



Our Quality, Your Better Life



2022

ESG REPORT

CHINA STEEL AND NIPPON STEEL VIETNAM JSC

Since Vietnam announced its commitment to phase out coal power generation by the 2040s and achieve net-zero carbon emissions by 2050, we are mandating ESG reporting to ensure to meet national emissions reduction targets and our sustainability goals.



www.csvc.com.vn



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Ba Ria-Vung Tau Province



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CHAPTER I INTRODUCTION

COMPANY INFORMATION

CORPORATE PHILOSOPHY

MESSAGE FROM THE GENERAL DIRECTOR

ORGANIZATION STRUCTURE

HIGHLIGHTS OF THE PREVIOUS YEAR





BUSINESS PHILOSOPHY

Our Quality,
Your Better Life
we believe that high-quality products, technology, and services can let us grow with our customers and stakeholders.

COMPANY INFORMATION

- **Headquarter Office:** My Xuan A2 Industrial Zone, My Xuan Ward, Phu My Town, Ba Ria-Vung Tau Province
- **HCMC Rep. Office:** Floor 9th, Victory Tower, No.12 Tan Trao Street, Tan Phu Ward, District 7, Ho Chi Minh City

Tax code: 3501382588

Chartered capital: USD 577,000,000

BRC No. 3266151700

IC No. 3501382588

MAIN PRODUCT

CSVC can provide P/O (Pickled & Oiled), CR (Cold Rolled), ASCR (As Cold Rolled), GI & GA (Galvanized) and ES (Electrical Steel) with high quality. The total annual production capacity is 1.2 million metric tons.



Pickled & Oiled steel coils



Hot - dip galvanized steel coils



Cold-rolled steel coils



Electrical steel coils

CSVC implemented its quality management system based on ISO 9001 requirements, we especially stress meeting customer requirements and continually improving product quality. That's why it makes CSVC to be a reliable and trustworthy supplier of steel products. Besides, in order to commit our responsibility to the environment, CSVC also put much effort into reducing or even eliminating any hazardous substance to make our products eco-friendly.

MAIN SHAREHOLDERS

The main investors are China Steel Corporation (Taiwan, R.O. China) and Nippon Steel Corporation (Japan). CSVC started its construction in September 2011 and start commercial operation in November 2013.



CHINA STEEL CORPORATION



NIPPON STEEL CORPORATION

LEGAL REPRESENTATIVES

CSVC's legal representatives are also our great leaders. Under their lead, CSVC has continuously achieved records in production as well as outstanding accomplishments in business.



Mr. CHEN, MING-YUAN
Chairman

Mr. CHIKAMATSU KOSHIRO
General Director

Mr. CHEN, YEONG-KUEN
Deputy General Director

MESSAGE FROM THE BOARD OF DIRECTORS

On behalf of China Steel and Nippon Steel Vietnam Joint Stock Company, we would like to thank our Shareholders, Partners and Customers for accompanying us during the development journey over the past 10 years as well as wishing everyone prosperity and good health.

If in 2021, CSVC must maintain production and business activities when the global steel industry faces a very complicated Covid-19 epidemic, then in 2022, we strive to cope with many difficulties and challenges in the context of the pandemic, high inflation, the war between Russia and Ukraine, China's Zero-Covid policy. Meanwhile, the domestic steel-using industries slowed down due to the ongoing decline in the selling price of steel products and steel billets.

With the will to overcome difficulties, the Board of Directors has clear and flexible strategies to achieve the highest growth: effective operation for potential customers; coordination with the mother company to improve technology; promotion of production that meets customer requirements; actively exploring to expand marketers and potential customers to increase orders in both domestic and export markets.

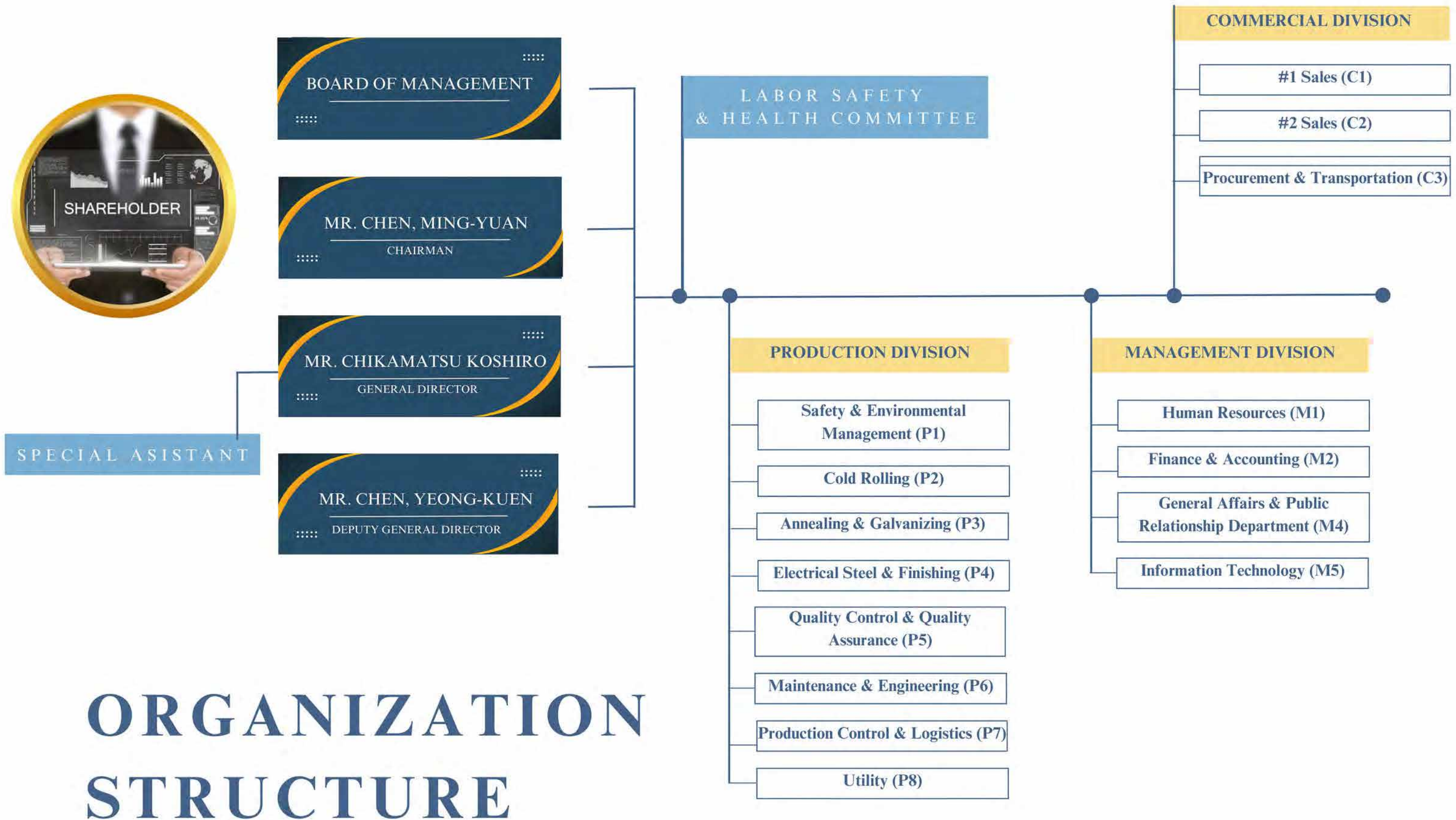
Besides, assisting the Vietnamese government in effortfully being committed to sustainable development, CSVC has also made many improvements in environmental protection production, creating a friendly working environment and contributing to local social campaigns.

Since the Covid-19 outbreak, the duty of developing a sustainable business based on the criteria of Environment (E), Society (S), and Governance (G) has no longer become an option but a business strategic goal. We value issues such as climate change, gender equality, social welfare, and a variety of other environmental and community concerns. The Award of Entrepreneurs who have excellent achievements in making positive contributions to localities in the Southeast region while overcoming the pandemic, maintaining stability, and developing production and business with good results at the Vietnam Chamber of Commerce and Industry Vung Tau branch meeting on Oct 18th, 2022, is a

corroboration of the efforts of the Board of Directors and the whole Company toward the goals of sustainable development and social responsibility. Our detailed practicing ESG in 2022 will be disclosed in this document, as well as announcing the future strategy for CSVC's sustainable development. We hope that the information through the ESG Sustainability Report will help to strengthen your trust in CSVC, thereby creating opportunities for CSVC's rapid growth and becoming the region's leading steel enterprise.

BOARD OF DIRECTORS





ORGANIZATION STRUCTURE

HIGHLIGHTS OF THE YEAR

2022



FEB 14

Certificate of Merit for making excellent achievements in the emulation movement in 2021.



MAR 21

Rewarded by CSC for the achievement of USD 104 million in 2021.



SEP 8

Recognized as "A major tax payer, well compliant with customs legislation".

OCT 18

Mr. Chikamatsu Koshiro receiving Certificate of Merit for contributing to the business community in the Southeast region.



DEC 23

Certificate of Merit from Ministry of Industry & Trade for improving competitiveness.

DEC 15

LUNAR CALENDAR

A delegation led by Mr. Ta Quoc Trung, Dir. of BRVT construction department paid visit to CSVC on the occasion of the Tet holiday.





CHAPTER II

ENVIRONMENT



ENVIRONMENTAL PROTECTION, POLLUTION PREVENTION,
INCIDENT HANDLING AND CLIMATE ADAPTATION AND
RESPONSE



NATURAL RESOURCE CONSERVATION, WASTE MANAGEMENT
TOWARD CIRCULAR ECONOMY



EDUCATION AND COMMUNICATION

1. ENVIRONMENTAL EMISSION SOURCE

1.1 SOURCE OF EMISSION

- Emission from furnace: CSVC uses Natural Gas (NG) to heat up the furnace for production activities. Emission from each production line is collected by an exhaust fan to treat the system and discharged into the surrounding environment through stacks.
- Acid steam from the pickling tank: The process of pickling is carried out in an HCl acid solution tank at a temperature of about 70 degrees. At this temperature, a small amount of HCl is evaporated and discharged into the surrounding environment through stacks.

1.2 LIST OF STACKS IN CSVC

There is total 16 stacks in CSVC, but stack BOI-01 is not operated during operation.

No.	Line product	Position stack	Stack No.	Probable contaminant	QCVN 51:2017/BTNMT	Frequency
1	PLTCM	Pickling line	PL-01	HCl	* Flowrate $\leq 20,000$: - TSP: 200 mg/Nm ³ - NO _x : 850 mg/Nm ³ - SO ₂ : 500 mg/Nm ³ - CO: 1000 mg/Nm ³ * Flowrate $\leq 100,000$: - TSP: 180 mg/Nm ³ - NO _x : 765 mg/Nm ³ - SO ₂ : 450 mg/Nm ³ - CO: 900 mg/Nm ³ * Flowrate $> 100,000$: - TSP: 160 mg/Nm ³ - NO _x : 680 mg/Nm ³ - SO ₂ : 400 mg/Nm ³ - CO: 800 mg/Nm ³	Every 03 months
2	PLTCM	Scale breaker	PL-02	Dust/particle		
3	PLTCM	Mill	PL-03	Dust/particle		
4	ARP	Acid Regeneration Plant (ARP)	ARP-01	HCl		
5	ARP	Silica Reduction Plant (SRP)	ARP-02	HCl		
6	ACL	Cleaning	ACL-01	NaOH		
7	ACL	Furnace	ACL-02	Burning NG		
8	ACL	Oven	ACL-03	Burning NG		
9	Utilities	Boiler room	BOI-01	Burning NG		
10	Utilities	Boiler room	BOI-02	Burning NG		
11	QA/QC	Test center	QA-01	Chemical fume		
12	CAL	Furnace	CAL-01	Burning NG		
13	CAL	Cleaning	CAL-02	NaOH		
14	CGL	Furnace	CGL-01	Burning NG		
15	CGL	Post-treatment	CGL-02	Burning NG		
16	CGL	Cleaning	CGL-03	NaOH, dust		

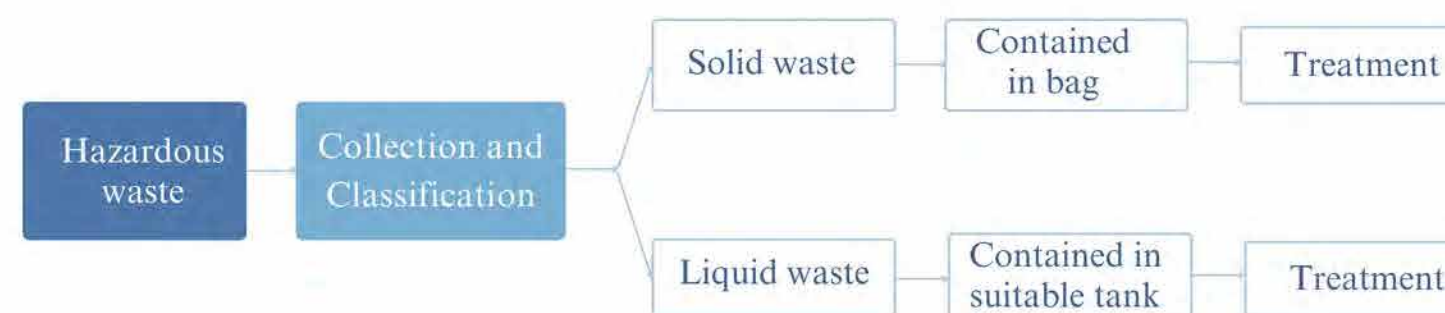
CSVC uses Natural Gas (NG) to heat up the furnace for production activities, proving that NG is the cleanest non-renewable source compared with other sources such as fossil fuels, coal, etc. And its carbon emissions are much lower than other fuels.

After heating or pre-reaction in the production line, the emissions shall be discharged through stacks with different heights. To ensure safety and minimize environmental impact, some stacks were installed with sleeve dust filters or absorption systems. In addition, NG supplied for the production line would be appropriately calculated to ensure the oxidation reactions occur entirely without generating CO (harmful opponent for gas emissions).

1.3 SOURCE OF WASTE

Hazardous waste

- CSVC has recognized the importance of hazardous waste affect on the environment of local communities and thus strengthen the awareness of waste management at the site by promoting risk management with the aim of continuing the controlling of environmental aspects causing the potential risks by collecting and classifying one by one separately at the production site, as well as enhancing the products with minimize the amount of HW generated.
- In CSVC, there are 39 HW codes that need to be separated accordingly, and CSVC proudly stated that we can control and separate all 39 HW codes by different bag/ container/ area. After some continuous effort of reducing/ reusing/ recycling, these HW shall be treated by a contractor that needs eco-friendly treatment methods, especially in recycling industrial waste. Through this effort, CSVC can contribute to the Environmental global mission of reducing Environmental impact by reducing the amount of waste in landfill, thus saving natural resources such as land, water and air.
- The overall HW treatment in CSVC is shown as follows:



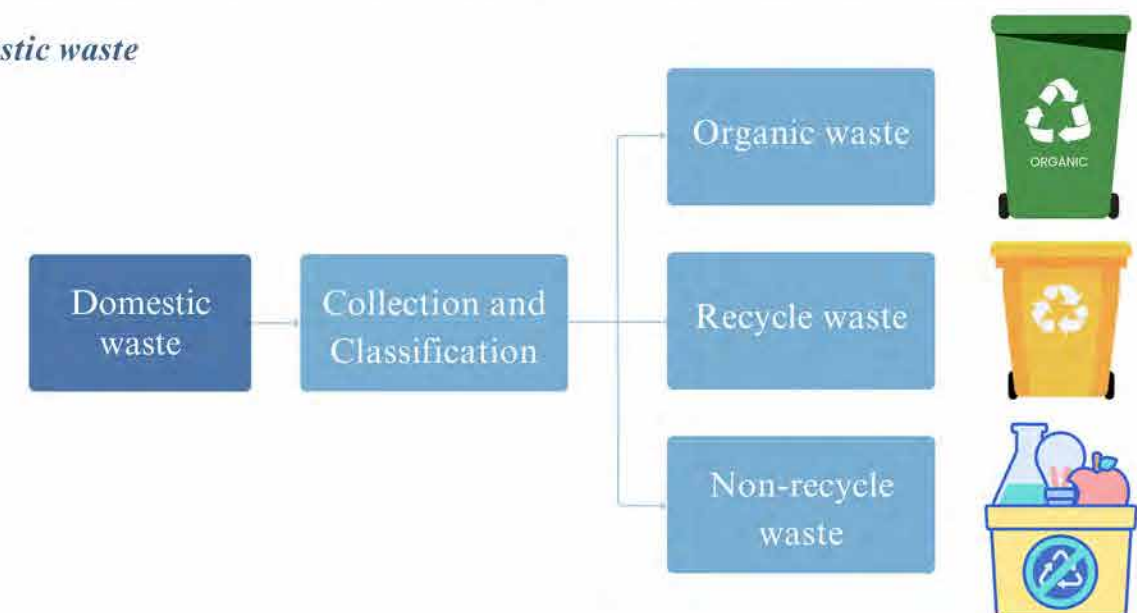
No.	Name	HW Code	2022 (kg)	Dept.
1	Waste sludge from a wastewater treatment system	02 05 01	143,980	P8
2	Used activated carbon	02 11 02	11,480	P8
3	Sludge and filtration residuals containing hazardous component	07 01 05	834,331	P2, P3, P4
4	Waste cleaning solution containing hazardous components (wastewater containing Cr6+)	07 01 06	168,916	P3, P4
5	Waste waxes and grease	07 03 06	1,264	P2, P6
6	The grinding object after used containing hazardous components	07 03 10	9,720	P2, P3, P4, P6
7	Waste print cartridge containing hazardous constituents	08 02 04	270	M4, M5
8	Ion exchange resin saturated or used	12 06 01	21,030	P8
9	Waste oil from the oil-water separator	12 06 04	486,130	P8
10	Sludges from treatment of industrial wastewater	12 06 05	1,132,960	P8
11	Infectious waste	13 01 01	510	Px
12	Waste fluorescent and other activated glass	16 01 06	410	Px, Mx
13	Waste equipment, electronic components or electrical equipment	16 01 13	1,240	Px, Mx
14	Other waste oils	17 07 03	40,856	Px
15	Waste rigid metal packaging including pressure containing vessels ensured empty completely	18 01 02	56,777	Px
16	Plastic waste rigid packaging	18 01 03	35,446	Px
17	Waste absorbents, filtering materials (including oil filtering materials not mentioned in other codes), cloth, protective fabric contaminated with hazardous constituents	18 02 01	76,050	Px
18	Waste chemicals and mixture of chemical of laboratory containing hazardous component	19 05 02	2,040	P5
19	Waste batteries, accumulators	19 06 01	4,970	P6, M4
20	Waste contaminating inorganic hazardous component	19 12 01	2,240	P2, P3, P4, P6
21	Waste contaminating organic hazardous components	19 12 02	2,510	P2, P3, P4, P6
22	Microbiological prices (from wastewater treatment system)	19 12 03	10,830	P8

Industrial waste



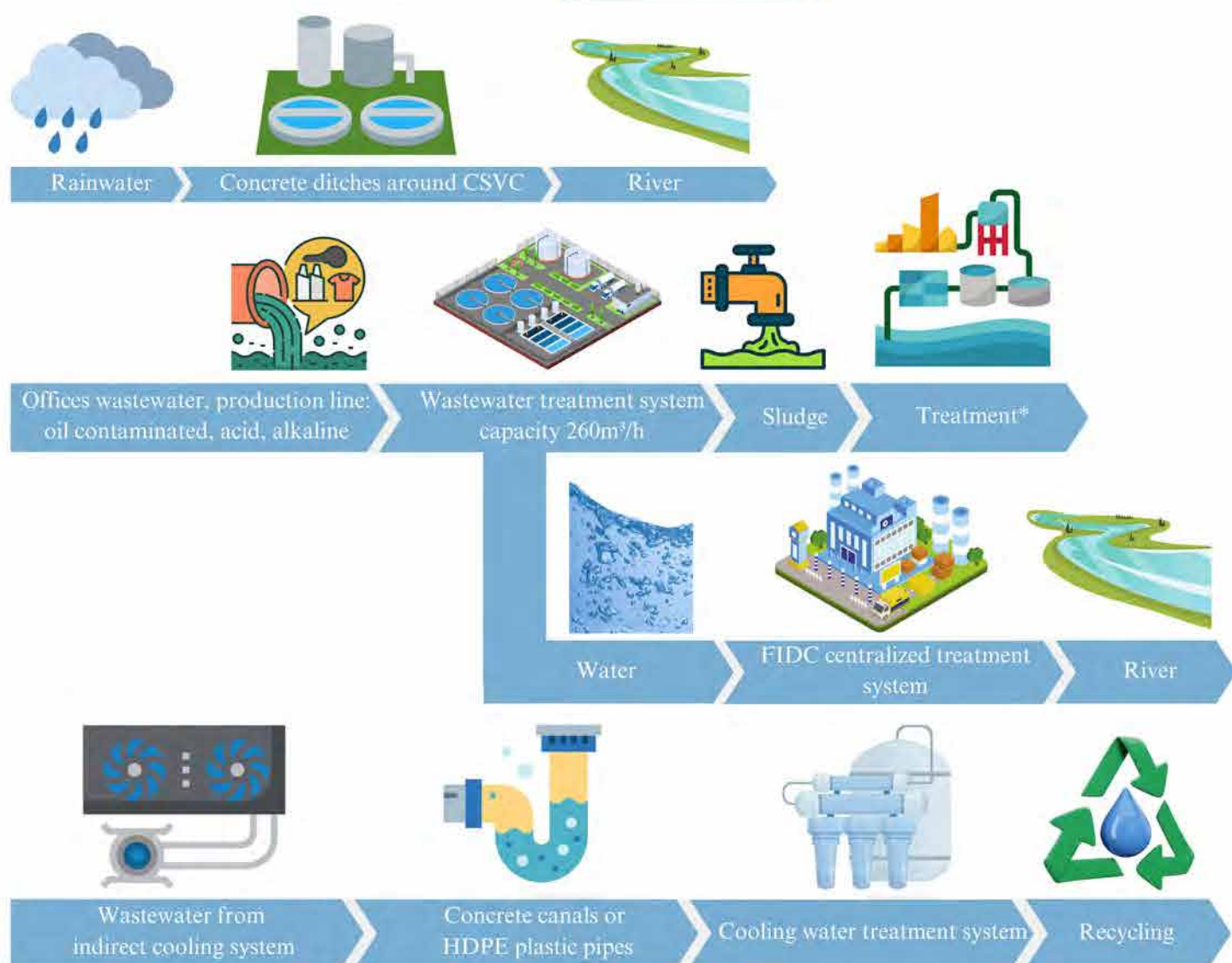
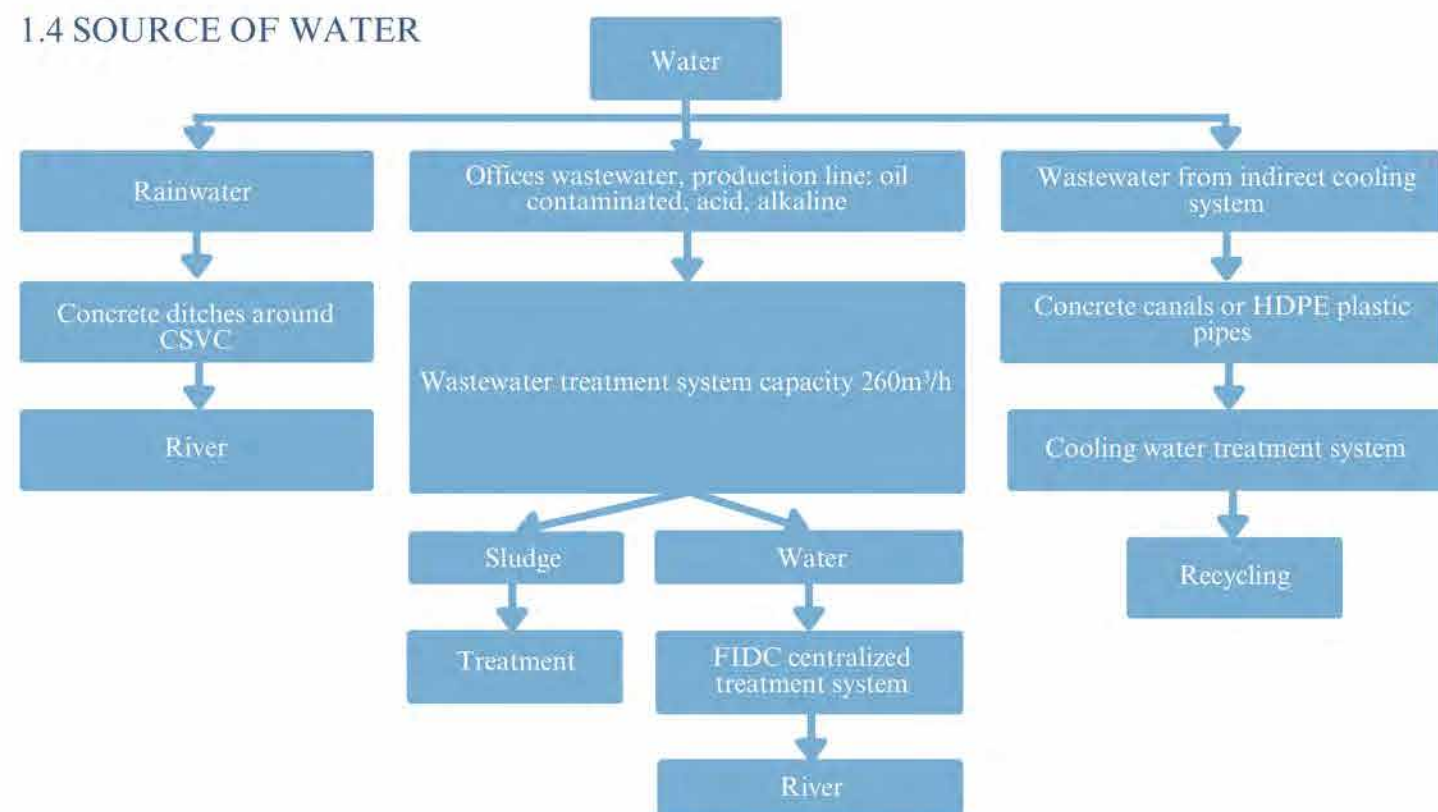
No.	HW Code	2022 (kg)	Dept.	Remarks
1	Waste PPE	230	P6	Treatment
2	Waste construction	6,570	P6	Treatment
3	Waste rubber cable	1,660	P3	Treatment
4	Waste oxide	30,960	P2	Treatment
5	Waste oxide	50	P5	Treatment
6	Waste packing nylon	18,750	P2, P4, P6, P7, P8	Treatment
7	Waste sludge from cleaning ditch	83,140	P1	Treatment
8	Waste wood	46,120	P2, P3, P4, P6, P7, P8	Treatment
9	Waste packing paper	132,220	P4	Recycle
10	Wooden rulo	17,250	P3	Recycle
11	Scrap	27,263,000	Px	Recycle
12	Electrical cable	91,060	P3	Recycle
13	Zinc dross	414,000	P3	Recycle

