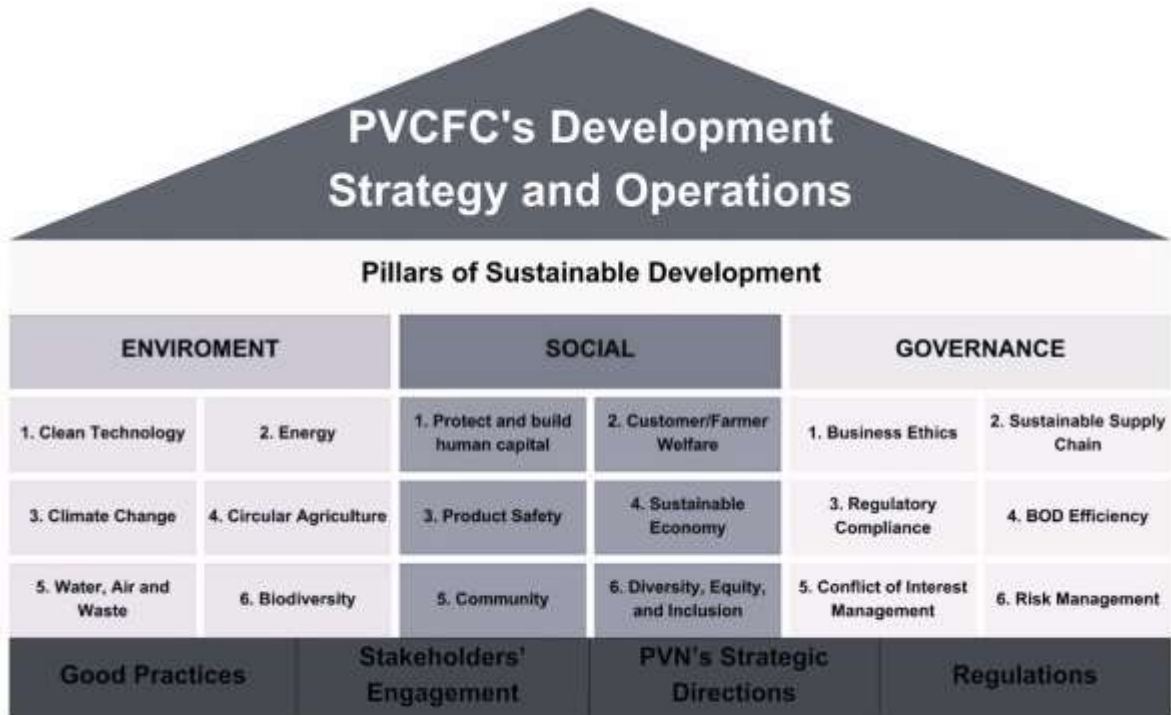
1. BASIS FOR DEVELOPING SUSTAINABLE DEVELOPMENT STRATEGIC ORIENTATION.

PVCFC's sustainable development strategic direction is developed in line with the company's growth strategy and competitiveness enhancement goals. The Sustainable Development Strategic Orientation must comply with legal regulations and appropriately apply industry best practices such as the standards of the International Fertilizer Association (IFA), the United Nations Sustainable Development Goals (SDGs), and learn from leading global fertilizer companies. It is important to consider the concerns and expectations of stakeholders to ensure sustainable operations, build trust and meet the expectations of customers, suppliers, employees, shareholders, the government, and local communities.



2. SUSTAINABLE DEVELOPMENT STRATEGIC ORIENTATION FRAMEWORK.

The Sustainable Development Strategic Orientation includes strategic initiatives grouped under the pillars of Environment, Social, and Governance, aligned with PVCFC's overall business strategy. These orientation groups are presented in the form of major themes to guide the shaping of strategies and activities on sustainable development, ensuring the integration of sustainable development content in implementing PVCFC's overall strategies and operations. The Sustainable Development Strategic Orientation groups for PVCFC are as follows:



Environment

From the environmental perspective, PVCFC identified six contents that the company has focused on and will continue to research and implement both in the short and long term.

Clean Technology: Research and implement the application of technology in production, business operations and the use of fertilizers to reduce emissions and minimize environmental impacts.

Energy: Continue to focus on improving efficiency of energy use, seeking renewable energy sources to partially replace fossil fuels, aiming to reduce energy intensity and emissions.