Domestic waste

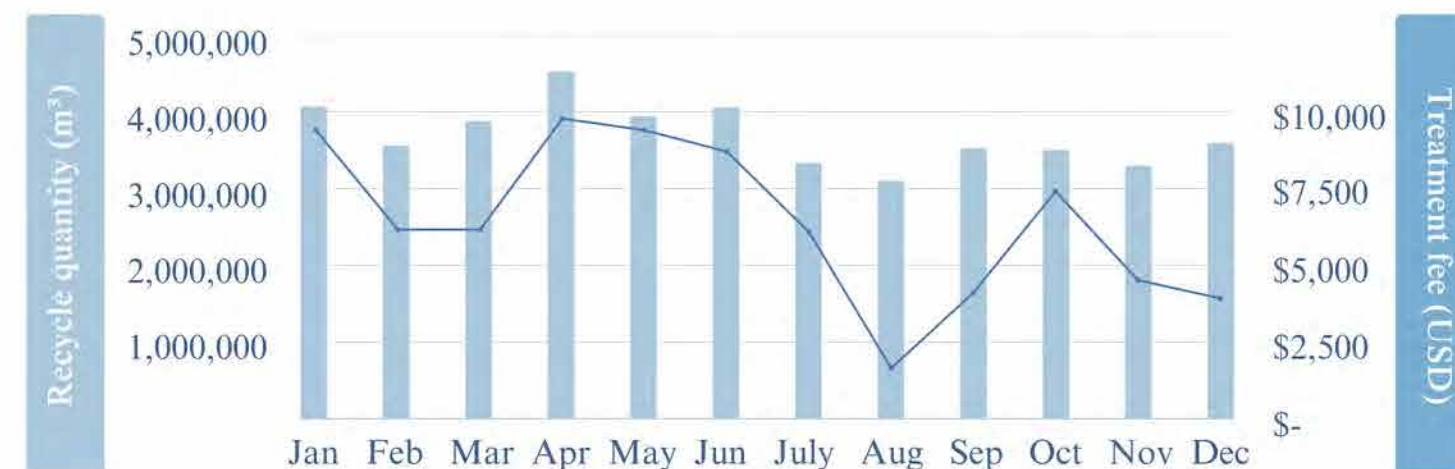


No.	HW Code	2022 (kg)	Dept.	Remarks
1	Domestic waste	67,400	All company	Handling contractor

1.4 SOURCE OF WATER



Wastewater discharging during the operation of the plant is enormous (i.e., cooling water, industrial water arising from the production process, domestic waste and rainwater runoff). Except for rainwater runoff, all kinds of wastewater generated from the operation phase have been sent to the wastewater treatment system to meet the local regulation before discharging into the centralized wastewater treatment system of My Xuan Industrial Zones.



Month/ 2022	Recycle quantity (m³)	Discharge quantity to industrial zone (m³)	Treatment fee (USD)
Jan	4,062,097	48,774	9,956
Feb	3,557,383	32,484	6,645
Mar	3,875,779	44,084	9,009
Apr	4,519,667	50,471	10,337
May	3,942,093	48,400	9,951
Jun	4,053,896	45,376	9,240
Jul	3,331,928	32,186	6,561
Aug	3,097,758	9,950	2,034
Sep	3,524,013	22,201	4,550
Oct	3,500,367	39,034	7,917
Nov	3,294,885	24,506	4,964
Dec	3,589,072	21,142	4,360

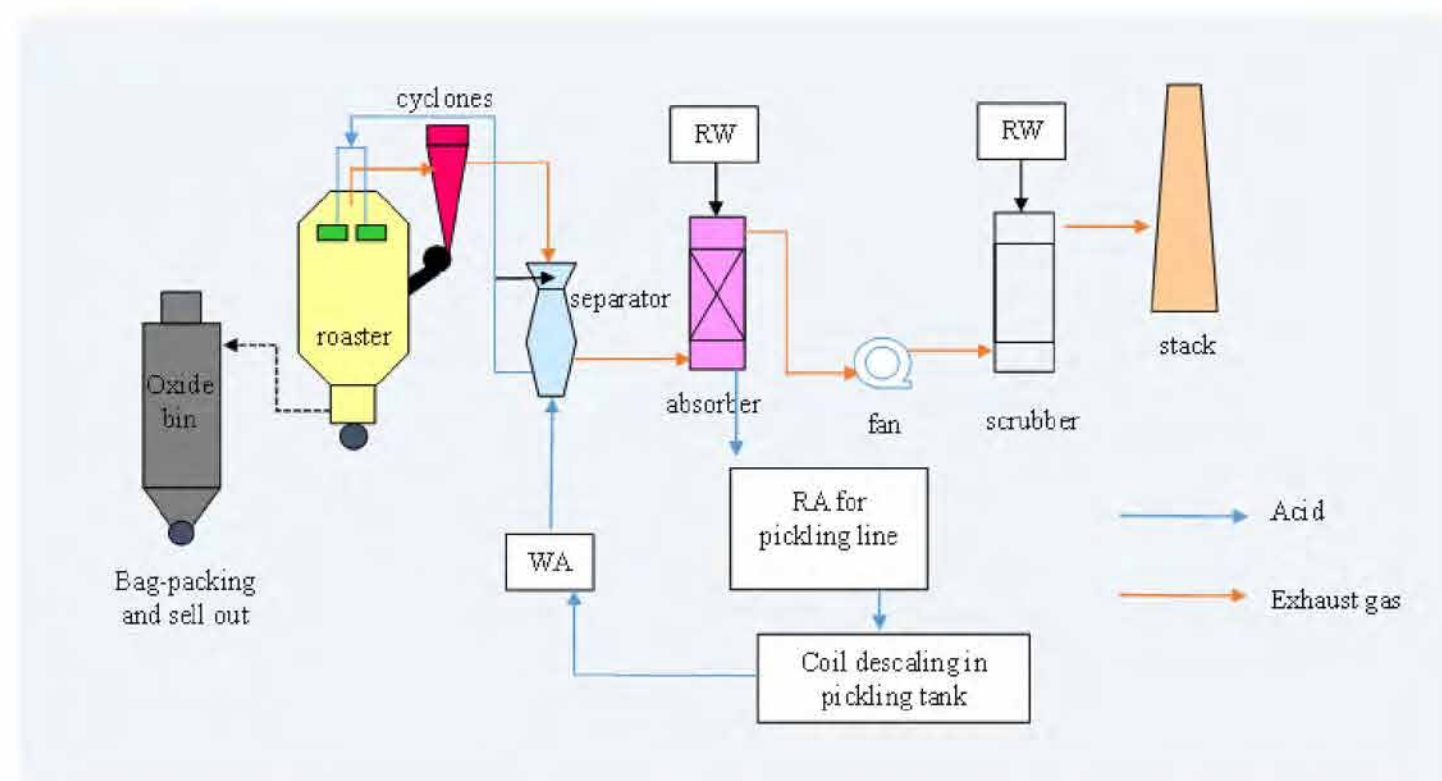
2. WASTE MANAGEMENT AND CONTROL

2.1 EMISSION

To ensure and minimize environmental affect, some stacks are installed with sleeved dust filters or absorption systems. In addition, NG supplied for the furnaces would be appropriately calculated to ensure oxidation reactions occur entirely (only CO₂ generated, without generating of CO).

Line	Stack/ exhaust pipe position	Stack No.	Probable contaminant	Waste air treatment unit
PLTCM	Pickling line	PL-01	HCl	Fume scrubber
PLTCM	Scale breaker	PL-02	Dust/particle	-
PLTCM	Mill	PL-03	Dust/particle	-
ARP	ARP	ARP-01	HCl	-
ARP	SRP	ARP-02	HCl	Scrubber
ACL	Cleaning	ACL-01	NaOH	Scrubber
ACL	Furnace	ACL-02	Burning NG	-
ACL	Oven	ACL-03	Burning NG	-
Utilities	Boiler room	BOI-01	Burning NG	-
Utilities	Boiler room	BOI-02	Burning NG	-
QA/QC	Test center	QA-01	Chemical fume	Scrubber
CAL	Furnace	ACL-01	Burning NG	Gas recirculation
CAL	Cleaning	ACL-02	NaOH	-
CGL	Furnace	CGL-01	Burning NG	Gas recirculation
CGL	Post treatment	CGL-02	Burning NG	-
CGL	Cleaning	CGL-03	NaOH, dust	-

FOR ARP



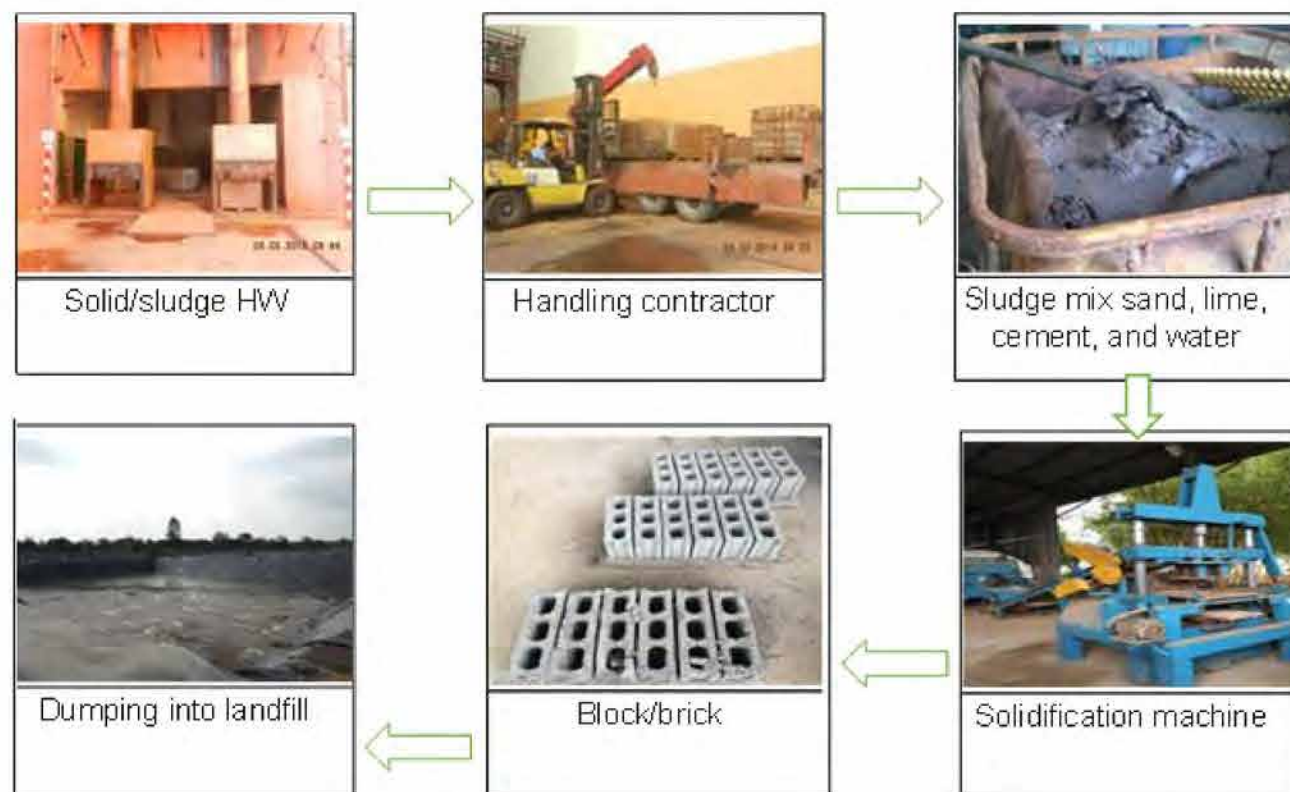
When discharged from ARP, gas emission is treated through an absorption tower. The absorption is a reverse process, emission goes from the bottom to the top of the tower. Water is pressure-sprayed as mist forms from the top of the tower. Here, acid vapor in the exhaust stream is retained, while clean air exits through the chimney.



2.2 WASTE

HAZARDOUS WASTE

Solid HW



Liquid HW



CONTRACTOR'S INFORMATION

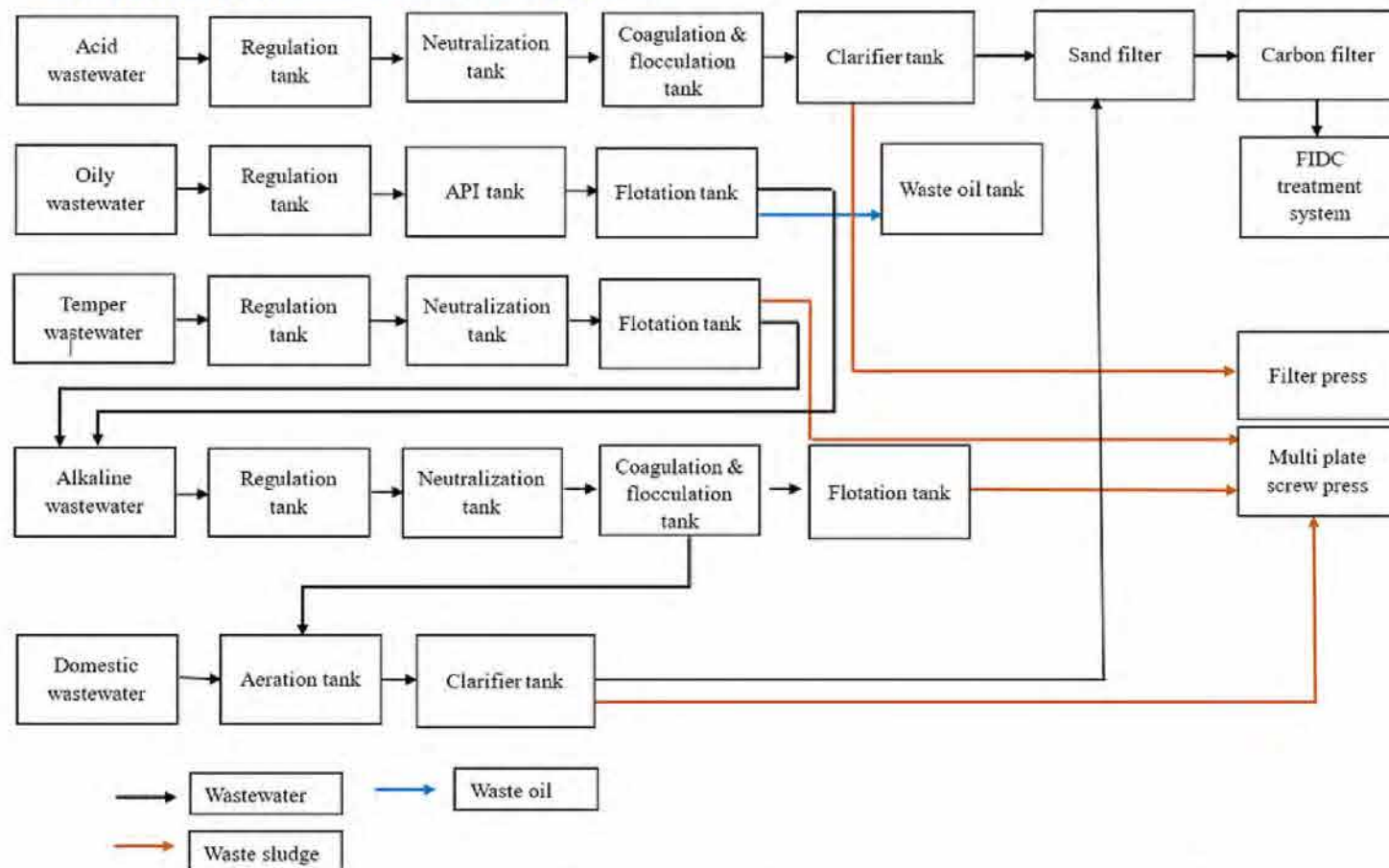
Currently, CSVC cooperates with 2 functioning units who got qualification/ licenses from local authorized agencies for handling waste (hazardous and domestic), as follows:

No.	Contractor	Address	Distance	Items	Time
1	Tai Tien Co., Ltd	Nhan Hoa hamlet, Tay Hoa village, Trang Bom district, Dong Nai province, Vietnam	62 km away from CSVC	39 HW codes, 10 NHW items	From 2013 until now
2	Ha Loc Co., Ltd	1219 Street 30th April, ward 11, Vung Tau city, Ba Ria – Vung Tau province, Vietnam	50 km away from CSVC		From 2018 until now

Other local authorized agencies for handling industrial waste as follows:

No.	Contractor	Address	Remarks
1	Tai Tien Co., Ltd	Nhan Hoa hamlet, Tay Hoa village, Trang Bom district, Dong Nai province, Vietnam	WS
2	Ha Loc Co., Ltd	1219 Street 30th April, ward 11, Vung Tau city, Ba Ria – Vung Tau province, Vietnam	WP, WW, WO, PPE, WC, WS
3	Duc Hieu Investment Trading - Service and Construction Co.	286 Doc Lap, Phu My ward, Phu My town, Ba Ria – Vung Tau province	Scrap
4	Viet Nam Sunbeam Tech Industrial Co., Ltd	Lot V-I My Xuan A2 Industrial Park, My Xuan Ward, Phu My Town, Ba Ria-Vung Tau Province, Vietnam	Scrap
5	Vuong Phat Co., Ltd	National Road 51, Group 1, Phuoc Thanh Quarter, My Xuan Ward, Phu My Town, Ba Ria-Vung Tau province, Vietnam	WP
6	Kim Ngan Co. Ltd	27/56A Tay Lan, Tan Tao Ward, Binh Tan District, Ho Chi Minh city	Scrap
7	Huy Hoang Gia Steel Co.,Ltd	27/56A Tay Lan, Tan Tao Ward, Binh Tan District, Ho Chi Minh city	Scrap
8	Dong Gia Nghi Steel Trading Produce Company Limited	13 Complex 4-5, Binh Hung Hoa B Ward, Binh Tan District, Ho Chi Minh	Scrap
9	Nippon Steel Trading Vietnam Company Limited	115 Nguyen Hue, Ben Nghe Ward, District 1, Ho Chi Minh	Scrap

WASTEWATER TREATMENT SYSTEM



3. ENVIRONMENTAL MONITORING AND MEASUREMENT

3.1 MONITORING PROGRAM

Yearly, P1 set up a schedule for monitoring and measuring the significant environmental aspects/ Energy performance indicators associated with CSVC's operations and activities, and then evaluate the compliance with relevant environmental legal and environmental policy.

Items	Frequency												Remarks
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Ambient Air			★			★			★			★	RTG
Gas emission			★			★			★			★	RTG
Noise			★			★			★			★	RTG
Soil						★						★	RTG
Surface water			★			★			★			★	RTG
Wastewater			★			★			★			★	RTG
Hazardous waste												★	RTG
Industrial waste												★	RTG
Domestic waste												★	RTG
EEnMS Internal audit				★						★			Record
Environmental & Energy objectives	★												Record
Management review												★	Record

RTG: Report to Government

3.2 EMISSION *Emission monitoring and measurements*

No.	Description & location	Symbol	Monitoring time	Parameter	Reference
I	Ambient air				
1	500m from factory toward to the Northern	K1	Quarterly	Temp., Turb., Wind rate, TSP (Total suspended particles), PM (Particulate Matter) 10, CO, NO ₂ , SO ₂ , HCl, VOC _s , H ₂ CrO ₄	
2	500m from factory toward to the South-West	K2	Quarterly		
3	Office area of the factory (ADM area)	K3	Quarterly		
4	CAL area	K4	Quarterly		
5	Pickling area	K5	Quarterly		
6	Electrical Steel area	KK61	Quarterly		
7	Electrical Steel area	KK62	Quarterly		
8	Electrical Steel area	KK63	Quarterly		
9	CGL area	K7	Quarterly		
II	Gas emission				
1	PLTCM: 3 stacks	PL-01, PL-02, PL-03	Quarterly	Flow rate, TSP, SO ₂ , NO _x , CO, HCl, Cl ₂	
2	ARP/ SRP: 2 stacks	ARP-01, ARP-02	Quarterly		
3	ACL: 3 stacks	ACL-01, ACL-02, ACL-03	Quarterly		
4	Boiler: 2 stacks	BOI-01, BOI-02	Quarterly		
5	QA/QC: 1 stack	QA-01	Quarterly		
6	CGL: 3 stacks	CGL-01, CGL-02, CGL-03	Quarterly		
7	CAL: 2 stacks	CAL-01, CAL-02	Quarterly		

Results

Gas emission

No.	Stack	Flowrate (m ³ /h)	NO _x (mg/Nm ³)	SO ₂ (mg/Nm ³)	CO (mg/Nm ³)	TSP (mg/Nm ³)	HCl (mg/Nm ³)	Cl ₂ (mg/Nm ³)
1	QA-01	4,289	2.83	2.60	1.10	5.50	-	-
2	ARP-01	12,999	67.85	2.60	84.02	5.50	4.13	4.89
3	ARP-02	17,517	1.90	100.23	37.32	5.50	1.97	0.53
4	CAL-02	11,544	1.90	4.30	1.5	4.00	-	-
5	ACL-01	5,928	4.47	24.25	12.80	5.50	-	-
6	ACL-02	17,732	73.45	2.60	3.95	5.50	-	-
7	PL-01	15,720	1.90	32.75	10.82	6.65	1.17	0.30
8	PL-02	18,544	1.90	2.60	1.1	6.20	1.35	0.20
QCVN 51:2017/BTNMT Kp=1.0; Kv=1.0;(QCVN 19:2009/BTNMT)		≤ 20,000	850	500	1000	200	50	-
9	ACL-03	49,734	6.73	2.60	9.86	5.03	-	-
10	CAL-01	63,976	1.90	2.60	1.1	1.00	-	-
11	BOI-02	27,331	44.45	2.60	2.25	5.50	-	-
12	CGL-01	44,030	42.8	13.1	20.5	4.00	-	-
13	CGL-02	35,390	1.90	2.60	6.43	4.86	-	-
14	CGL-03	20,484	43.73	21.83	150.47	4.00	-	-
QCVN 51:2017/BTNMT (Kp=0.9; Kv=1.0);(QCVN 19:2009/BTNMT)		≤ 100,000	765	450	900	180	45	-
15	PL-03	599,559	1.90	3.25	1.25	6.12	1.15	0.30
QCVN 51:2017/BTNMT (Kp=0.8; Kv=1.0);(QCVN 19:2009/BTNMT)		> 100,000	680	400	800	160	40	-
Conclusion		All the parameters meet the requirement from local regulation						

Ambient air

Parameter	Unit	K1	K2	K3	K4	K5	K7	QCVN 05:2013/BTNMT (QCVN 06:2009/BTNMT)
TSP	mg/m ³	0.049	0.039	0.043	0.049	0.056	0.048	≤ 0.30
SO ₂	mg/m ³	<0.020	<0.020	<0.020	<0.020	<0.020	<0.020	≤ 0.35
NO ₂	mg/m ³	<0.010	<0.010	<0.010	<0.010	<0.010	<0.010	≤ 0.20
CO	mg/m ³	<6.5	<6.5	<6.5	<6.5	<6.5	<6.5	≤ 30
HCl	mg/m ³	N/A	N/A	N/A	N/A	<0.0019	N/A	60
H ₂ CrO ₄	mg/m ³	N/A	N/A	N/A	N/A	N/A	N/A	-
VOC _s	mg/m ³	N/A	N/A	N/A	N/A	N/A	N/A	-
Parameter	Unit	K61		K62		K63		QĐ3733/2002/QĐ-BYT
TSP	mg/m ³	0.038		0.047		0.041		≤ 8
SO ₂	mg/m ³	<0.020		<0.020		0.026		≤ 10
NO ₂	mg/m ³	<0.010		<0.010		<0.010		≤ 10
CO	mg/m ³	<6.5		<6.5		<6.5		≤ 40
H ₂ CrO ₄	mg/m ³	<0.008		<0.008		<0.008		-
VOC _s	mg/m ³	1.192		0.827		0.749		-
<i>Conclusion</i>	All the parameters meet the requirement of local regulation							

3.3 WASTE

For hazardous waste, each time handling, CSVC will issue a handling record and send it to a contractor. After the waste treatment, the contractor has the responsibility to send back to CSVC the finished handling record (including treatment method) for checking.



CSVC applied several ways to ensure that all wastes within operation have to transfer back to their company's treatment area, including:

- GPS: for every truck used for transferring waste, CSVC requests all trucks need to insert the GPS system to track the route's way. Monthly, the contractor will send back their records to P1.
- Yearly check: P1 will conduct an inspection of all contractors' waste treatment systems for checking their treatment.

3.4 WATER

Water monitoring and measurement

No.	Description & location	Symbol	Monitoring time	Parameter	Reference
I Wastewater					
1	Sewer plant effluent discharge into the sewage system of the industrial zone My Xuan A2	N1	Quarterly	Flowrate, pH, temp., turb., BOD ₅ , COD, NO ₃ ⁻ , SS, NH ₄ ⁺ , TN, TP, Oil and grease, E. coli, Total Coliform, Zn, Cd, Cr, DO, Cu, Pb, Ni	
II Surface water					
1	Cau Trai canal	N2	Quarterly	Temperature, Turb., SS, Cl ₂	
2	Thi Vai river	N3		Temperature, Turb., SS, Cl ₂	

Daily check

Daily, P8 sends water sampling to P5 for checking the quality of wastewater before discharging into FIDC centralized treatment system. All data will be uploaded on ERP system for tracking daily.

No.	Time	COD	pH	Fe	TSS
1	January-22	30.4	7.06	0.40	1.1
2	February-22	33.3	6.99	0.33	0.9
3	March-22	32.7	6.86	0.26	1.0
4	April-22	31.6	7.04	0.27	1.6
5	May-22	30.7	6.99	0.23	1.4
6	June-22	26.7	7.04	0.24	1.1
7	July-22	30.3	6.97	0.29	1.4
8	August-22	39.5	7.02	0.32	2.4
9	September-22	29.0	7.16	0.26	1.7
10	October-22	22.8	7.04	0.13	1.0
11	November-22	30.3	7.16	0.23	1.7
12	December-22	32.0	7.14	0.21	1.3
QCVN 52:2017/BTNMT Column B		150	5.5 – 9.0	5	< 100
Conclusion:		All the parameters meet the requirement of local regulation			

Results

Surface water

No.	Parameter		Test result		QCVN 08:2008/BTNMT Column B1
			N2	N3	
1	Temperature	°C	32.7	33.1	-
2	Turbidity	NTU	26.2	27.6	-
3	TSS	mg/L	76	68	100
4	Cl ₂	MPN/100mL	483	474	-
Conclusion		All the parameters meet the requirement of local regulation			

Wastewater

No.	Parameter	Unit	Result	QCVN 52:2017/BTNMT Column B (QCVN 40:2011/BTNMT Column B)
1	Temperature	°C	33.6	<40°C
2	Turbidity	NTU	3.66	-
3	TSS	mg/L	7	100
4	pH	--	6.2	5.5-9
5	NH ⁴⁺	mg/L	1.2	10
6	NO ³⁻	mg/L	3.325	-
7	TN	mg/L	10	40
8	TP	mg/L	0.02	6
9	BOD ₅	mg/L	3	50
10	COD	mg/L	30	150
11	E. coli/100ml	MPN	12.25	-
12	Oil and grease	mg/L	0.35	10
13	Cd	mg/L	0.0023	0.1
14	Cr	mg/L	0.03	0.5
15	Zn	mg/L	0.0475	3
16	Total Coliform /100ml	MPN	339	5000
17	Ni	mg/L	0.03	0.5
18	Cr ⁶⁺	mg/L	0.01	0.1
19	Cr ³⁺	mg/L	0.04	1
20	Cu	mg/L	0.045	2
21	DO	mg/L	5.25	-
22	Pb	mg/L	0.01	0.5
Conclusion		All the parameters meet the requirement of local regulation		

3.5 SOIL *Soil monitoring and measurement*

No.	Description & Location	Symbol	Monitoring time	Parameter	Reference
1	At the roadside located in 50m from factory gate	D1	Quarterly	Pb, Cr, Zn, Oil	
2	Along the sewage canal from the factory to the wastewater treatment plant of My Xuan A2 Industrial Zone	D2	Quarterly		

Results

No.	Parameter	Unit	Test result		QCVN 03:2015/BTNMT
			D1	D2	
1	Pb	mg/kg	13.6	<9.0	< 300
2	Cr	mg/kg	20.6	15.4	< 250
3	Zn	mg/kg	12.3	51.3	< 300
4	Oil and grease	mg/kg	<9.6	<9.6	--
Conclusion		All the parameters meet the requirement from local regulation			

4. OBJECTIVES TO REDUCE WASTE AND ENERGY IN 2022

4.1 REVIEW IN 2022

Waste

No.	Objectives	Target	Implementation results												
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
1	P1: Reduce ratio of waste per ton production (kg/ton)	2.544	3.080	1.818	2.866	2.668	3.216	2.789	3.990	3.914	3.554	3.899	5.771	1.868	2.997
2	P2: Reduce ratio of used rag/roll (kg/roll)	0.328	0.275	0.276	0.275	0.274	0.275	0.273	0.274	0.210	0.250	0.260	0.240	0.270	0.263
3	P2: Reduce waste sludge/recycle waste acid (kg/m ³)	31.39	30.88	24.40	0.275	31.17	26.93	31.33	41.13	40.21	37.88	43.19	35.22	25.18	30.94
4	P2: Reduce waste oxide powder/oxide powder product (kg/ton)	6.411	5.989	5.212	3.775	3.771	5.638	3.595	4.333	6.238	5.182	4.786	3.689	5.065	4.724
5	P3: Reduce oil waste/ton product (kg/ton)	0.074	-	-	-	0.075	-	-	-	0.403	-	0.196	0.105	-	0.086
6	P3: Decrease Raw Alkali using/ton product (kg/ton)	0.71	0.79	0.71	1.27	0.45	0.70	0.70	-	-	1.98	0.71	0.72	-	0.73
7	P4: Reduce quantity of waste/ton product (kg/ton)	1.07	0.38	0.85	0.24	0.60	0.64	0.37	0.65	-	0.90	1.01	-	0.74	0.59
8	P5: Reduce quantity of waste chemical (%)	5	-	37	26	37	47	26	47	37	37	1.01	58	26	40
9	P6: Reduce Ratio of used rag/maintenance day (kg/day)	21.84	10.87	17.83	17.59	17.03	16.13	18.11	20.57	20.91	20.47	19.74	20.06	20.97	20.97
10	P8: Reduce quantity of hazardous waste/amount of WW (10 ⁻⁵ kg/m ³)	18.1	15.9	11.5	8.9	6.0	6.4	5.9	27.4	27.0	34.5	27.1	48.4	41.9	17.9

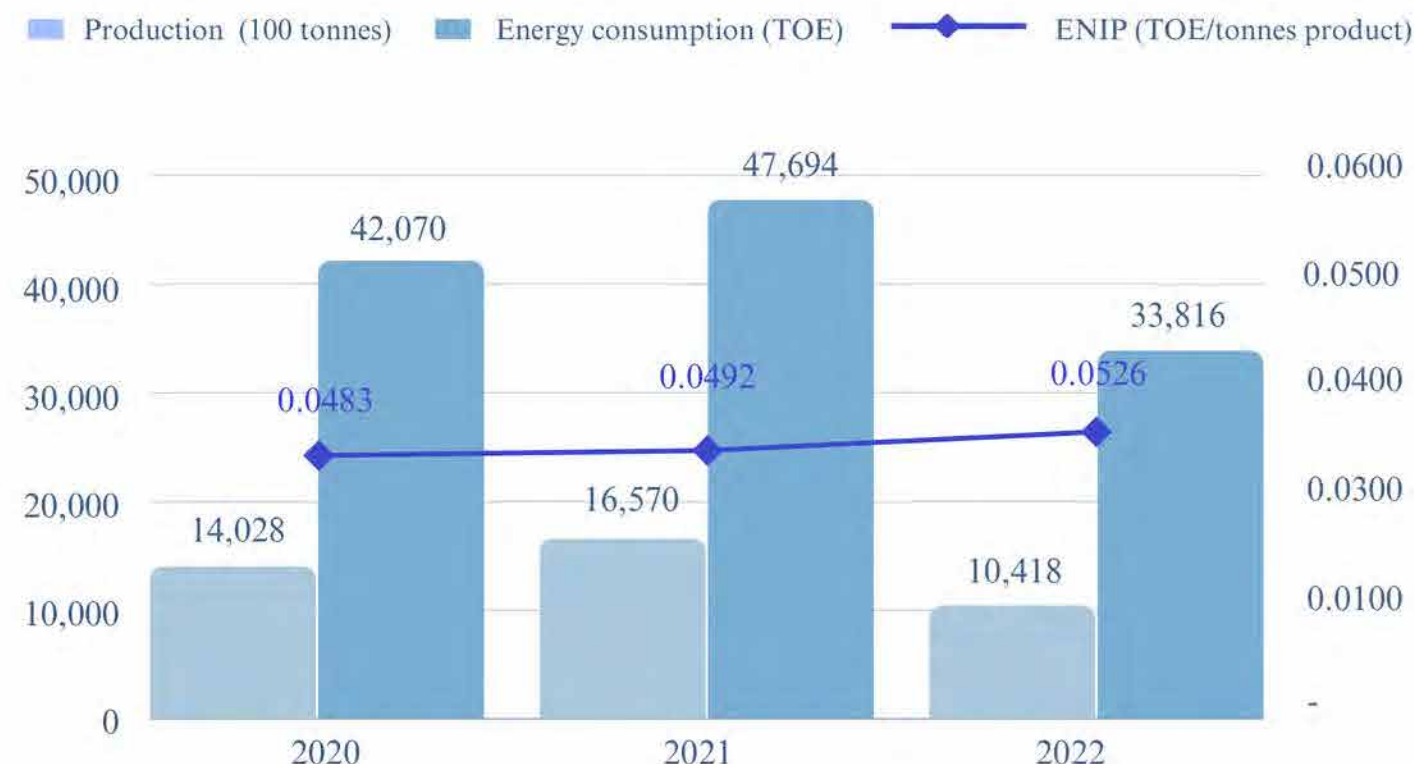
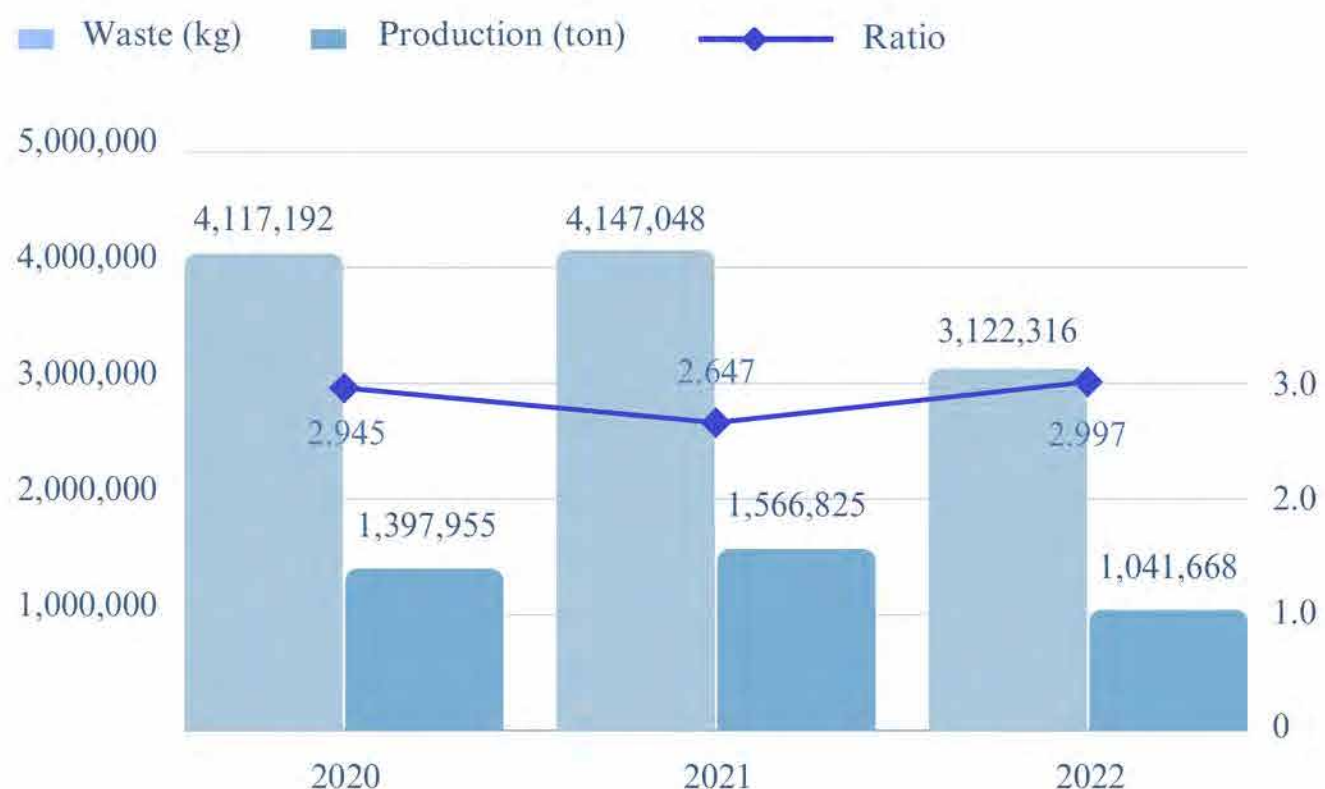
Energy

No.	Objectives	Target	Implementation results												
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
1	PL-TCM: Reduce 2% ratio kwh/ ton product	70.5	73.8	70.4	75.4	71.9	71.9	68.9	79.9	81.8	73.6	82.9	72.4	72.1	73.6
2	ARP: Reduce 2% ratio of NG/RWA	70.8	82.0	65.2	68.1	64.0	83.0	70.7	91.3	81.1	64.3	72.5	75.6	69.9	72.2
3	CAL: Reduce 2% ratio of TOE/ton product	0.035	0.031	0.031	0.034	0.030	0.034	0.033	0.036	0.038	0.034	NP	0.036	NP	0.033
4	CGL: Reduce 2% ratio of TOE/ton product	0.035	0.040	0.044	0.041	0.039	0.040	0.038	NP	NP	0.094	0.045	0.045	0.044	0.042
5	Utility Area: Reduce 2% ratio of TOE/ton product	0.0060	0.0064	0.0060	0.0062	0.0057	0.0063	0.0063	0.0096	0.0101	0.0081	0.0096	0.0129	0.0077	0.0071
6	TOTAL CSVC Reduce 2% ratio of TOE/ton product	0.048	0.060	0.042	0.049	0.054	0.054	0.056	0.059	0.040	0.056	0.061	0.075	0.044	0.053

4.2 TENDENCY WITHIN 2020 - 2022

Waste

In general, from 2020-2021, the ratio of waste per ton production is on a downtrend. This comes from applying many methods, planning on reducing waste as well as the production line run stably. However, in 2022, steel production decrease dramatically due to the bad steel market. The company did not produce too much but it is requested to maintain the equipment, devices, etc. Moreover, big trouble occurred in the middle of the year and also stop the production line for nearly 2 months for recovery. These activities generate a fixed amount of waste.



4.3 EVALUATION

The ratio of waste & energy/ ton product was increased in comparison with 2021.

- Even though related dept. already conducted some countermeasures for reducing the ratio, but the result is still very high in comparison with the previous year.
- The main reason for this result is due to:
 - + CSVC has still operated some of the production processes that cause very significant energy use such as UA2 – Wastewater treatment system, heating process, etc. even though there is no product (the amount of decrease is nearly 30%) leading to the increase of waste and energy consumption.
 - + The steel market price is being damaged by the worldwide situation, therefore some projects related to waste/ energy investment cannot be conducted at this time.

5. GHG INVENTORY

Resulting the bottled up-emissions that trap heat in our atmosphere, the “greenhouse effect” is the main cause behind climate change. Being a responsible organization in which top manager also enhance the awareness of environmental protection, CSVC understands the importance of limiting or even cutting carbon emissions through the operation.

Demonstrate the commitment to track and reduce GHG emissions, from the beginning of 2023, P1 cooperate with other departments to build up GHG Inventory and its record had been verified by BSI – one of the high reputation of certificate bodies in Vietnam.

5.1 EMISSIONS CATEGORIES AND CLASSIFICATION

CSVC GHG Emissions have been identified and grouped in accordance with the ISO 14064-1:2018 standard. This methodology lists six categories of emissions and in line with GHG Protocol's Scope 1 through 3:

- Scope 1 - Category 1: Direct GHG emissions
- Scope 2 - Category 2: Indirect GHG emissions from imported energy
- Scope 3:
 - Category 3: Indirect GHG emissions from transportation
 - Category 4: Indirect GHG emissions from products used by CSVC
 - Category 5: Indirect GHG emissions associated with the use of products from CSVC
 - Category 6: Indirect GHG emissions from other sources

5.2 GHG EMISSION INVENTORY

CSVC implemented a GHG report and quantified the Green House Gas emission in the calendar year 2022, including emissions from both direct and indirect sources. Through the quantification, the total GHG emitted is 1,737,622,42 - tons of CO₂ equivalent, the GHG report has been verified by BSI Vietnam with a materiality level of 5% following ISO 14064.