Climate Change: Utilize all available resources to reduce absolute emissions and emission intensity. We will also research and propose initiatives to reduce greenhouse gas emissions in all three scopes and continue investing in product research to provide farmers with better solutions to cope with climate change impacts like drought and salinization.

Circular Agriculture: A closed-loop agricultural production system where waste and by-products are recycled and used as inputs of the production process, maximizing resource utilization and minimizing waste and negative environmental impacts. We are aiming for activities and products to provide sustainable nutrients for crops, including increasing the ratio of organic and microbial fertilizers while improving soil health.

Water, Air, and Waste: We aim to manage and use water resources responsibly, manage waste generated during production, especially the recovery and recycling of fertilizer packaging.

Biodiversity: Our activities will aim to ensure the maintenance and protection of biodiversity by providing good products to consumers and training in sustainable fertilizer use practices following the IFA's 4R principles.

Social

Protect and Build Human Capital: People are the key success factor of PVCFC. We focus on creating an environment where employees are ensured health, safety, and enjoy welfare commensurate with their contributions and experience, with opportunities for development and skill enhancement.

Welfare for Farmers/Customers: Farmers play a vital role in the agricultural value chain. Through training programs, partnerships with other organizations, and customer/farmer support programs, PVCFC will contribute to improving rural livelihoods and economy while promoting sustainable development of the agricultural sector.

Product Safety: Safe fertilizers enhance crop productivity and quality while protecting the environment and human health. Fertilizer quality is strictly controlled according to international standards from raw materials to final products, with periodic checks throughout the production process, ensuring each product batch meets the highest and most consistent quality, safeguarding community health and biodiversity.

Sustainable Economy: We support farmers in accessing financial resources during their business operations. Additionally, we guide the establishment of a green finance framework to ensure environmental and social efficiency for projects.

Community: We continue to support the communities through impactful social welfare projects in the areas where we operate.

Diversity, Equity, and Inclusion: We encourage and create an environment where employees from diverse cultures, genders, ages, religions, political views, abilities, and other aspects of diversity are respected and have a voice in the Company's decisions and activities.

Governance

PVCFC is committed to practicing the highest level of corporate governance that we can implement, including but not limited to the good corporate governance practices of Vietnam and ASEAN. Key governance areas in ESG include:

Business Ethics: Business ethics form the core foundation for all decisions and actions in corporate governance; encompassing adherence to ethical principles and standards in all business activities, from human resource management, customer relations, partnerships to environmental and community dealings.

Sustainable Supply Chain: We aim for a sustainable supply chain where input products and goods are evaluated for environmental and social aspects.

Regulatory Compliance: Fertilizer industry regulations are constantly changing. We commit to maintaining a system to ensure compliance with legal regulations and best practices that we commit to following.

Board of Directors Efficiency: This is a critical factor for the success of an organization. The Board of Directors is responsible for strategic direction, overseeing

business operations, and ensuring the company adheres to good corporate governance principles and promotes sustainability in the area of governance.

Conflict of Interest Management: To protect reputation and transparency, the Company has established a strong conflict of interest policy, aimed at identifying, preventing, and resolving any potential conflict of interest situations in a transparent, fair manner to maximize the benefits of the Company.

Risk Management: To effectively address the challenges and risks in the business environment, the Company needs to build a comprehensive risk management system. This system includes identifying, assessing, and managing risks that may affect the company's objectives and operations, from financial and legal risks to environmental and social risks.

3. IMPLEMENTATION PRINCIPLES.

Based on the strategic directions mentioned above, we have developed a portfolio of strategic initiatives corresponding to the sustainable development themes we focus on. The implementation of strategic initiatives will be based on guiding principles revolving around four aspects: strategy, operations, finance, and compliance. Accordingly, the selected strategic initiatives and sustainability activities are appropriate with:

Strategic Principles: Align with the business strategic direction; the core values of the Company.

Operational Principles: Clearly define roles and responsibilities for implementation; evaluate the efficiency of sustainable development initiatives.

Financial Principles: Avoid creating unnecessary financial pressure; evaluate the investment efficiency in implementing sustainability initiatives.

Compliance Principles: Comply with legal regulations and internal regulations in implementing strategic initiatives.

With this Sustainable Development Strategic Orientation, PVCFC will not only enhance its competitiveness but also contribute to building a sustainable, green, and prosperous future for all stakeholders. PVCFC understands and is proud to be part of the Sustainable Development trend with a strong commitment to a sustainable future for the agriculture sector./.