Reporting Organization		CSVC		
Reporting Period Covered		From January 01, 2022, to December 31, 2022		
Emissions	Unit	Total emissions	GWP	Total Emissions (in tons CO ₂ e)
Scope 1:	tons CO ₂ e			42,768.07
Carbon dioxide (CO ₂)	tons	41,723.04	1.00	41,723.04
Methane (CH ₄)	tons	1.84	27.90	51.336
Nitrous oxide (N ₂ O)	tons	0.076	273.00	20.748
R-22	tons	0.4424	1,960.00	867.10
R-32	tons	0.002	771.00	1.542
R-134a	tons	0.069	1,530.00	105.57
R407c	tons	0.021	1,908.00	40.068
R-410a	tons	0.0005	2,256.00	1.128
Scope 2:	tons CO ₂ e			84,432.86
Scope 3:	tons CO ₂ e			1,610,421.49
Category 3	tons CO ₂ e			106,251.92
Category 4	tons CO ₂ e			1,504,169.56
TOTAL	tons CO ₂ e			1,737,622.42

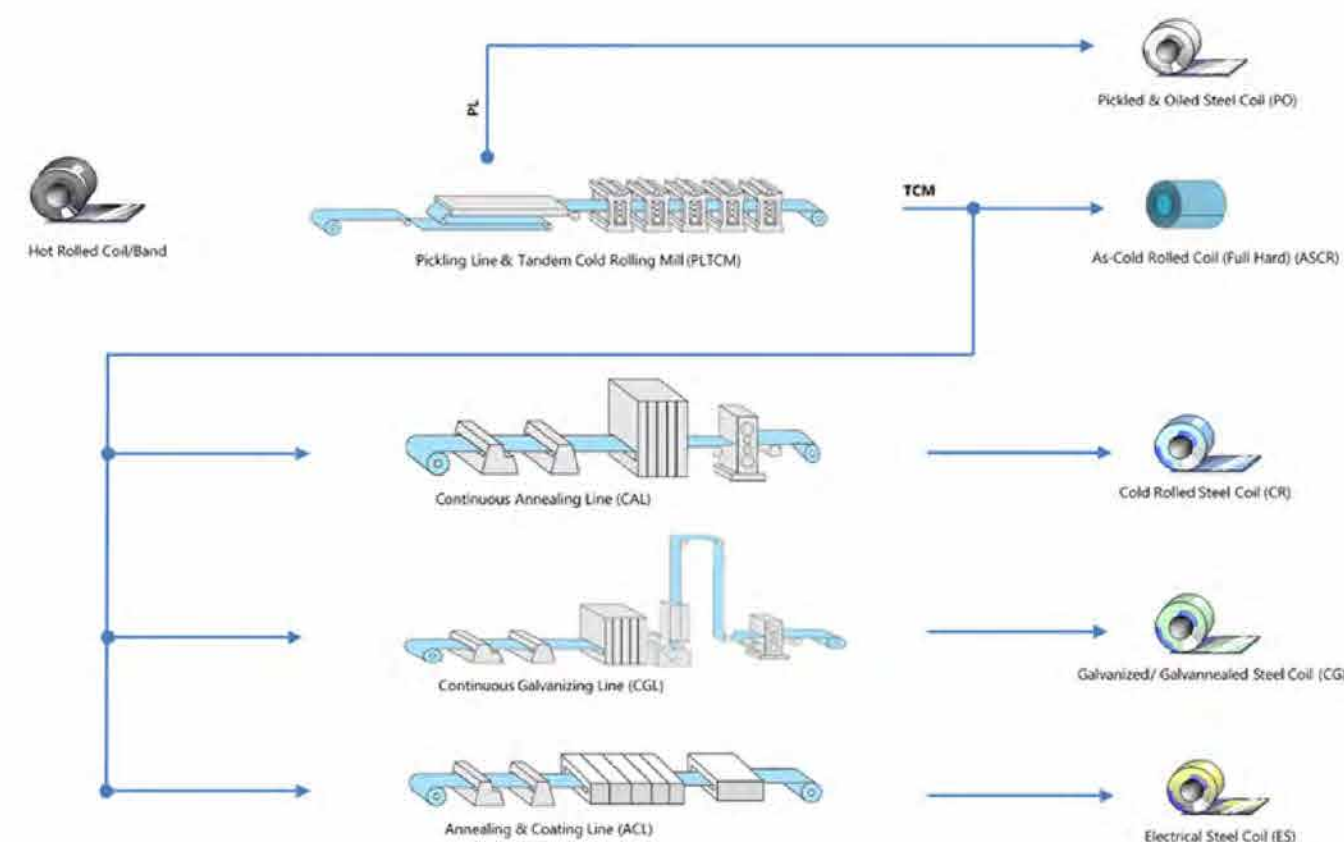
5.3 UNCERTAINTY ANALYSIS

Category	Uncertainty	Trust level
Scope 1	0.3	Medium
Scope 2	0.3	Medium
Scope 3	0.7	Low

5.4 CONCLUSION

- With the low to medium uncertainty, CSVC shall base on this data to set goals for a cost-effective and sustainable future in the following year.
- Soon, with the commitment to reducing the greenhouse gas affect of climate change, CSVC is in the progress to establish and build up a system corresponding with carbon footprint whether we can sum up the total greenhouse emissions which are not just only in the scope of CSVC, but also include our partner, suppliers, customers, provider service, etc. Together, we shall put an effort to finish this project in early 2024 and come up with some potential saving projects for contributing to the sustainable development goals. CSVC shall spread out this kind of information to all CSVC employees with an emphasis theme "Act now to stop global warming". Even an individual can contribute to the Sustainable Development Goals in so various ways such as by saving electricity by using energy-efficient products, recycling plastic, glass, paper, etc.

6. MATERIALS



Type	Total used in 2022 (MT)	% of recycling
Creped Paper	86	0
Stretch film	53	0.5
VCI	38	0
Metal for Body	1424	6-15

- CSVC purchase the hot roll coil to produce 04 core products: Pickled and Oiled Steel Coils (PO), Cold Rolled Steel Coils (CR), Hot-Dip Galvanized Steel Coils (CG) and Electrical Steel Coils (ES), enabling valued customers to improve the quality and possibilities of their final products. Our steel products are used in a wide variety of industries such as construction, mechanical parts, machinery, electric device, home appliances, automobile, etc., and many other industries. The process flow is as below picture.
- With high effort CSVC is trying to reduce the output scrap in the production process, including the scrap from crop cut at the head and tail of coil and scrap from side trimming, increasing the prime yield ratio.
- The packing material used for CSVC products includes Crepe Paper, Stretch film, VCI & Metal for Body. In there, CSVC can produce the metal body for internal use.

7. PROPAGANDA AND EDUCATION

7.1 WORLD ENVIRONMENT DAY & BIOLOGY DIVERSITY PROTECTION



- CSVC organized some activities to welcome World Environment Day, 5th Jun to highlight that the protection and health of the environment is a major issue, and CSVC did concern that. CSVC realizes that the environment shall affect the well-being of people and economic development through operation.
- By this action of collecting, and treating waste within the industrial zone, CSVC hopes it can provide CSVC's employees the opportunities to broaden the basis of environmental protection and being responsible conduct by individuals, enterprises, and communities in preserving and enhancing the environment.

7.2 TRAINING

Aim to raise awareness about environmental protection, CSVC holds several classes such as waste classification, plastic pollution, Energy saving method, etc.... to let CSVC's employees have an opportunity to:

- Talk about all issues concerning the environment.
- Prevent, control, and manage pollution whether it's air, water, soil, land, marine, coastal, or chemicals and waste.
- Tackle the causes of climate change and increase our ability to adapt.
- Organize activities to clean our environment.





CHAPTER III

SOCIAL



EMPLOYEES



OCCUPATIONAL SAFETY AND HEALTH



CUSTOMERS

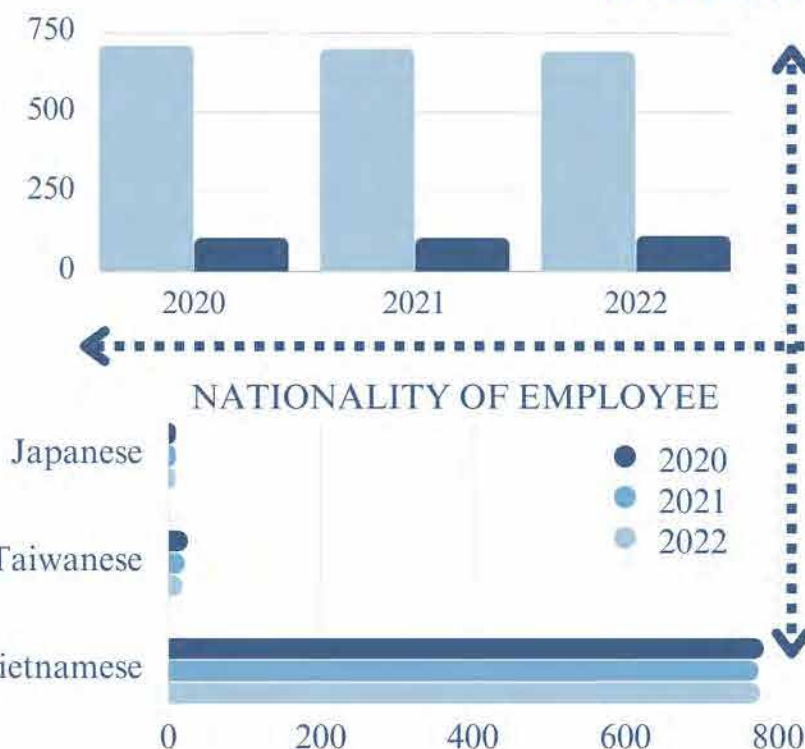


BUSSINESS FOR A BETTER SOCIETY

1. EMPLOYMENT

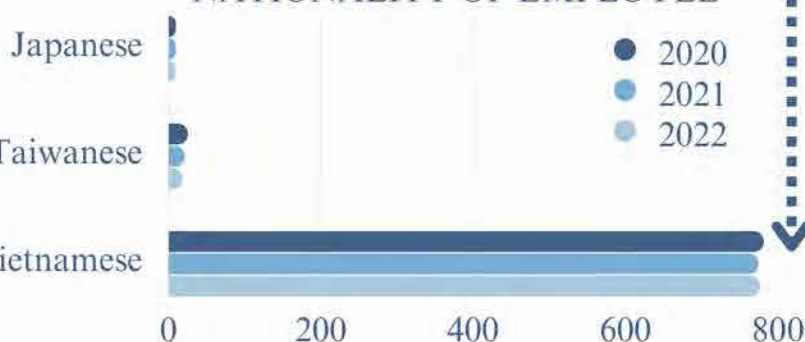
1.1. EMPLOYEE

GENDER COMPARISON

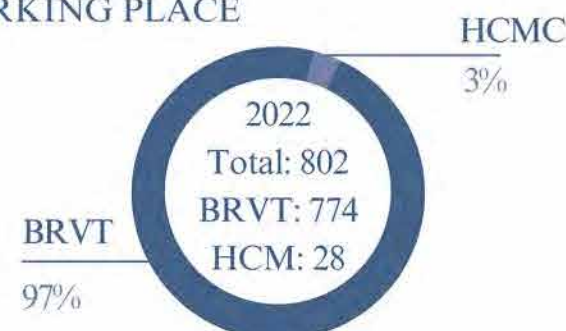


In order to balance gender in leadership, the percentage of female managers in the company has always been stable at a high level (about 16% of the total number of middle-level managers and above).

NATIONALITY OF EMPLOYEE



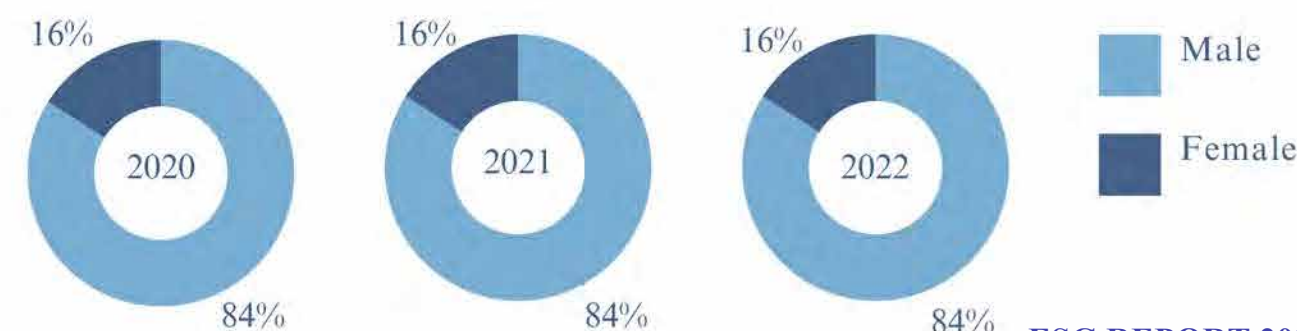
WORKING PLACE



- CSVC strictly follows the Labor Law and never hires underage employees. To ensure the basic human rights of employment equality, employees are hired only based on expertise and experience. Discrimination based on ethnic origin, thought, religion, political affiliation, place of origin, place of birth, gender, sexual orientation, marital status, appearance, disability is prohibited.
- In order to ensure and maintain order and discipline in the company, aiming to improve productivity and efficiency, CSVC has established discipline regulations to ensure fairness and reasonableness. The disciplinary process is always carried out in accordance with the law and transparently. In order to avoid violations, CSVC regularly trains, propagates and disseminates rules and regulations to employees in a timely manner.
- By the end of 2022, the CSVC workforce consisted of 802 people (690 males and 112 females). The average age of employees was 32.02 and the average seniority was 6.73 years. There are 776 Vietnamese, 18 Taiwanese and 8 Japanese. CSVC is a steel sheet manufacturing factory. There are more male employees than female employees due to the industrial characteristic, resulting in an unbalanced gender ratio. However, CSVC remains steadfast in building a diverse workplace. As a result, the female employee ratio rises every year. In the administrative departments, such as Finance & Accounting department, there are a total of 22 employees, with female employees reaching 19 people, accounting for 86%.

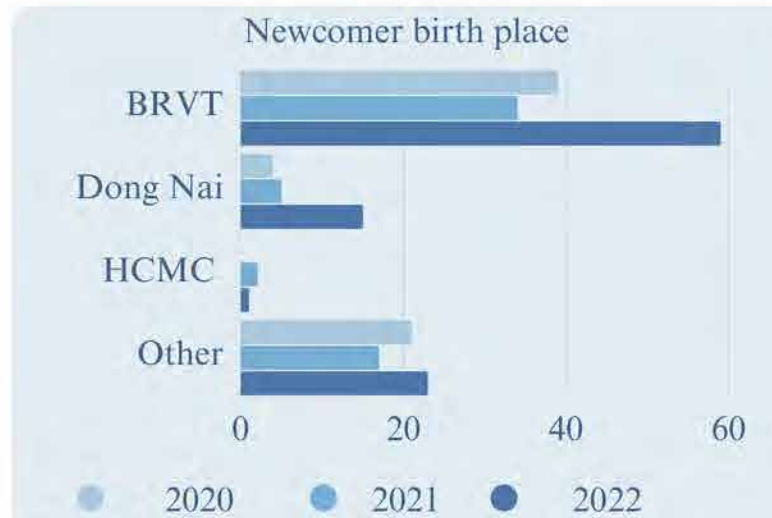
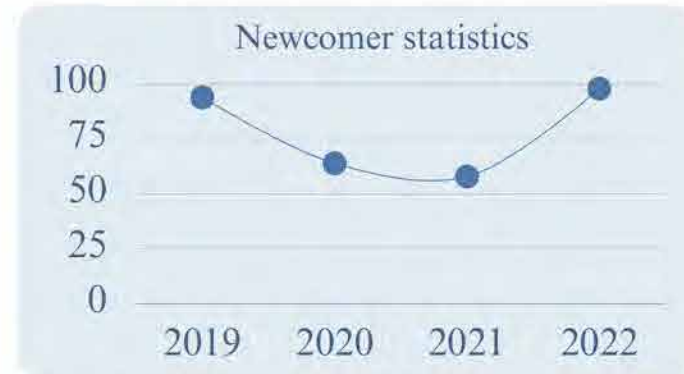
Total	2020		2021		2022	
	Employee	%	Employee	%	Employee	%
	815		804		802	
Gender						
Male	709	87%	698	86%	690	86%
Female	106	13%	106	14%	112	14%
Age						
Under 30	352	43%	256	31%	221	28%
Above 30	463	57%	548	69%	581	72%
Level of Position						
Pro. & above	328	40%	324	40%	329	41%
Ordinary	487	60%	480	60%	473	59%
Working place						
Baria- Vungtau	785	96%	772	96%	774	97%
Hochiminh city	30	4%	32	4%	28	3%
Nationality						
Vietnamese	781	96%	774	96%	776	97%
Taiwanese	25	3%	21	3%	18	2%
Japanese	9	1%	9	1%	8	1%

In order to balance gender in leadership, the percentage of female managers in the company has always been stable at a high level (about 16% of the total number of middle-level managers and above). The percentage of female managers in 3 years 2020 ~ 2022:



In 2022, the impact of the Covid-19 epidemic and the economic downturn caused great fluctuations in the labor market. CSVC has deployed flexible forms of recruitment: online or in-person to meet the demand for human resources in time for production. Recruitment information is publicly announced on CSVC's official website, in CSVC's staff network, job search websites, social networking sites and links with universities and colleges in the province and neighboring provinces. The recruitment process is always transparent, new employees meet job standards.

RECRUITMENT STATISTICS



The company prioritizes recruitment within the province and surrounding areas with shuttle buses to create favorable conditions for employees to work every day, creating long-term stability at CSVC.

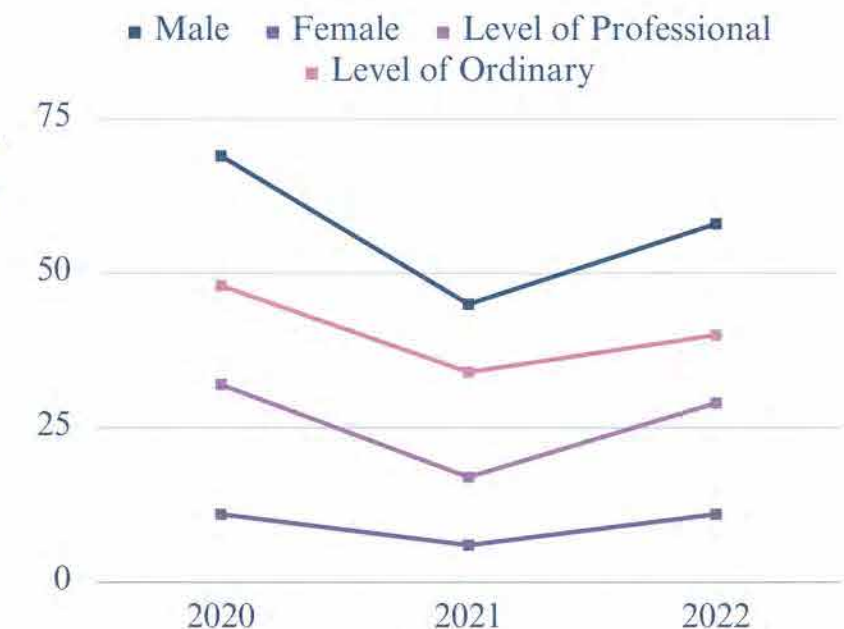
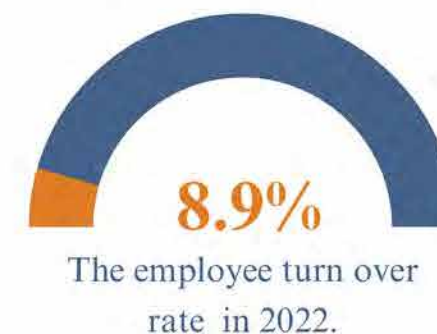
The total number of new employees in 2022 is 98 people. In which, due to the characteristics of heavy industry production, the company recruited the majority of technical candidates with male gender (accounting for 81%). Most recruit freshman, so the age group under 30 accounts for the majority (77%). Most of them are replacements: the number of hiring professionals accounted for 43%, other employees accounted for 57%. The company prioritizes recruitment within the province and surrounding areas with shuttle buses to create favorable conditions for employees to work every day, creating long-term stability at CSVC.



Total	2020		2021		2022	
	Newcomer	%	Newcomer	%	Newcomer	%
	64		58		98	
Gender						
Male	58	91%	51	88%	79	81%
Female	6	9%	7	12%	19	19%
Age						
Under 30	57	89%	52	90%	75	77%
Above 30	7	11%	6	10%	23	23%
Level of Position						
Professional	19	30%	15	26%	42	43%
Ordinary	45	70%	43	74%	56	57%
Region (Birth place)						
Baria- Vungtau	39	61%	34	59%	59	60%
Dong Nai	4	6%	5	9%	15	15%
Hochiminh city	0	0%	2	3%	1	1%
Other	21	33%	17	29%	23	23%

1.2 TURNOVER RATE

According to CSVC regulation, regular employees can apply for voluntary resignation.



2. WELFARE POLICY

2.1 HEALTH INSURANCE



For accident insurance the company chooses MSIG – The company has a very high financial rating from the top rating agencies.



Regarding health insurance, the company chooses PVI Insurance - one of the best insurance companies for employees.



CSVC company always cares about the health and spiritual life of employees.

CSVC company always cares about the health and spiritual life of employees.

On important occasions for employees, the Company contributes to support benefits such as Marriage, birthdays, childbirth, illness, mourning, and welfare on major holidays such as Reunification and Labor Day April 30 and May 1 or National Day holiday (Sep 2).

Not only paying attention to the spiritual life, but the health of employees is also always focused. The Board of Directors and leaders of the company specially buy 2 types of insurance in addition to social insurance to ensure the health of employees.

- For accident insurance the company chooses MSIG – The company has a very high financial rating from the top rating agencies. Employees who have an accident, whether it is an occupational accident or an individual accident, are covered by insurance to support up to 60 million in medical expenses. The strength of choosing MSIG is that in addition to medical examination and treatment costs, the insurance also supports weekly wages for employees who have a leaving certificate to benefit social insurance and leaves at the company to help employees feel secure to nurse until the cure.
- Regarding health insurance, the company chooses PVI Insurance - one of the best insurance companies in terms of health insurance for employees. Employees are guaranteed the best health with support for up to 70 million medical expenses. In many cases, PVI insurance has helped them pay for surgery costs up to tens of millions. As a result, employees actively care about their own health, ensuring a smooth completion of work.

2.2 TRADE UNION ACTIVITIES

CSVC soccer tournament 2022

As an annual activity of CSVC, in order to create a good playground for employees, help them join in exercise activities, especially to associate employees.



Sports day for employees in industrial zone



CSVC Trade Union received the plan from BIZA Trade Union about coordinating with the Department of Culture & Sports of Ba Ria – Vung Tau Province to hold the Sports Day. The purpose is to create a healthy playground for employees who work in Industrial Zones to exchange and learn from other companies.



Vietnam Women's Day

To congratulate all female employees of CSVC on the occasion of the celebration of Vietnamese Women's Day on October 20, the Executive Committee of CSVC coordinated with the Company to organize a celebration program by the Ao Dai design contest with the topic "CSVC'S WOMEN – STEEL FLOWERS".



Run for Children

As a meaningful activity to encourage the learning spirit of children who has difficult circumstances; CSVC Trade Union holds the Run for Children's scholarship fund Program in 2022



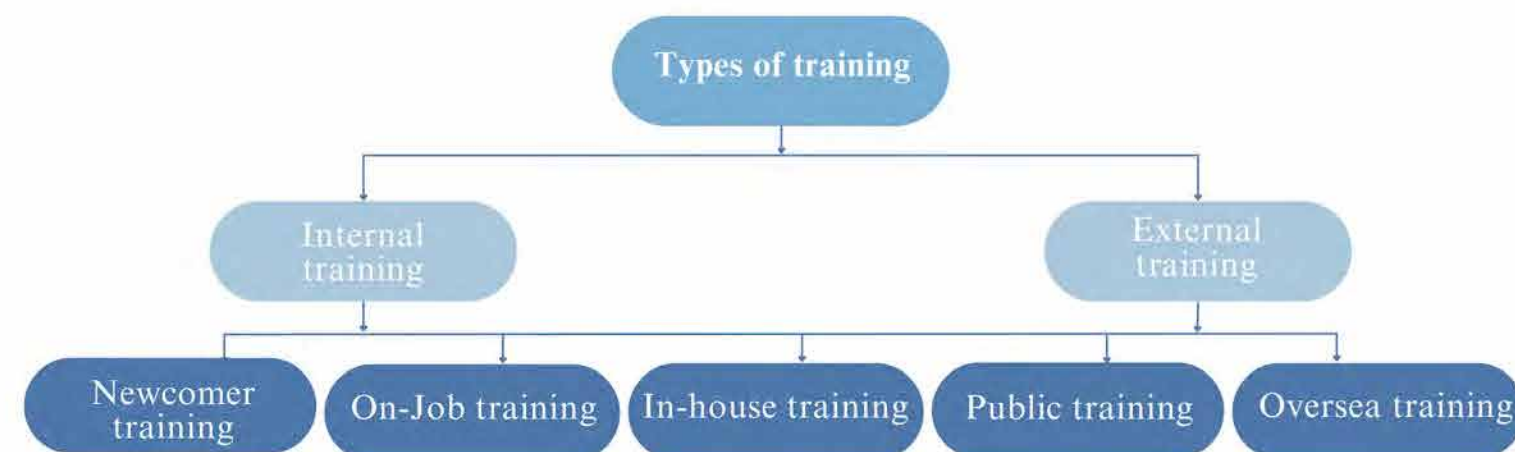
2.3 MOTIVATE AND EMPOWER EMPLOYEES

In order to encourage, inspire and motivate employees' contributions and achievements to benefit CSVC, the company has established regulations on rewarding employees: Bonus on holidays and Tet, Seniority bonuses, Bonuses for initiatives, system development, customer expansion, reputation and image enhancement for the Company, safety issues, etc. All contributions will be announced throughout the company as well as paid in cash as or merit certificate (if any).

3. EDUCATION AND TRAINING

Training and developing human resources is always a top priority for businesses in general and CSVC in particular. In order to meet the needs of workers as well as develop personal skills, the Company always creates conditions for employees to learn and develop continuously.

In order to update new knowledge for employees, help employees apply new technology effectively to work to meet business changes, as well as clearly define the rights and obligations of parties related to the Company's training, CSVC training regulations are issued. Based on the training needs (according to the orientation of the leadership, according to the needs of each department) and considering the training budget, training plans are developed and monitored annually. Training courses are classified to facilitate promotion and follow-up such as:



Besides, to facilitate the management of courses, and reduce the load of paperwork, the training management system on ERP [Manpower Development Management System] was set up. Planning, updating, and retrieving online course records is done smoothly, quickly and conveniently.

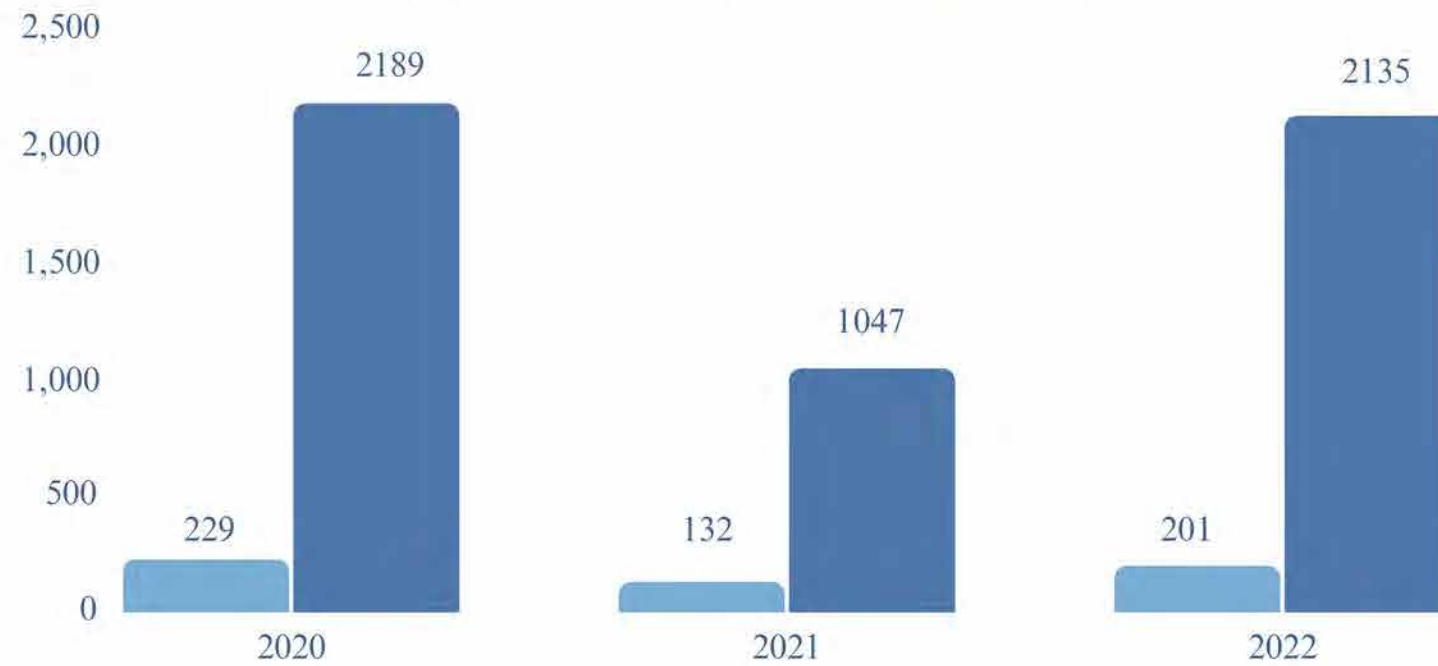
In recent years, due to the impact of the covid-19 epidemic, the activities of businesses have been affected a lot, the training is no exception. In order to equip employees with timely knowledge and skills, the company has flexibly applied online training forms through platforms such as Team Microsoft, Zalo, google meet, zoom, etc.

In 2022, in the context that the covid 19 epidemic has been somewhat controlled, CSVC has restarted training courses.

TOTAL TRAINING HOURS IN 2020, 2021, 2022:

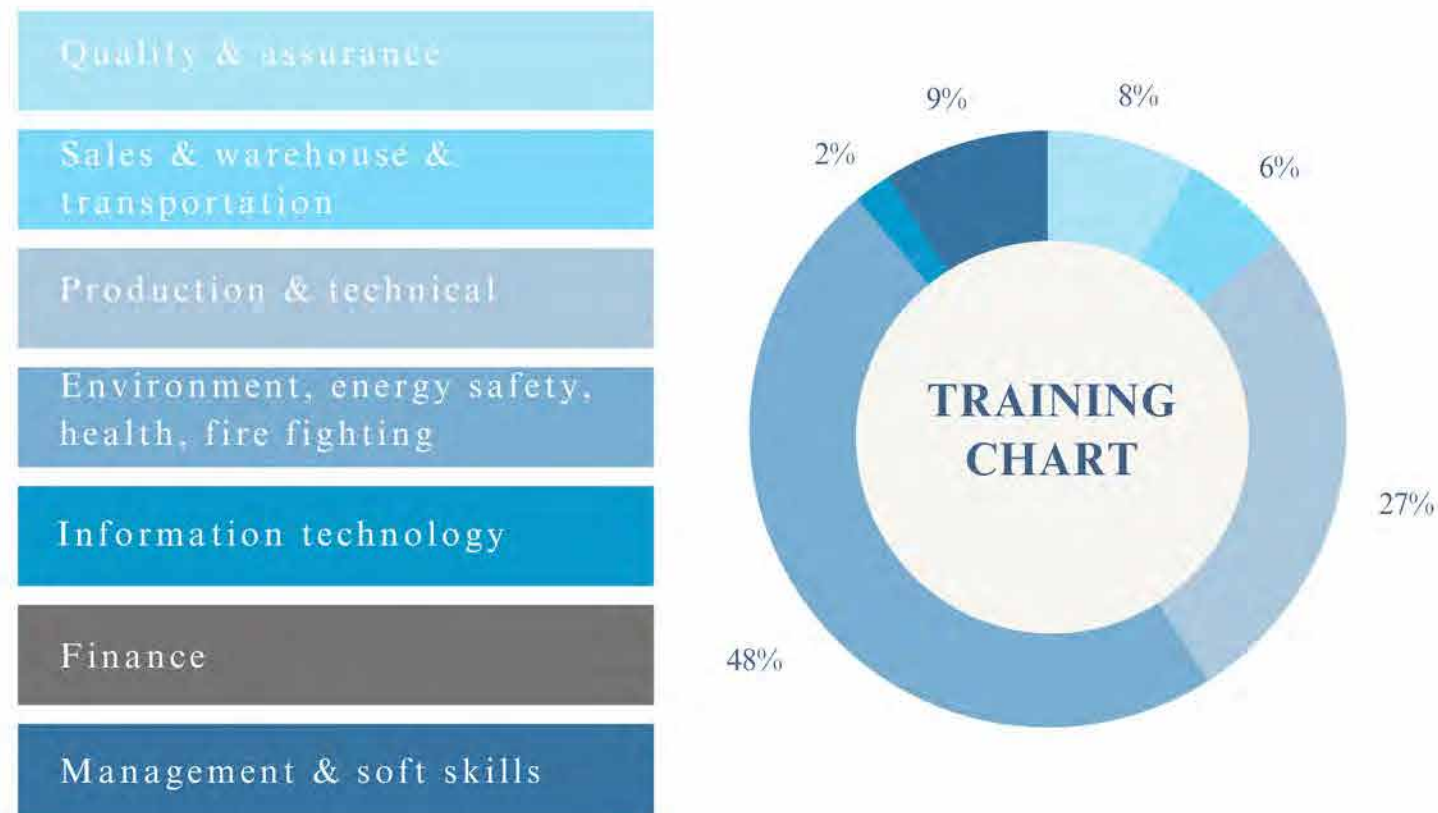


■ TOTAL TRAINING COURSE ■ MANDAY



In 2022, safety training is always a top priority with 1807 days of training. Vocational and professional training courses at the workplace are always organized promptly to ensure work performance with 1010 days of training.

Through the working process, the company performs employee reviews once every 6 months to evaluate past work performance to improve work efficiency in the future. Based on it identify the needs of training and developing employees, assess potential competencies and future promotion possibilities of employees.



OUTSTANDING COURSES IN 2022

In order to improve management skills, CSVC organized soft skills training courses for 49 middle managers. The course helps the middle management team in work as well as team relationships, contributing to the achievement of the common goal of CSVC.

In parallel with the production process, CSVC always focuses on environmental protection and health safety.

Planning, organizing and decision-making skills

Skills for assigning tasks and monitoring

Communication skills and conflict resolution

Skills to motivate employees

ISO 16949:2016 quality management and ISO 14064:2018 greenhouse emission inventory courses are organized to equip employees with knowledge and reduce CO2 emissions into the environment.

Along with the development of digital technology, CSVC staff have been trained in Artificial Intelligence and machine learning. In addition, the information technology department is also trained in the necessary knowledge such as the Oracle Database 12C professional course. These courses are a precursor to the future, towards applying technology to increase productivity and work efficiency.

4. DIVERSITY AND EQUAL OPPORTUNITY

Because of the characteristics of heavy industrial production companies, most of the employees are male. However, not so that the issue of gender equality is taken lightly. In 2022, CSVC organized training courses for female employees. The course helps to equip the basic law on gender equality and is also a time for women to exchange thoughts and answer psychological problems at work as well as in daily life.

With the attention and support of the Board of Directors of the company. In 2022, the company organized a class on gender equality for all female employees at the enterprise. This is an important step in promoting equity and personal growth of women in the workplace. The course focuses on raising awareness of women's rights and opportunities, promoting the development of soft skills and professional skills, and ensuring a fair working environment. In this way, we can create a strong community of female workers who are confident and actively contribute to the success of the business.



EMPLOYEE ACTIVITIES

“Year-End Party 2023” – A special event jointly organized by the Company and the Trade Union after being postponed for 2 years due to the epidemic. The event not only brought joy and rewards to employees, but also showed the company's leadership's interest in the spiritual life of employees. Through this activity, the Board of Directors would like to thank all employees who have actively contributed to the development activities of the Company in the past year.



“Gift of gratitude” – for employees who have devoted themselves and contributed their efforts to ensure production stability during the fight against Covid-19. With this gift, the Board of Directors of the company wants to send deep gratitude to the dedication and dedication of each individual. At the same time, the Board of Directors wishes that CSVC collective will continue to maintain this spirit in order to jointly build a thriving CSVC collective.



As one of CSVC's annual activities, we will continue to give moon cakes as gifts to employees on the occasion of the Mid-Autumn Festival in 2022. Through this, the Board of Directors also sends union wishes and all CSVC employees and staff good health.



5. OCCUPATIONAL AND HEALTH

5.1 SAFETY CULTURE

In CSVC, greeting whenever whoever wherever with “LUÔN AN TOÀN” is a company culture to exchange wishing safety together.



Implemented since the end of 2014 up to now, “LUÔN AN TOÀN” has been a common greeting applied to all activities, and meeting at CSVC for the past years. Cohesion and teamwork with the commitment of “LUÔN AN TOÀN” have been transferred to each employee of CSVC. The greeting “LUÔN AN TOÀN” with a clear and loud voice together with prime and strict posture helps to create focus spirit, unity and safety for everyone anytime anywhere in CSVC as well as display discipline and fighting spirit in work at all CSVC members. “LUÔN AN TOÀN” spirit is expected to expand to the daily activities of CSVC members.

The greeting “LUÔN AN TOÀN” is applied to all people including employee to employee, employee to contractor, contractor to contractor, employee to guest, etc. building up connection between all members of the company.

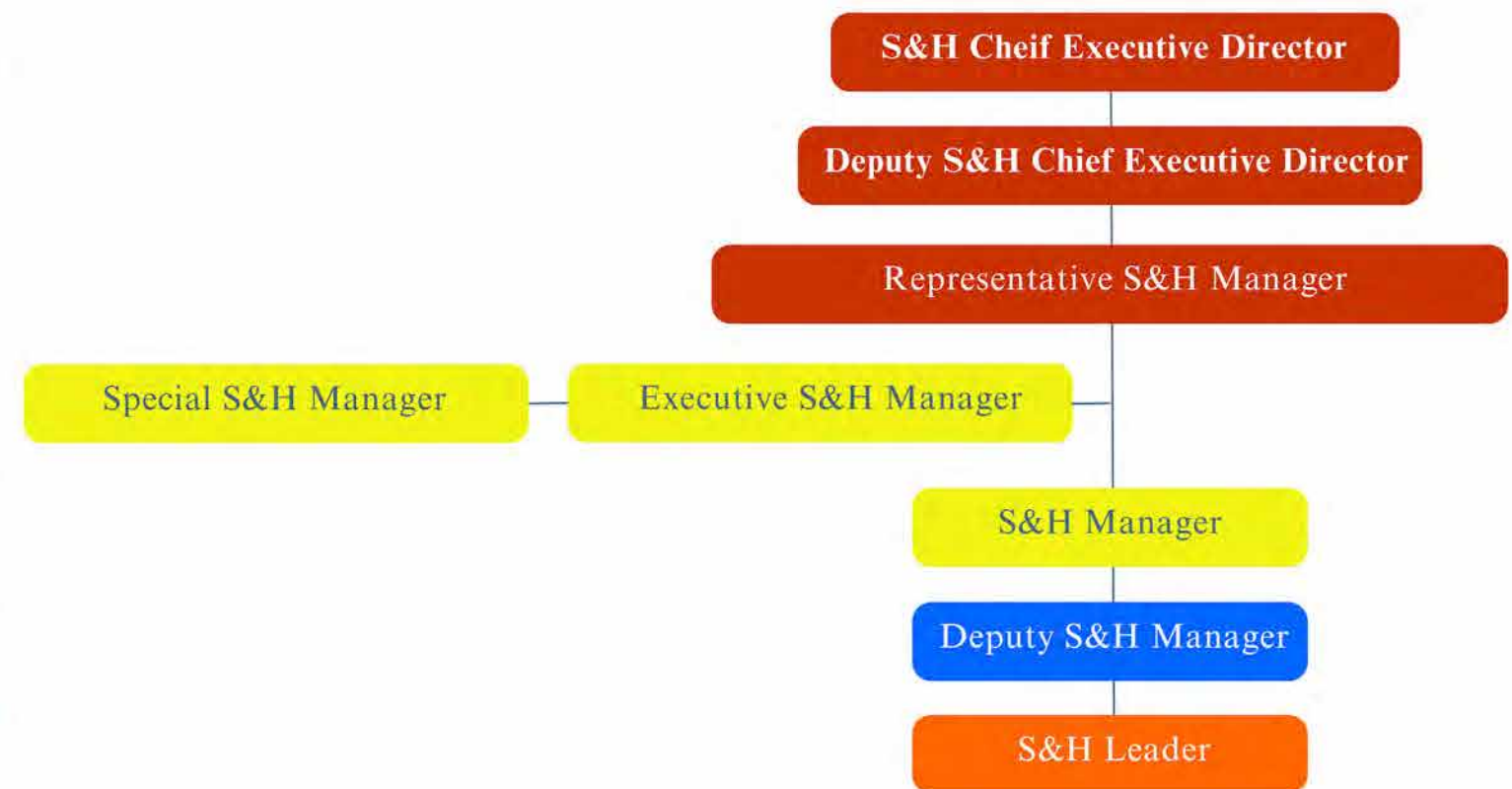
COMMITTEMENT TO ISO 45001:2018

CSVC passed the 3rd year Official Surveillance Audit of ISO 45001:2018 on Jan 7th, 2022.

Aiming to manage thoroughly safety issues, improve continuously labor environment and meet international standards. Since 2016, CSVC has passed and maintained continuously our system in accordance with OHSAS 18001:2007. To upgrade in accordance with the newest system requirement, CSVC has efforted and passed the Official Audit of SGS to achieve ISO 45001-2018 certificate at the beginning of 2020. Through a continuous effort of all CSVC’s Top boards of Management, Managers, and Members in safety and health management activities, CSVC always keeps our management system to match international requirements.



5.2 MANAGEMENT SYSTEM



Safety & Health (S&H) is the first priority concern of CSVC. In order to thoroughly manage as well as smoothly communicate for body content, decisions, company’s policy in Safety & Health, Safety & Health Management Committee is established.

Safety & Health Management is the responsibility of all CSVC management members, therefore Committee members are involved in the General Director (GD), Deputy of General Directors (DGD), each Vice president (VP), each General Manager (GM, AGM), each Section Managers (SM, ASM), each Foreman, Leader of each workplace.

MONTHLY OSH COMMITTEE MEETING

Every month, Top Managers (General Director, Deputy General Director, Vice president & Assistant Vice president of each Division), General Manager of each Department and Representative of each Department members join Safety & Health Committee meetings including whole plant patrol to check job site condition, discuss body-content in Safety & Health, report tracking content and review situation as well as the difficulty of each item, then Top Manager suggest and instruct to improve findings issues and transfer information to each Department.

The representative of Employees in the meeting also pointed out their opinions or suggestions relating to Safety & Health issues with Top Manager and related Departments to discuss and unify solutions together.

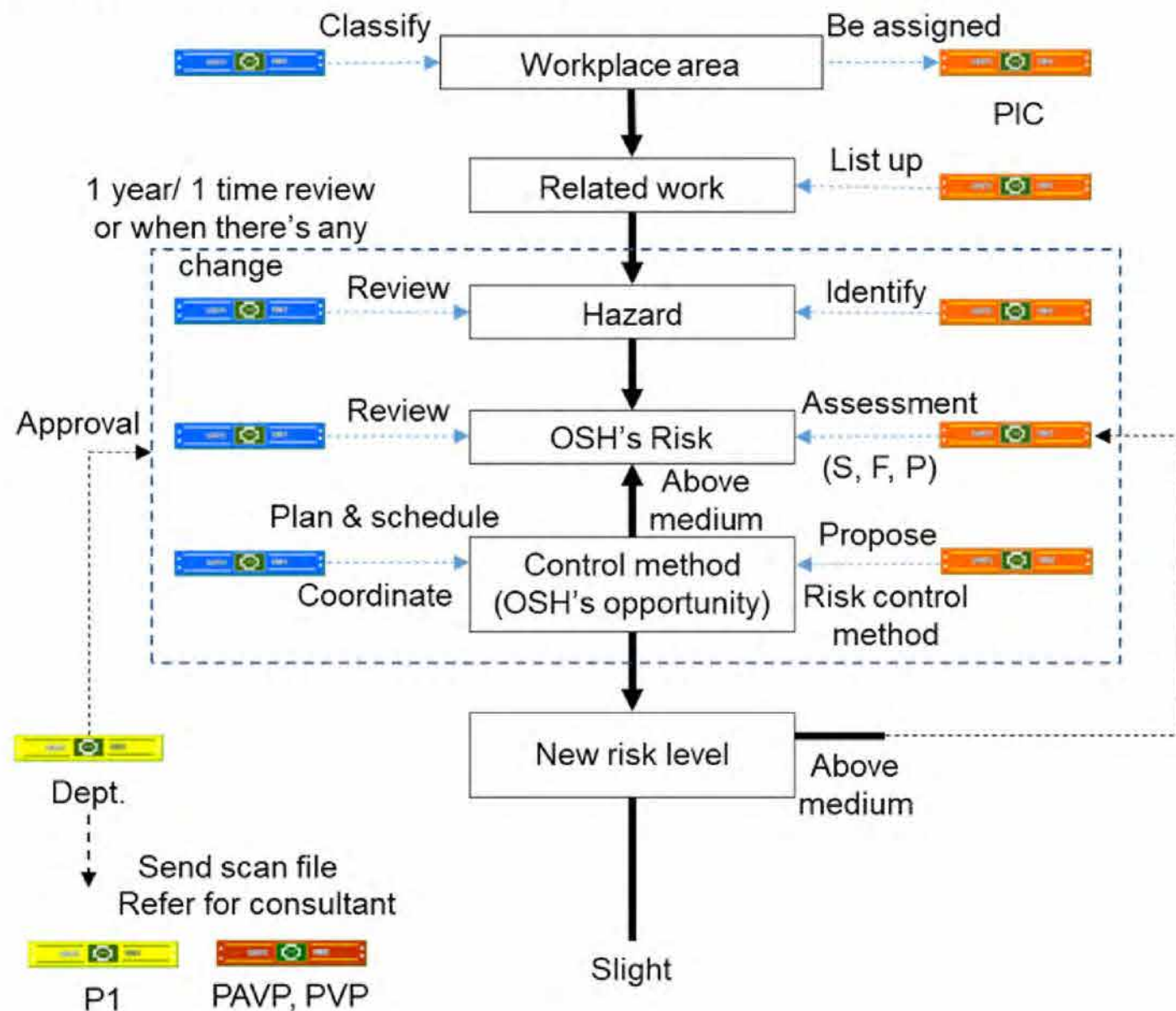
5.3 DANGER FACTOR & UNHEALTHY FACTOR CONTROL AND PREVENTION RISK CONTROL

CSVC recognized that risk generating during working, shall be controlled and managed thoroughly. A mechanism or procedure should be defined clearly and ease to understand to instruct relating members to execute correctly and accurately to ensure that risk will be detected and solved as soon as possible.

Output of risk control is also qualified by reviewing and approving via many levels from direct worker to upper-Managers. And these outputs are placed in procedure to get cross-evaluation from other department to share, compare and unify better countermeasures in whole plant not only one area or section. Therefore, continued improvement shall be applied with high performance.

Otherwise, information relating to risk detecting and controlling which was provided by member, especially direct workers, are very important for management system, so information security of provider is also placed in a mechanism to protect our member for preventing conflict in company and after work.

Procedure of hazard identification and risk assessment in CSVC as following:

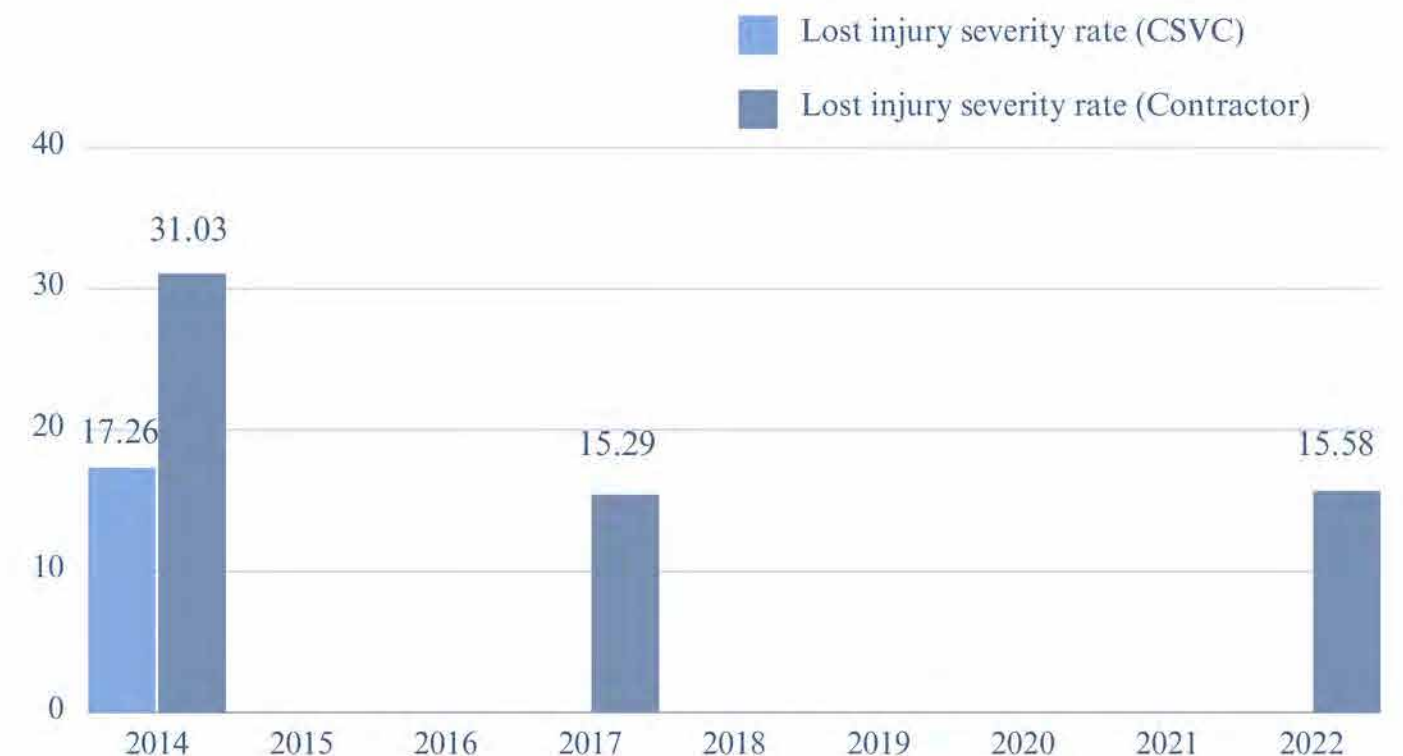


Continue achievement from previous years to proceed and maintain preventive countermeasure experienced from history lesson, Lost time injury frequency & severity rate was maintained at Zero for CSVC's member.

LOST TIME INJURY FREQUENCY RATE
(Lost time injury per million working hours)



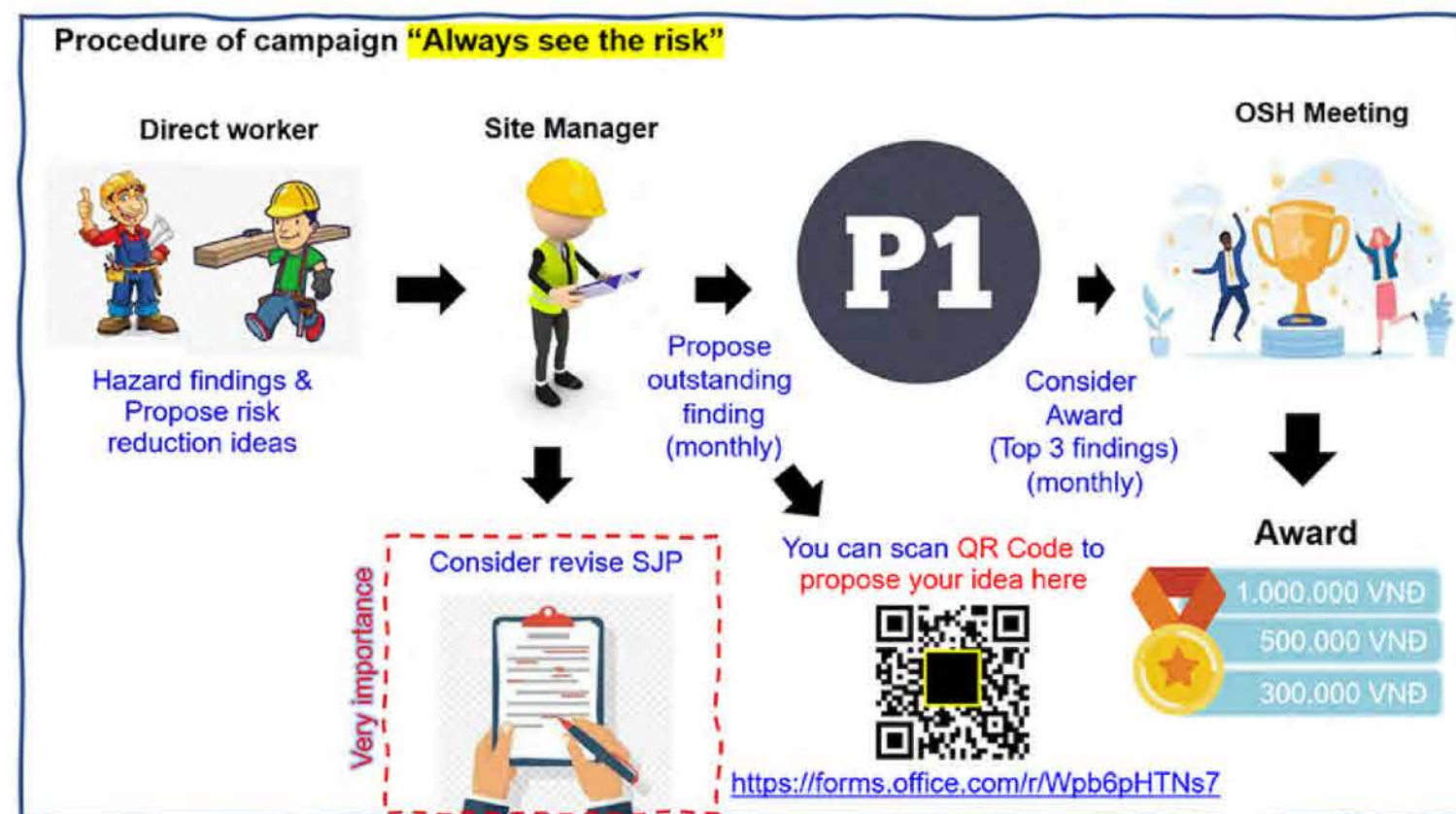
LOST TIME INJURY SERVIRITY RATE
(Lost days per million working hours)



ALWAYS SEE THE RISK

With purpose to enhance safety awareness of each member with their working environment as well as build up a mechanism for our direct worker proposing their contribution of working environment improvement.

CSVC organized an improvement activity that was named “Always see the risk”. This activity was launched in November of 2022. Awarding will be arranged monthly based on a total proposal from direct workers in the whole plant.



In detail, in 2022, total 320 risk findings and improvement ideas were proposed by direct worker and total 13 outstanding ideas was reviewed to award.



EQUIPMENT SAFETY INSPECTION

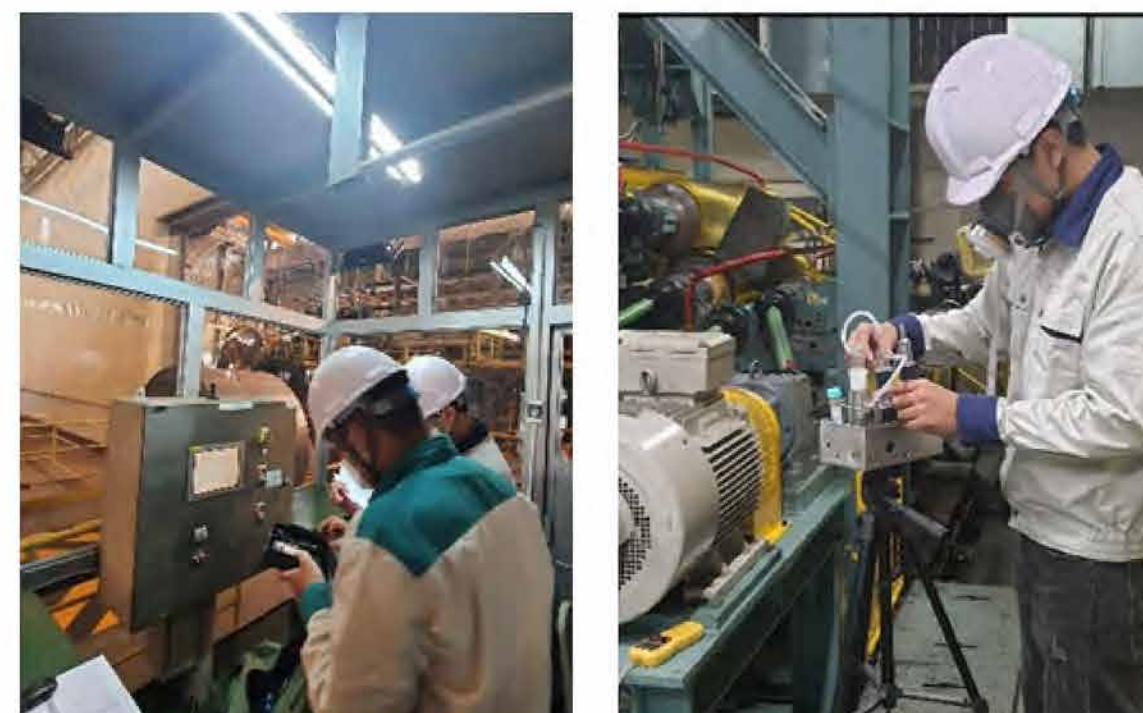
To ensure all equipment and materials is operating properly, smoothly and safely for employee and stable production, equipment safety inspection is always put in yearly plan of each process to meet Vietnamese Law’s requirement as well as control risk relating to equipment at the site. In 2022, a total of 142 equipment was inspected, of which 36 pressured equipment and 106 lifting equipment were qualified. Besides that, a total of 98 auxiliary equipment (pressure gauge, safety valve, lifting beam) were calibrated and inspected with qualified results.



WORK ENVIRONMENT MEASUREMENT

To have prompt action for working environment condition improvement, CSVC cooperated with a qualified work environment measurement center to measure related factors at each workplace every year. Work environment measurement is a basic parameter to select appropriate health check items to manage thoroughly working conditions and assure health for CSVC’s members as well as promptly detection and promotion.

In 2022, a total of 433 samples were taken for a total of 78 positions in CSVC’s plant.



HEALTH CHECK

To evaluate the working environment at the factory whether satisfying with standards and detect the source of unhealthy factory existing as well as occupational disease earlier, combined with the output of work environment measurement executed, periodical health checks shall be organized.

Along with standardized checking items were guided by Vietnamese Law, to enhance health standards for CSVC's members, additional checking items were proposed and approved such as cholesterol index, blood type, etc.

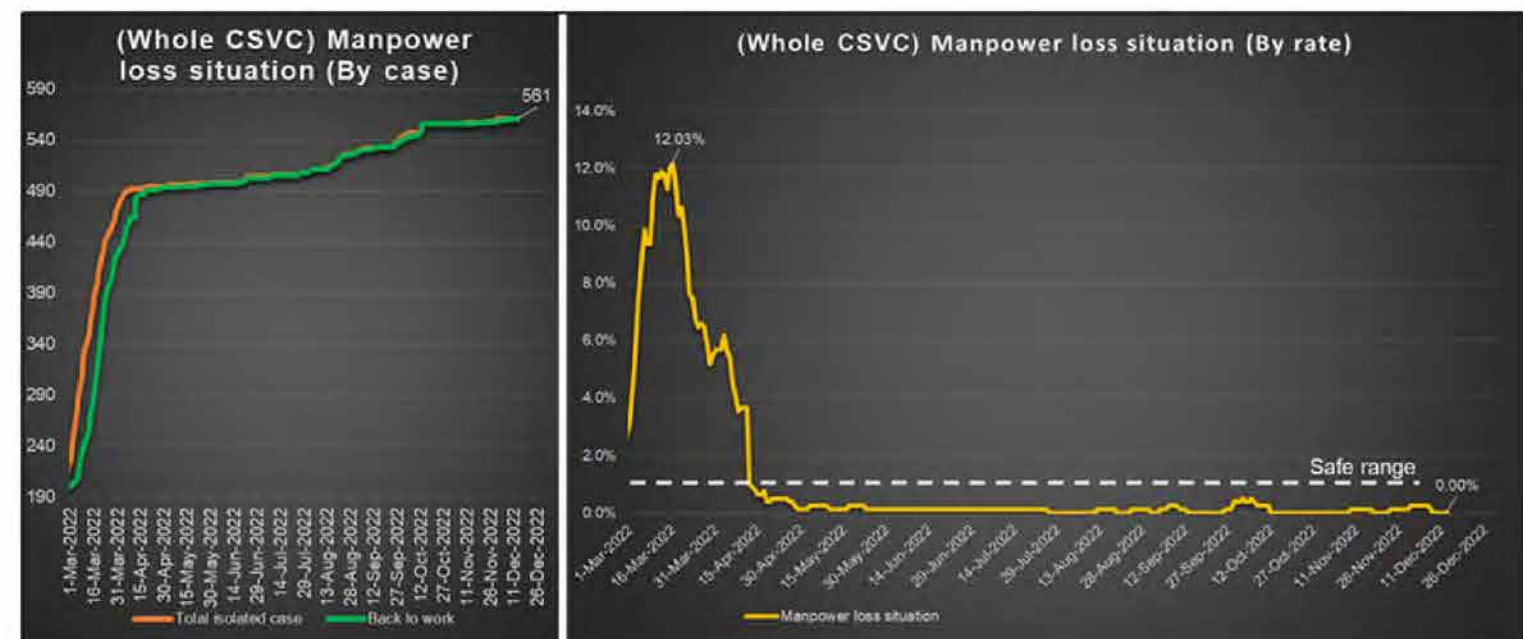
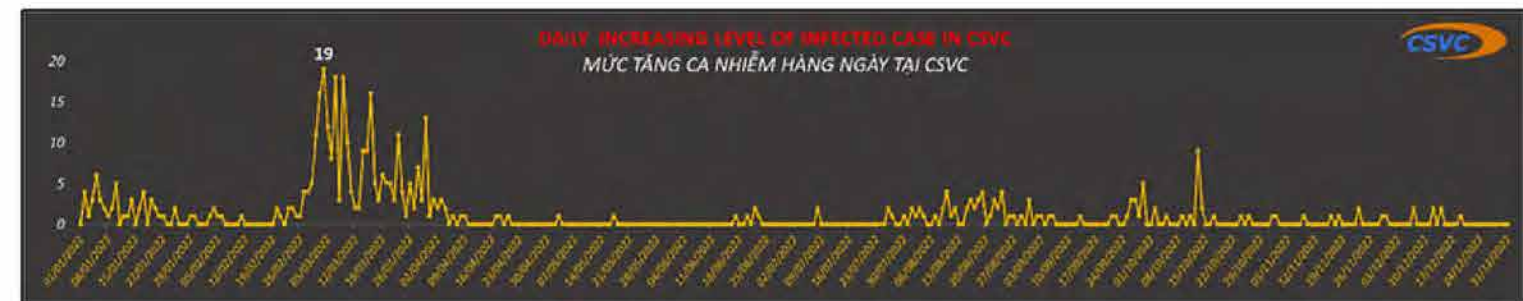
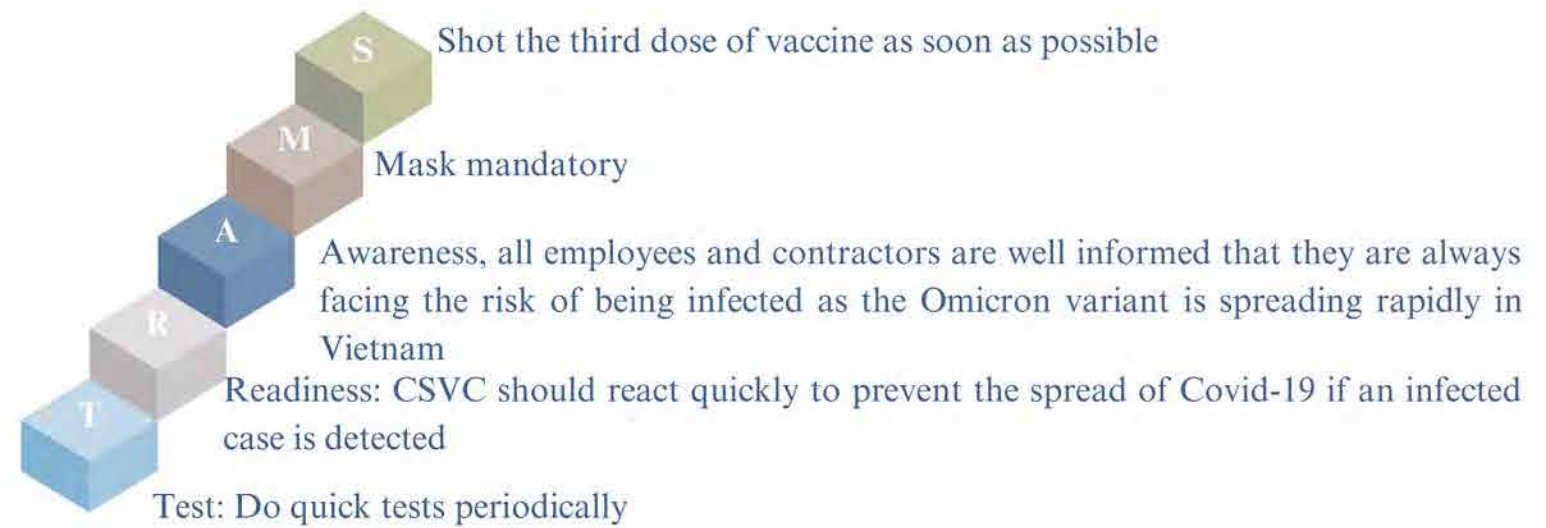
In 2022, a total of 793 members were checked, in which having 114 females, with a total of 23 checking items. The rate of detected occupational disease is zero.



COVID-19 PREVENTION

In Q1, 2023 Facing a serious infected situation in the whole Vietnam region as well as in Ba Ria Vung Tau province, the infection situation in CSVC was also increasing seriously. So, after discussing this, the COVID-19 prevention steering committee announced to execute S.M.A.R.T strategy to respond to this situation to ensure the health for CSVC's members as well as contractor members and try to control the manpower loss rate in a controlled range.

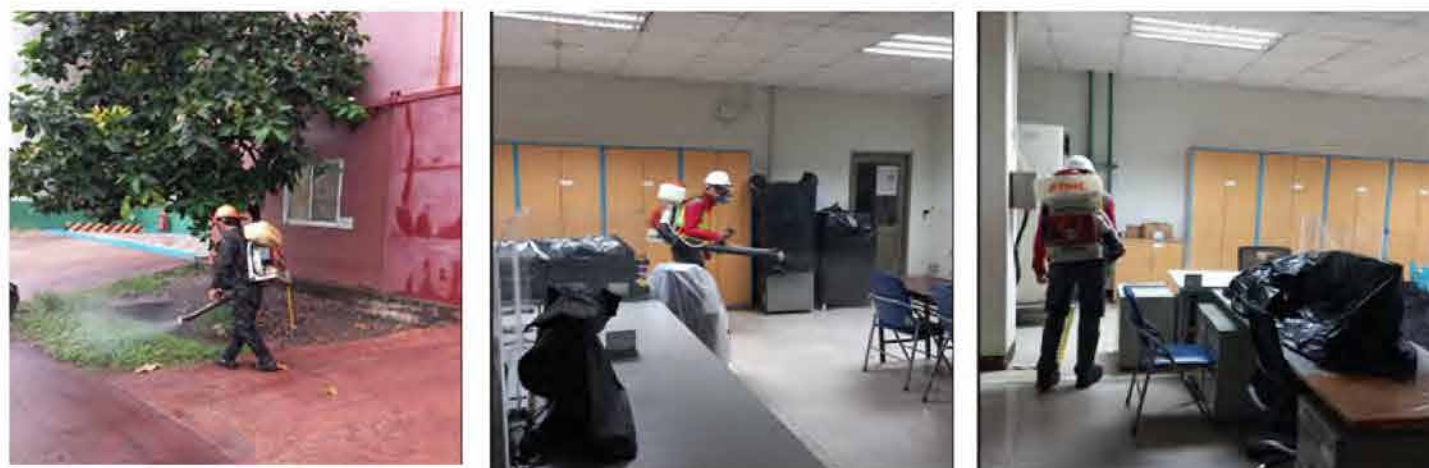
After executing this strategy in CSVC, the situation of infection in CSVC as well as the manpower loss rate were reduced and controlled in a safe range.



DENGUE FEVER PREVENTION

Along with seriously impact of COVID-19 in first-half of 2022, Dengue fever was occurring and detected a lot of infected case in wide area of Ba Ria Vung Tau province as well as in Vietnam region.

Therefore, CSVC organized activities to prevent Dengue fever in CSVC such as spraying in whole plant, reject living condition of mosquitoes, etc. In 2022, from 16/Sep to 14/Oct, a total of 58 positions in the whole plant were sprayed.



6. ENSURING OCCUPATIONAL SAFETY AND HYGIENE

6.1 TRAINING AND EDUCATION

DRILL

CSVC recognized that skill of response and time of response are very important when facing with emergency case happening, consequence after incident, and accident happening whether reduce or prevent depending on the above factors, so practicing for our members need to execute regularly and effectively.



In 2022, result of mock drill was organized as follows:

Type of incident	Amount of class	Amount of attendant
Radiation incident (irradiation, radiation substance contamination, etc.)	2	111
Chemical incident (leakage, splashing, etc.)	6	212
Fire incident (electrical equipment fire, fire at basement, fire in top roof, etc.)	36	Over 800
Total	44	Over 1123

INTERNAL TRAINING

In addition to basic safety knowledge via periodical legal training, CSVC still aims to strengthen and enhance safety knowledge and safety awareness in each CSVC member, so internal safety training is planned annually to get this purpose.

In 2022, CSVC already organized “Real Danger Sensing Training” with 52/52 classes for a total of 772 members were trained, of which 552 CSVC members and 220 Contractor members.



LEGAL TRAINING

Although COVID-19 have impact to training organization with high person gathering at one place, but CSVC still find better method to ensure to comply basic requirement of training for employee working in factory. Legal training result of CSVC in 2022 as following:

Training courses	Amount of class	Amount of trainee
General safety training (Group 1 as Law)	2	86
General safety training (Group 4 as Law)	10	305
Safety Officer safety training (Group 2 as Law)	3	3
Health Officer training (Group 5 as Law)	1	1
OSH Leader safety training (Group 6 as Law)	4	96
Radiation safety training	3	38
Welding & cutting safety training	1	32
Lifting operation safety training	2	59
Confined space safety training	3	80
Work at Height safety training	3	94
Electrical safety training	4	115
Total	36	909



6.2 FIRE PREVENTION ACTIVITIES

Fire prevention is very important than firefighting. Causing fire is combine three elements in the right proportions: heat, fuel, and oxygen. We have several ways to prevent fire occur such as:

- Turn off all electric equipment if no use.
- Keep flammable liquids safely stored and away from flames or heat source.
- Plug power cords directly into outlets and rightly capacity. Never into an extension cord.
- Electric equipment needs to have a circuit breaker to prevent electric short and get fire.

We know that the initial time of the fire is the gold time for extinguishing fire. Awareness and skill for CSVC members on fire prevention and firefighting are necessary. They are the main force to respond when has incident happens.

Besides that, quickly finding out the signal of fire and having equipment promptly using extinguishing fire is one method to reduce loss from the fire.

Therefore, CSVC conducted some activities in 2022 to prevent fire occur.

ELECTRICAL RISK PREVENTION

CSVC strengthens activities to confirm the protective condition of electrical devices. This activity helps us to check and found the existing risk in the production line and promptly improve.

Through this activity, we found out the total many abnormal and defect equipment in the production line. With effort from each department, we have checked and improved total 100 cases.



To prevent missed operation when using the electric outlet. Displaying an indicator on the outlet of electric equipment is the best way to let members easily understand and prevent it.

We conducted 165 non-label industrial electrical sockets confirmed by each Dept. and corrected.



Some outlet of electric equipment was displayed

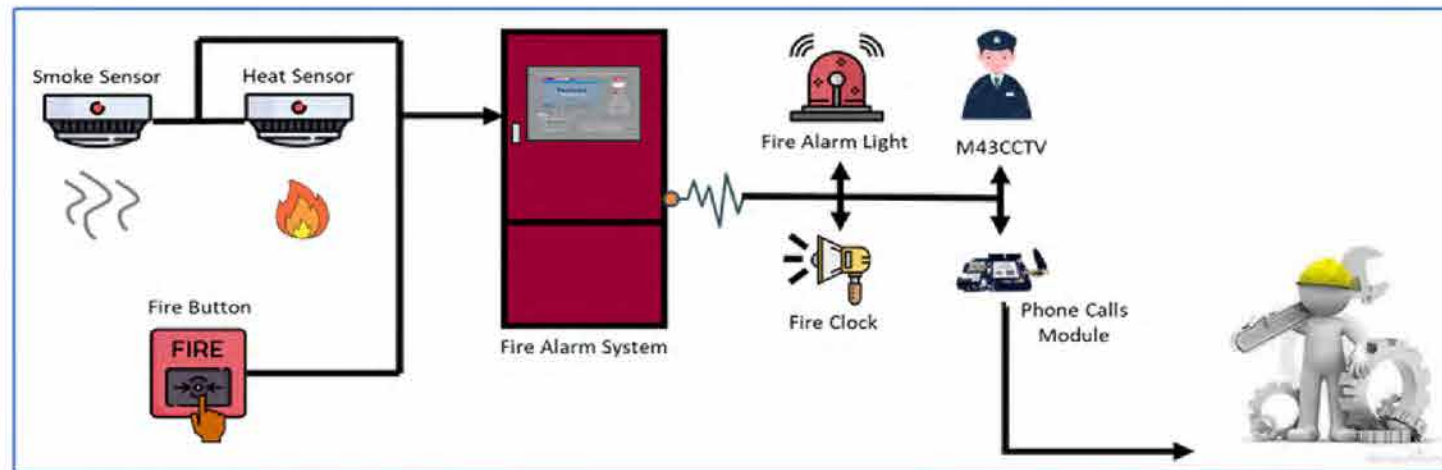
FIREFIGHTING EQUIPMENT IMPROVEMENT

a. Fire alarm system improvement

The fire alarm system was installed in CSVC. To let more members can receive the alarm signal when there are staying at home and when to another place for their job. The phone call alarm will help us choose to know the fire alarm location and coordinator manpower quickly respond. That is the reason why we develop this system.

Develop phone call fire alarm for regular unoccupied Fire Alarm Panel (FAP)

CSVC develop phone call fire alarm for 9 electrical rooms. This project was done in end of February 2023.



b. Firefighting system improvement

Installing aerosol firefighting suppression for electrical basement.

The Aerosol Fire System works by releasing micro-particles that surrounds the flame instantly. Then, these particles cool the fire, absorb the heat, and finally, combat the fire. After 10-15 minutes from stopping operation, the aerosol effect continues working, avoiding the re-ignition.

Stage 1: CSVC complete 1/6 (CGL CER) electric cable tunnel. Remaining 5 areas will be complete in 2023.



Aerosol firefighting suppression

Installing outdoor fire hydrant at CAL-CGL; UA1-PL road

CSVC installed a water outdoor fire hydrant from the beginning. Water is a popular material for firefighting. It provides for fighting and for cooling if necessary. To provide enough water for firefighting in areas with hard-to-get water. As a risk assessment, we design to install more outdoor fire hydrants.

In 2022, CSVC installed more 8 outdoor fire hydrants to provided enough firefighting water at production line



Anti-fire paint for remaining cable tunnel

To prevent the spread of fire from electric cables. As a risk assessment, the electric cable basement should be protected by anti-fire material.

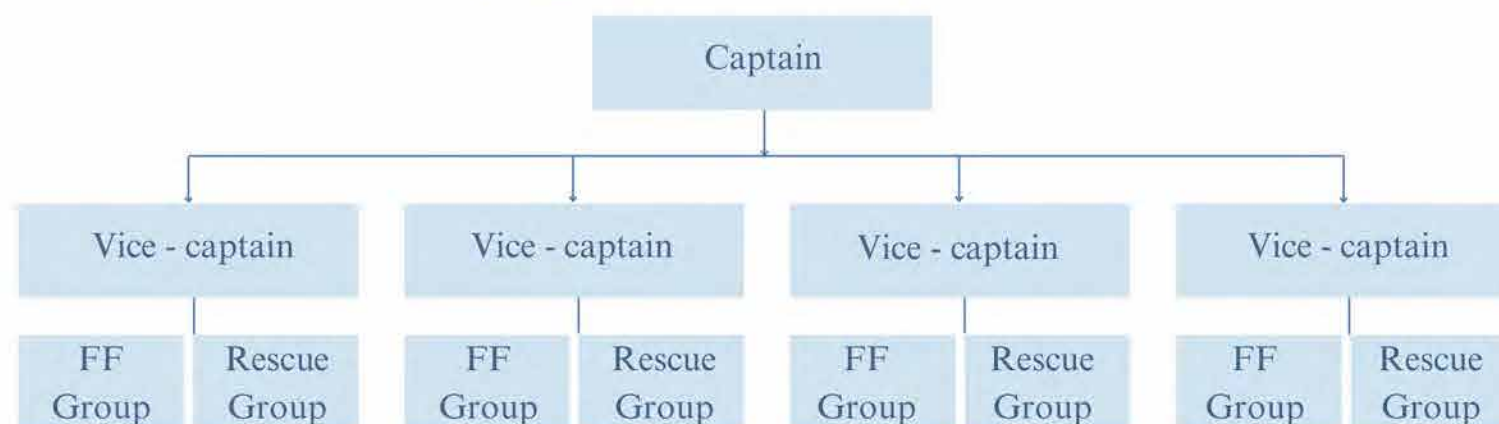
CSVC has rechecked and painted for 6 cable tunnels at production. The 6 cables tunnel was painted and completed in 2022.



AWARNESS AND TRAINING SKILL

a. CSVC fire prevention and fighting, rescue and salvage team is established, managed, and directed activities by the General Director with 29 members. This team is main force in charge on firefighting, recuse and emergency responding team.

CSVC firefighting & rescue team organization chart

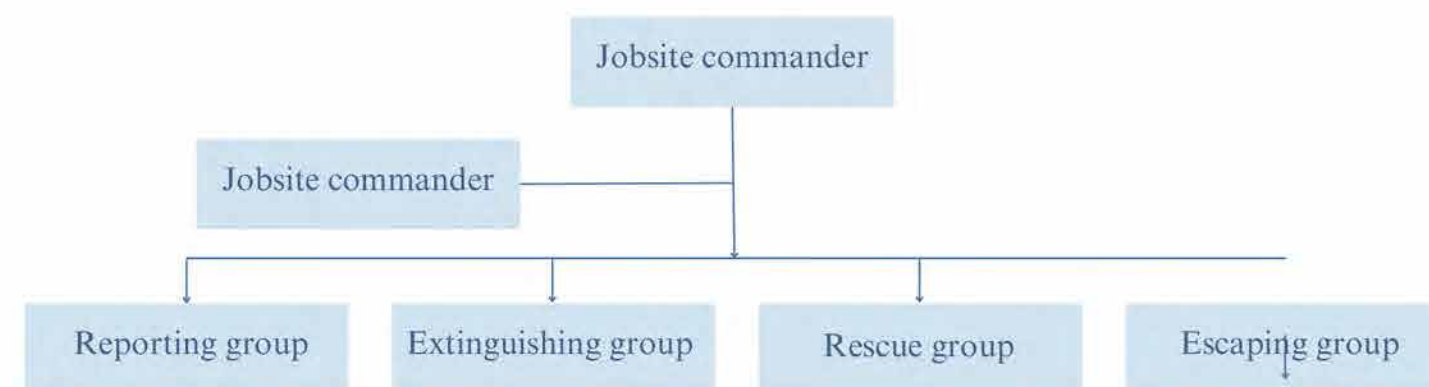


To provide full skill in fire prevention and firefighting to firefighting team members. CSVC Periodical training once per 3 months for the M43 Firefighting team under the instruction of Firefighting Police. After training, firefighting team members know how to extinguish a fire at a high location, confined space area. They know how to use special equipment to rescue victims such as: Sefl Cylinder Breathing Apparatus (SCBA), rope...

On October 03-04th 2022 was trained 01 time (29 members was attended)



b. The Department, Section's fire prevention and fighting, rescue and salvage team, includes a captain and deputy captain and members; according to the organization chart of the team.



To awareness for CSVC employees to understand the risk of fire and how to respond when a fire occurs related to electrical cable. We conducted many fires mock drill related to an electrical cable fire, another fire, and how to respond to it.

Through the fire mock drills employees understand that fire prevention is very important and they're quickly responding to reduce loss from the fire.

After the fire mock drill, we held a meeting to leaning experience, what the weakness we need to improve, and what advantages we continue to keep and enhance.

We organized 36 times of fire mock drills with attended over 800 members.





6.3 FOOD SAFETY AND HYGIENE

Currently, meals at CSVC are processed at CSVC's canteen and supplied through the industrial catering contractor.

With total meal portions over 600 portions per day and divided into 03 serving shifts, improving meal quality, and controlling food safety and hygiene to ensure employees' health is always one of the most concerns of CSVC's Board of Directors.

1

Facilities and infrastructure ensure food safety requirements

Facilities and infrastructure meet food safety requirements and are certified by the Food Safety authority.

2

Quality management by specific processes

- Develop specific procedures for each work: import food material, food preservation, food preliminary processing and processing, food samples storage, cleaning, use and preservation of equipment, etc.
- Control food safety and hygiene through three steps of checking as the guidance of the Ministry of Health, including inspection before processing food, inspection while processing food, and inspection before eating.
- Control the quality of meals by building the standard quantitative table for each dish and arranging personnel to supervise the entire meal processing and serving process.

3

Professional training, periodical health check

- Not only requested completing training programs for knowledge on food safety but canteen staff are also trained in CSVC's internal regulations related to security, safety, environment and fire prevention.
- Canteen staff are conducted health checks once a year.

4

Building responding plan for food poisoning

- To ensure the health and safety of employees as well as to maintain stable production activities, not only strictly controlling food processing and preservation process to minimize risks to food safety, CSVC also builds the responding plan for food poisoning cases at the company and organizes drills one time per year with many variety scenarios.

7. PRODUCT QUALITY AND SAFETY

- CSVC supplies steel materials in a suitable, appropriate and timely manner and adopts the concept of “multi-level services” by conducting customer service in three stages: pre-sales, during-sales, and after-sales. The service manpower includes in-plant technical people who assist the customers in solving problems of materials application and technology, and so promote the growth of the steel industry accordingly.
- The technical service engineer of the quality control section is responsible for the customer technical service, with the vision of “winning customers’ appreciation and trust, helping customers succeed” and with the purpose of “helping customers improve their technology and promoting the upgrading of the steel industry”. There are two main functions for the technical service: One is to represent CSVC to provide the knowledge of product application and solve the problem for customers; the other is to represent customers to request CSVC to develop and supply products for customers' needs. To strengthen and implement customer service, the Technical Service Section has set clear management objectives to follow up and reviewed their results by month.
- CSVC has 4 different products and various thicknesses ranging from 0.22 to 6.0 mm. Based on product type, the packing code is also different. The standard of packing includes the standard for packing, specification of main packing material and the indication for logistics and storage.

8. TRADE SECRETS

CSVC trade secrets management related to this standard is divided into three types, including Commercial Information, Manufacturing Information, Personnel, and Financial Information. When the trade secret is established, the department in charge shall classify it appropriately based on the characteristic and/or purpose of the trade secret. Then CSVC trade secrets are managed as follows:

1. Screening information:

Each department shall suitably identify trade secrets involved when implementing various business, commercial, operation, and production-relevant activities. The control of trade secrets shall satisfy statutory, regulatory, organizational, and customer requirements.

2. Management of trade secret documents:

(a) When the trade secret is identified to be appropriate storage, the department in charge shall make a checklist of managing trade secrets and assign an authorized person to manage those documents. Trade secrets shall be reviewed at least once per year and updated if have changed.

(b) The retention time of trade secrets shall be in accordance with relevant regulatory or customer requirements. The department in charge shall identify the necessity to be controlled and decide their retention time.

(c) Each department should use an appropriate way to store trade secrets; the preservation place and method must consider the suitability of the environment to reduce the damage and to prevent reveal.

3. Distribute and enclosure level of Trade Secret:

- (a) When a trade secret is internally distributed and enclosed within a department, the department in charge needs to get approval from General Manager.
- (b) When trade secret is internally distributed and enclosed within the company, the department in charge needs to get approval from Vice President.
- (c) When a trade secret is externally distributed and enclosed, the department in charge needs to get approval from General Director. Besides, the external party needs to commit to protecting the trade secret by signing the “Non-disclosure Agreement”
- (d) The requirements when distributing trade secrets are defined below table:

Type	Requirements
Paper Document	- To seal and stamp “Confidential / Top Secret” on envelopes. - To stamp “For Authorized Use Only, do not Distribute” on every page of documents.
Electronic File	- To use the PASSWORD to access electronic files. - To use a watermark. - Follow the Guide to sending Trade Secret by email

(e) The distribution of trade secrets shall be recorded in the “Distribution Record” .

9. BUSINESS FOR A BETTER SOCIETY

Giving gifts for to people in difficult circumstances on the occasion of 2022 Lunar New Year



In the spirit of mutual affection, CSVC Company collaborated with the Red Cross Association of Phu My Town to organize the program: "Tet for the poor and Agent Orange victims" on the occasion of the Lunar New Year 2022. As a result, on Jan 22, 2022, the Red Cross Association of Phu My Town went and distributed gifts to 105 underprivileged houses in Phu My Town on behalf of CSVC.

Giving scholarships, bookshelves and old computers to students who get the good academic results in the school year 2021-2022

From May 25 to May 30, 2022, CSVC Company coordinated with the Youth Union of Phu My Town to sponsor 90 scholarships with a value of 1,000,000 VND per scholarship to students of Tran Van Quan High School (Long Dien Town, Long Dien District), Hac Dich High School (Hac Dich Ward, Phu My Town) and Phu My High School (Phu My Ward, Phu My Town). They are students who got good academic achievements in the school year 2021- 2022.

To support disadvantaged schools located in Ba Ria Vung Tau province that the "Bookshelves at Schoolyard" has not been installed yet. In the school year 2021 - 2022, CSVC and Trade Union cooperated with the Youth Union of Phu My Town, giving 02 bookshelves, 300 books and 20 old computers to schools in Tan Hai commune and Tan Hoa commune. This activity helped to enhance the spirit of learning and encourage the habit of reading books for students.



300 books and 20 old computers to schools in Tan Hai commune

Giving gifts to HIV-infected children at Ba Ria hospital



On the occasion of World AIDS Day (December 1) , CSVC Company Trade Union accompanied by the Social Affairs Office of Ba Ria Hospital gave 32 gifts with a total value of 32 million VND to children patients who are undergoing outpatient at Ba Ria hospital. Not only giving gifts to these children patients, but CSVC also wants to spread messages of love from all employees to disadvantage circumstances.

Giving old bedding and stationery to students in Ninh Thuan province

For the goal of assisting students in improving their living conditions and encouraging their learning spirit., CSVC Company and Trade Union collaborated to organize the program "SMILE FOR STUDENTS" to give 200 sets of old bedding and 265 gifts of stationery to students at Dinh Bo Linh Secondary School for Ethnic Minority, Phuoc Binh Commune, Bac Ai District, Ninh Thuan Province at Dec, 2022.





CHAPTER IV GOVERNANCE



BUSINESS BASIC PRINCIPAL POLICY



ENSURE PUBLICITY, TRANSPARENCY



LEADERSHIP (ACTIVITIES OF LEADERSHIP)

1. PROACTIVE TRADE DEFENSE AND ANTI-DUMPING MEASURES

Countries around the world are using trade barriers to protect domestic companies.

There are many anti-dumping cases and export quota measures against Vietnam from other countries, and CSVC always updates and closely follows Vietnam Steel Association (VSA) suggestion to promptly take steps to prepare for trade measures, such as fully cooperating with answering the questionnaire and verification procedure to get the best result for our company.



We can follow the diagram below to monitor and identify risks and provide solutions to overcome these risks, it helps us to be proactive in lawsuits or answer questions from other countries.



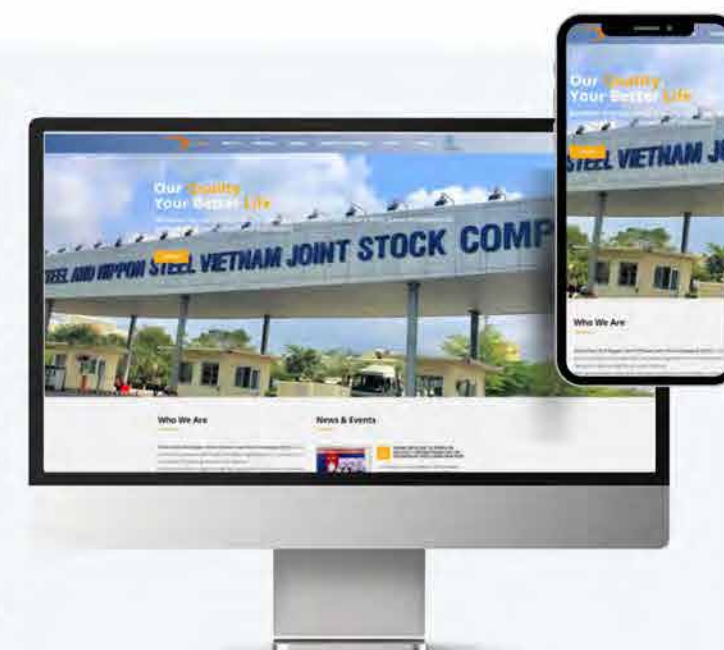
2. COMPETITIVE BEHAVIOR

CSVC's quality commitment will be always in line with our slogan "Our Quality, Your Better Life"

Obey product/service branding and marketing requirements

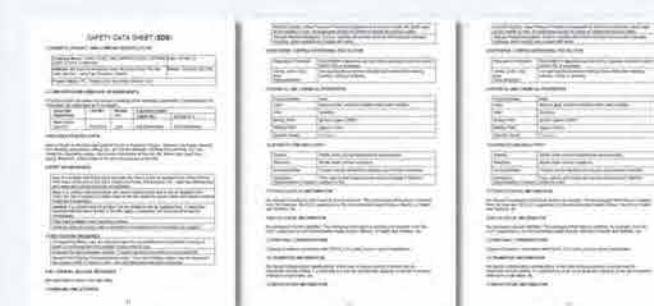
We work hard to ensure the accuracy and truthfulness of our marketing and commercial information which is published, in strict accordance with applicable laws and regulations of the Socialist Republic of Vietnam.

All information about CSVC's products and related information about quality can be reached on our website: <https://csvc.com.vn/> which all customers can freely access.



Material Safety Data Sheet

Our Material Safety Data Sheet (MSDS) is always ready for sending to customers if they are in need. We can provide MSDS with the best knowledge of customers' health and safety hazards information for the product and how to safely handle and use the product in the workplace.



Protection of customer data

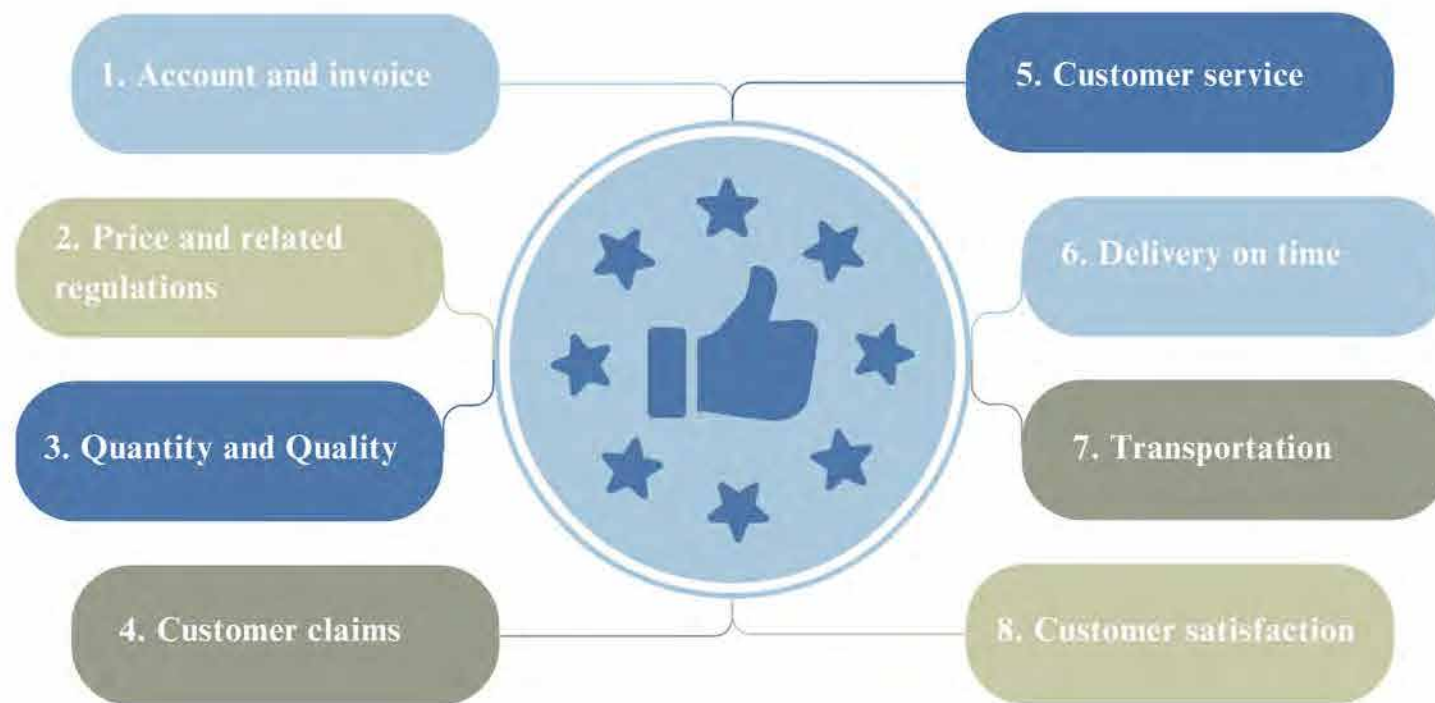
CSVC focuses on protecting customer privacy and data security by ERP system thoroughly managing from customer's order until finishing the order as well as after-sales service. We continuously optimize and improve ERP system and control measures to prevent leakage of customer data and create value for customers at the same time.



Working closely with our attorney and the Vietnam Steel Association, as well as the Ministry of Industry and Trade, helps CSVC to update and capture the investigation progress from other countries.

Since the company's record is well recorded, relative departments need to provide necessary records, clearly prepare the items of their department in accordance with the company's regulations.

3. PROCEDURES FOR THE HANDLING OF CUSTOMER CLAIMS



In order to improve the service quality, CSVC has established the process NC-C10-001 – Customer Satisfaction Report. According to this regulation, CSVC will conduct an annual customer satisfaction survey. A set of customer satisfaction survey questions is built based on 8 criteria, corresponding to 28 questions. And there are 5 rating levels including “Very Unsatisfied (1), Unsatisfied (2), Normal (3), Satisfied (4), Very Satisfied (5).”

The purpose of conducting a customer satisfaction survey is to understand how CSVC's customers are satisfied with CSVC products & services and to gather information about customer needs. Furthermore, CSVC can enhance business competitiveness by finding and strengthening the weakness that CSVC should improve.

In Feb 2023, we conducted a customer satisfaction survey for the year 2022 & got a positive evaluation of company service overall. Customers have some concerns related to our delivery lead time. We will try to apply the service of preparing material in advance flexibility to shorten lead-time for production.

We appreciate all the feedback from our esteemed customers and try to improve CSVC service more to build trust from customers to CSVC products.

CUSTOMER SATISFACTION COMPARISON OF 2021 & 2022

DOMESTIC CUSTOMER



EXPORT CUSTOMER



With advanced technology and modern production lines, CSVC always meets the requirements of customers. With the “Customer Complaint Handling Process NB-C10-001”, CSVC has provided after-sales service timely to continuously improve quality, enhance serviceability, as well as satisfy the increasing requirements of customers. With this process, CSVC will provide technical consulting services and send technicians to promptly check the situation or provide detailed information and images, etc.

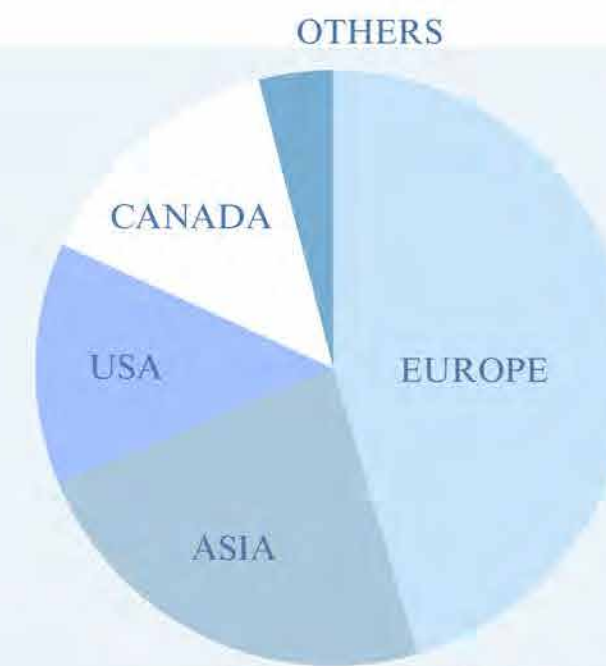
THE 5 STEPS OF HANDLING CUSTOMER CLAIMS



2022 SALES BY PRODUCT



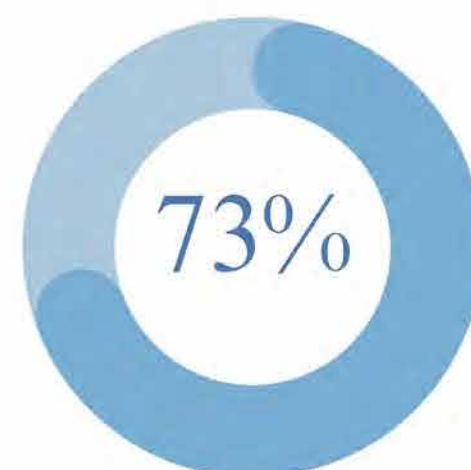
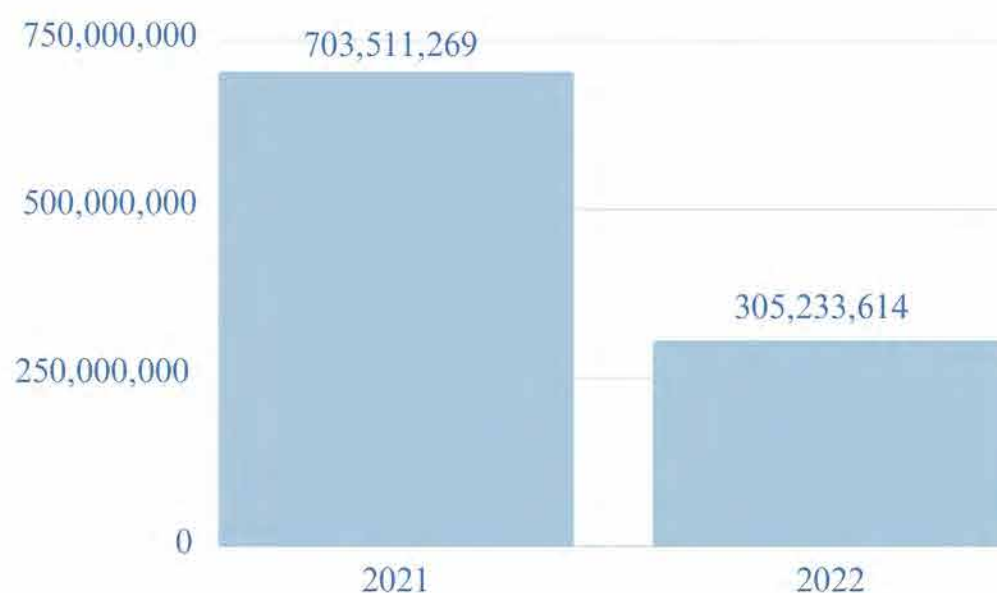
2022 SALES



2022 EXPORT BY AREA

Our priority is keeping the customer's production line could still run smoothly when a customer claims that there are some cargoes not matching their requirement. According to data statistics, the number of claims and compensation in 2022 decreased significantly compared to 2021, this is a positive result that promotes maintaining the commitment to quality and sales service.

COMPENSATION AMOUNT



73% of claims and compensation in 2022 decreased, comparing to 2021

Since the downstream steel demands dropped sharply in the EU and North America, CSVC focused on domestic sales, with a volume of 458Kt, accounting for 72% of total sales. As to the export part, CSVC achieved a volume of 175Kt in 2022. The proportions of different markets were 45% to the EU market, 23% to ASIA, 13% to the U.S., 14% to Canada, and 4% to other areas.



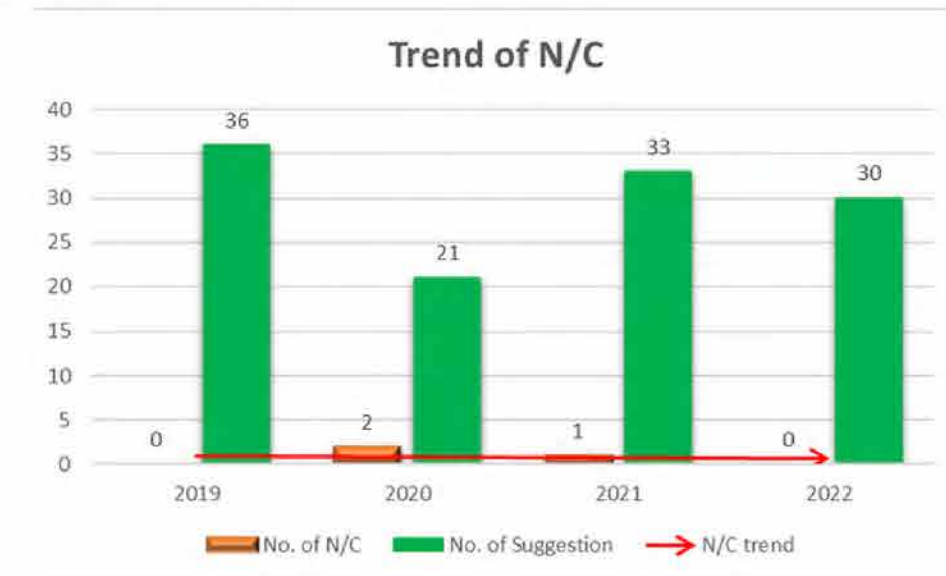
4. FINANCIAL INFORMATION

CONTENT	2022	Documents provided
Revenue	15,244,792	Audited FS
Profit before tax (million VND)	-703,589	Audited FS
Return on equity (ROE)	-0.08	Audited FS
Return on assets (ROA)	-0.06	Audited FS
Payment to the State Budget (million VND)	1,244,029	Biza Report
Export value (million VND, if any)	4,697,940	Biza Report
Import value (million VND, if any)	12,242,001	Biza Report



5. INTERNAL AUDIT

- CSVC shall audit all quality management system processes over a three-year audit cycle, according to an annual program, using the process approach to verify compliance with this Automotive QMS Standard. Integrated with these audits, the organization shall sample customer-specific quality management system requirements for effective implementation.
- The complete audit cycle remains three years in length. The QMS audit frequency for individual processes, audited within the three-year audit cycle, shall be based upon internal and external performance and risk. CSVC shall maintain justification for the assigned audit frequency of their processes. All processes are required to be sampled throughout the three-year audit cycle and audited to all applicable requirements in the IATF 16949 standard, including ISO 9001 base requirements, and any customer-specific requirements.
- In 2022, QMS Internal Audit found 0 nonconformity and 30 suggestions. The quantity of non-conformity decreased when compared with last year (2019 – 2022). On the hand, the quantity of suggestions is decreased.



6. LEADERSHIP COMMITMENTS

CSVC top management shall demonstrate leadership and commitment with respect to the quality management system by:

- Taking accountability for the effectiveness of the quality management system.
- Ensuring that the quality policy and quality objectives are established for the quality management system and are compatible with the context and strategic direction of the organization.
- Ensuring the integration of the quality management system requirements into the organization's business processes.
- Promoting the use of the process approach and risk-based thinking.
- Ensuring that the resources needed for the quality management system are available.
- Communicating the importance of effective quality management and of conforming to the quality management system requirements.



- Ensuring that the quality management system achieves its intended results.
- Engaging, directing and supporting persons to contribute to the effectiveness of the quality management system.
- supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.

7. PLANNING

- Planning is a key requirement in QMS and involves developing a comprehensive plan for quality management and continuous improvement. The planning process must be documented and based on reliable data and analysis to ensure that it is effective and sustainable.
- The planning requirements in ISO9001 include:
 1. Quality objectives: CSVC has established measurable quality objectives at relevant functions and levels, consistent with the quality policy, and ensures that they are aligned with the organization's strategic direction.
 2. Product planning: CSVC has planned and developed new products, including the identification of customer requirements, product characteristics, and production processes.
 3. Process planning: CSVC has planned and developed manufacturing processes, including process flow, process control, and process validation.
 4. Risk management: CSVC has identified and mitigated risks associated with product and process design, production, and supply chain management.
 5. Continual improvement: CSVC has established a process for continual improvement, including the use of data analysis and problem-solving tools.
- To comply with these planning requirements, CSVC must gather and analyze data to support its planning processes. The kinds of data that may be required include:
 1. Quality performance data: This includes data on product defects, customer complaints, and warranty claims, which can be used to identify areas for improvement and establish quality objectives.
 2. Product design and development data: This includes data on product specifications, customer requirements, and design validation results, which can be used to develop new products and improve existing ones.
 3. Process performance data: This includes data on process capability, process flow, and process control, which can be used to identify areas for improvement and establish process objectives.
 4. Risk management data: This includes data on potential risks and their likelihood and impact, which can be used to prioritize risk mitigation activities.
 5. Continual improvement data: This includes data on problem-solving activities, corrective actions, and preventive actions, which can be used to identify and address the root causes of problems and improve processes over time.

By gathering and analyzing these kinds of data, CSVC can develop effective quality management and improvement plans that are based on objective evidence and aligned with their strategic direction.

8. CONTROL

"Control" is a key requirement in ISO 9001 and involves implementing effective controls throughout the organization to ensure that products and processes are consistently delivered to customer requirements. This includes identifying and controlling risks, monitoring and measuring performance, and taking corrective and preventive actions when necessary.

To comply with the control requirements in ISO 9001, CSVC must provide objective evidence that demonstrates our ability to control our products and processes. The kinds of data that may be required include:

1. Control plans: CSVC has established control plans that document the key characteristics of their products and processes, and the controls that will be implemented to ensure that they meet customer requirements. Evidence must be provided that the control plans are understood and followed.
2. Risk management: CSVC has identified, and mitigated risks associated with product and process design, production, and supply chain management. Evidence must be provided that risks are identified, assessed, and controlled.
3. Monitoring and measurement: CSVC has monitored and measured the performance of our products and processes using objective data and analysis. Evidence must be provided that monitoring and measurement activities are established and performed according to plan.
4. Corrective and preventive actions: CSVC has taken corrective and preventive actions when necessary to address nonconformities and prevent recurrence. Evidence must be provided that corrective and preventive actions are taken and that their effectiveness is verified.
5. Verification of controls: CSVC has verified the effectiveness of our controls through periodic audits, process reviews, and other verification activities. Evidence must be provided that these activities are performed and that their results are used to improve the quality management system.

By providing objective evidence that demonstrates their ability to control our products and processes, CSVC can ensure that we consistently meet customer requirements and deliver high-quality products and services. This evidence can take many forms, including control plans, risk assessments, monitoring and measurement data, corrective and preventive action records, and verification results. The key is to provide evidence that is objective, verifiable and demonstrates effective control of the organization's products and processes

9. RISK AND OPPORTUNITIES (QUALITY SCOPE)

CSVC periodically reviews lessons learned from product recalls, product audits, field returns and repairs, complaints, scrap, and rework, and includes them in risk analysis. The effectiveness of these actions is evaluated, and actions are integrated into CSVC's quality management system.

No.	Concern aspect inside the company	Dept	The related context	Risk	Opportunity
1	Integrated Information Management (ERP)	M5	ERP system operation	ERP system abnormal shutdown	- Information openness. - Achieve data quickly.
2	IT Infrastructure		Database operation system	The interruptions of database services	- Improving security database, ERP services system, backbone network and server. - Practice with system. - Updating new knowledge in IT field.
3			Backbone network operation	The interruptions of the backbone network	
4			ERP services operation	The interruptions of ERP services	
5			Server system	The interruptions of the server system	
6			Cyber security risk (threats)	Cyber-attacks on information technology systems	
7	Processing Control		Level-2 Server	- Power supply shutdown abnormally. - Hardware broken.	N/A
8			Virus attack	Virus attack Level-2 server & client PC	N/A
9			Level-2 network	Level-2 switch broken	N/A
10	Production Management	P2	Technological	- Strip breakage. - Ripple wave. - Productivity (T/H) is down. - Processing cost increases.	- Improve LBW performance. - Tuning the rolling parameters. - Improve operation skill of operator. - To figure out the line capacity.
11				Wrong line tracking	To detect HRB defect to prevent big amount defect coil and cobble
12			Manpower	Not enough manpower to work therefore productivity will be down. Even line will stop	- To enhance line operation method. - Restructure organization.
13	Production management	P31	Technological	Automatically, seldom wrong output data	We can supply strictly requirement from customer
14			Capabilities	In the future, Production quantity will increase to follow sell department requesting	Can improve equipment to increase capabilities
15			Productivity	CAL is always stable condition. But some time trouble happens by random factors	We can improve maintenance process to more detail
16			Equipment	- Some equipment broken suddenly. - Equipment become worse after long time using. - Lack of spare parts.	Request P6 member to add trouble into check sheet
17			Manpower	- Sometime have mistaken during operate equipment. - Lack of manpower due to Covid-19 epidemic.	We can improve manpower skill day by day
18			Material	- Material quality maybe not good. - Lack of material due to Covid-19 epidemic.	We can get material with the best quality and good price
19			Product	Standard is more strictly, customer easy to complain	We can sell for customer have high requirements
20		P32	Technological	Automatically, seldom wrong output data	Can supply strict requirements from customers
21			Capabilities	Quantity up/down is changing more frequency. It affects to make product plan & maintenance plans	Make a product plan to reduce risk trouble
22			Productivity	CGL is always in stable condition. But sometimes trouble happened by random factors	Can improve maintenance process to more detail
23			Equipment	- Some equipment broke suddenly. - Equipment becomes worse after a long time using.	- Request P6 member to add into check sheet. - Improve maintenance process.
24			Manpower	Affected operating conditions. Trouble can occur	Can rotate members from another section to support lack of position à improve operation skills
25			Material	Material quality maybe not good	Can get material with the best quality and good price
26			Product	Standard is more strict, customers easy to complain	Can sell to customers who have high requirements

No.	Concern aspect inside the company	Dept	The related context	Risk	Opportunity
27	Production Management	P41	Technological	Automatically, seldom wrong output data	Can supply strict requirements from customers
28			Capabilities	In the future, after a long time, the working capacity of equipment will be decreased	Can improve equipment to increase capabilities
29			Productivity	Equipment often has small trouble	Can improve the process of equipment
30			Equipment	Trouble often appears	Can improve equipment
31		P42	Manpower	- Have mistakes in the process manually. - Solving trouble skills are slow or inexact.	- Can improve and be flexible in some cases. - Upgrade operation skills and flexibly arrange manpower.
32			Material	- Material quality maybe not good. - Effect to import material.	- Can get material with the best quality and good price. - Expanse domestic suppliers.
33			Product	Standard is more strict, customer easy to complain	Can sell to customers who have high requirements
34		P42	Technological	Automatically, seldom wrong packing type	Can respond strictly requirement from customer
35			Equipment	Trouble often occurs	Can improve equipment
37			Manpower	- Some mistakes by human. - Line stop due to shortage manpower cause by covid-19.	- Productivity can increase by working skill of worker. - Increase CSVC's image in customer's assessment.
37			Material	- Material quality is not good. - Delivery time of some packing material was delayed.	- Can get material with best quality and good price. - If we can handle well, CSVC's image will increase in customer's assessment.





GRI code	Disclosure	Page
201-1 Direct economic value generated and distributed	Financial information	41
201-2 Financial implications and other risks and opportunities due to climate change	Wastewater treatment fee	11
201-3 Defined benefit plan obligations and other retirement plans	-	
201-4 Financial assistance received from government	-	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-	
202-2 Proportion of senior management hired from the local community	Employee	21
203-1 Infrastructure investments and services supported	Company information	4
203-2 Significant indirect economic impacts	-	
204-1 Proportion of spending on local suppliers	-	
205-1 Operations assessed for risks related to corruption	-	
205-2 Communication and training about anti-corruption policies and procedures	-	
205-3 Confirmed incidents of corruption and actions taken	-	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Proactive Trade defense and Anti-dumping measures	38
207-1 Approach to tax	-	
207-2 Tax governance, control, and risk management	-	
207-3 Stakeholder engagement and management of concerns related to tax	-	
207-4 Country-by-country reporting	-	
301-1 Materials used by weight or volume	Materials	18
301-2 Recycled input materials used	Materials	18
301-3 Reclaimed products and their packaging materials	-	
302-1 Energy consumption within the organization	Energy	17
302-2 Energy consumption outside of the organization	-	
302-3 Energy intensity	-	
302-4 Reduction of energy consumption	Energy	17
302-5 Reductions in energy requirements of products and services	-	
303-1 Interactions with water as a shared resource	Source of water	11
303-2 Management of water discharge-related impacts	Source of water	11
303-3 Water withdrawal	Source of water	11
303-4 Water discharge	Wastewater treatment system	14
303-5 Water consumption	Water	16
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Soil	16
304-2 Significant impacts of activities, products and services on biodiversity	Biology diversity protection	19
304-3 Habitats protected or restored	Objectives to reduce waste and energy in 2022	14
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-	
305-1 Direct (Scope 1) GHG emissions	GHG Inventory	17
305-2 Energy indirect (Scope 2) GHG emissions	GHG Inventory	17
305-3 Other indirect (Scope 3) GHG emissions	GHG Inventory	17
305-4 GHG emissions intensity	GHG Inventory	17
305-5 Reduction of GHG emissions	-	
305-6 Emissions of ozone-depleting substances (ODS)	Emission	14
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emission	14

GRI code	Disclosure	Page
306-1 Waste generation and significant waste-related impacts	Environmental emission source	9
306-2 Management of significant waste-related impacts	Environmental monitoring and measurement	14
306-3 Waste generated	-	
306-4 Waste diverted from disposal	-	
306-5 Waste directed to disposal	Waste magement and control	12
308-1 New suppliers that were screened using environmental criteria	-	
308-2 Negative environmental impacts in the supply chain and actions taken	-	
401-1 New employee hires and employee turnover	Employee	21
	Turnover rate	22
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Welfare policy	23
401-3 Parental leave	-	
402-1 Minimum notice periods regarding operational changes	-	
403-1 Occupational health and safety management system	Management system	27
403-2 Hazard identification, risk assessment, and incident investigation	Danger factor& Unhealthy factor control and prevention risk control	28
403-3 Occupational health services	Health check	30
403-4 Worker participation, consultation, and communication on occupational health and safety	Monthly OSH meeting committee	27
403-5 Worker training on occupational health and safety	Training and education	31
403-6 Promotion of worker health	-	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Danger factor& Unhealthy factor control and prevention risk control	28
	Safety culture	27
403-8 Workers covered by an occupational health and safety management system	Management system	27
	Danger factor& Unhealthy factor control and prevention risk control	28
403-9 Work-related injuries	Danger factor& Unhealthy factor control and prevention risk control	28
403-10 Work-related ill health	-	
404-1 Average hours of training per year per employee	Total training hours 2020, 2021, 2022	24
404-2 Programs for upgrading employee skills and transition assistance programs	Education and training	24
404-3 Percentage of employees receiving regular performance and career development reviews	-	
405-1 Diversity of governance bodies and employees	Employee	21
405-2 Ratio of basic salary and remuneration of women to men	-	
406-1 Incidents of discrimination and corrective actions taken	Diversity and equal opportunity	25
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	
408-1 Operations and suppliers at significant risk for incidents of child labor	-	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	
410-1 Security personnel trained in human rights policies or procedures		
411-1 Incidents of violations involving rights of indigenous peoples	-	
413-1 Operations with local community engagement, impact assessments, and development programs	-	
413-2 Operations with significant actual and potential negative impacts on local communities	Business for a better society	36
414-1 New suppliers that were screened using social criteria	-	
414-2 Negative social impacts in the supply chain and actions taken	-	
415-1 Political contributions	-	
416-1 Assessment of the health and safety impacts of product and service categories	-	
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	
417-1 Requirements for product and service information and labeling	-	
417-2 Incidents of non-compliance concerning product and service information and labeling	-	
417-3 Incidents of non-compliance concerning marketing communications	-	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Competitive behaviors	38



THANK YOU

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