

TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT JOINT STOCK COMPANY (TRACODI)

SUSTAINABLE DEVELOPMENT REPORT 2019



A STRONG FOUNDATION FOR SUSTAINABLE SUCCESS



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ABBREVIATIONS

SD	Sustainable development			
TCD	TRACODI			
JSC	Joint Stock Company			
GMS	General Meeting of Shareholders			
SDGs	Sustainable development goals			
OSH	Occupational safety and health			
FPFF	Fire prevention and Fire Fighting			
soc.	Society			
BOD	Board of Directors			
BOD MBR	Board member			
CO., LTD	Company Limited			
мсмт	Management			
ВР	Business Plan			
IMP	Implementation			
WRK	Work			
EMPL	Employee			
DEPT	Departments			
нсмс	Ho Chi Minh City			







SUSTAINABLE DEVELOPMENT STATEMENT



66 Through this first sustainability report, we are committed to proactively put the most efforts running the company in the optimal way while maintaining the stability as a strong foundation for future development. We have applied flexibility but ensuring the compliance and transparency during our operation. We have always listened to build suitable plan and to improve our quality and services, and met the increasing demand of our customers. Emphasizing on the rapid growth, becoming one of market leaders and positively contributing to the community are our main focus of interest.

1. CEO'S MESSAGE

Welcome to the first Sustainability Report of Transport and Industry Development Investment Join Stock Company (Tracodi).

Founded in the name of Transport And Industry Development Investment Corporation under Decision No. 1988/QD/TCCB-LD issued on October 30, 1990, Transport and Industrial Development Investment Joint Stock Company (Tracodi) has tried to become one of leading companies in applying sustainable development principles. We have worked hard, not only through my commitment as founder and owner, but also through our business procedure including empower, material quality and environmental protection around our business locations. We desire to build values to contribute to the development of society.

As we have mainly focused on infrastructure construction, quarrying, agricultural production and trade, we are not only focusing on gaining profits but also to bring balance among economic, environmental and social factors. On that basis, we believe that this sustainable development report would be a new concept to help relevant parties to understand us well, while demonstrating that our business is not only running for profit, but also associating with the development of society.

In 2019, with 29 years of sustainable development, we have constantly improved the quality, captured innovation, and continuously enhanced our prestige in the market. Although there are many challenges and obstacles, but we have built sound business strategies, with our dedicated and skillful employees, with our non-stop efforts, we have achieved the goal and fulfill the company's mission that toward sustainable development.

With our strength and ability to catch up new trends, we believe we will gain outstanding success in the future and achieve expected goals.

Chief Executive Officer

CÔNG TY

CÔNG TY

PHẨN

CÔNG NGHIỆP VÀ

VẬN TÀI

NGUYEN THANH HUNG

CEO Nguyen Thanh Hung

2. > STRATEGY STATEMENT

Change will never stop nor easy to achieve great success, as potential risk on cost, human resources are there, but Tracodi is not afraid to face with them, we are willing to change to reach higher goals and we hope that other companies will also recognize and seize the opportunities offered by SDGs. We are flexible in using resources to build up bigger values, achieve goals, meet needs of shareholders and society.

shareholders and society.

The Sustainable Development Goals (SDGs), set out by the United Nations in 2015, are once-in-a-lifetime opportunities to help create a better world. With the scale and influence of Tracodi, we want to both contribute and benefit from doing this.

Each employee's efforts will be a new development path towards Tracodi goals; therefore, the effort will promote the change in its business activities towards sustainable development and will build a green environment in the future. Tracodi's goals are built on a solid SDGs and closely connected together to show that Tracodi defines itself as the strongest connection and also the greatest contribution.



Create a balance among business, socio-economic and environmental development to repel potential internal and external obstacles. Toward to sustainable development, we have built the ability to recognize problems, built a strong and profitable company, created an effective working environment, inspired and motivated employees, balanced the ecosystem and reduced the impact on the environment.





~ 423 VND BILLIONS
CHARTER CAPITAL

~ 552 VND BILLIONS
OWNER'S EQUITY

~ 1.935 VND BILLIONS TOTAL ASSETS



VND BILLIONS

CONTRIBUTE TO

THE COMMUNITY













BEST PROFITABLE ENTERPRISES OF 2019 (RANKED 302)





ROA %



~ 200 CERTIFICATE OF MERIT







>>>> TRACODI «««

Transport And Industry Development Investment Joint Stock Company (Tracodi) officially listed on Ho Chi Minh Stock Exchange (HOSE) on May 26th, 2017 with Business License No.0300482393 issued by the Department of Planning and Investment, Ho Chi Minh City.

Company type: Joint Stock Company

With the strategy of continuous expansion and development, Tracodi has been ready for joint venture and working with domestic and foreign enterprises to expand our business activities.



COMPANY HISTORY

On October 30th, 1990, the company was established with name of Transport Investment And **Development Corporation** (Tracodi) under the Decision No. 1988/QD/TCCB-LÐ -State-owned Enterprise under management of the Ministry of Transport and Post, with headquarter located at 55A Pasteur, Ben Thanh Ward, District 1, Ho Chi Minh City.

On May 15th, 1995, Tracodi's status quo was transferred to management under Civil Engineering Construction Corporation No. 6 (CIENCO 6) according to Decision No. 2767/QÐ/TCCB-LD by the Ministry of Transport, with its business activities addressed in Decision - No. 90/QD-TTg of the Prime Minister on March 7th, 1994 (model of Corporation 90).

On April 24th, 2007, the company switched from State-owed Enterprise model to One Member Company Limited, renamed as Transport And Industry Development Investment One Member Company Limited (Tracodi Co., Ltd.) in accordance with Decision No. 1131/QĐ-UBND issued by the People's Committee of Long An Province.

State Securities Commission of Vietnam has issued Decision No. 1172/UBCK-GSDC approved Transport And Industry Development Investment Joint Stock Company (Tracodi) - with security code: TCD - to become a public

Tracodi officially listed on Ho Chi Minh Stock Exchange (HOSE) on May 26th, 2017.

10/2019 - Charter Capital has reached 423,023,700,000 VND. Tracodi was honored "Top 500 Largest Enterprises in Vietnam in 2019" for the second consecutive year, "Top 10 fastest growing companies in 2019" and "Top 500 most profitable enterprises in Vietnam in 2019". Tracodi has honored Top500 largest Enterprises ranking for the second consecutive year.

05

2015

On April 17th, 2015, Tracodi was successfully organized the Extraordinary General Shareholders' Meeting to elect alternative members to the Board of Directors, Board of Supervisors, and to replace the Legal Representative. The Company has officially operated as a Joint Stock Company with 100% private capital since April 24th, 2015.

2017

**** b b b b b

On June 16th, 1993, the company was re-established under the model of State-owned Enterprise and renamed Transport Investment And Development Company (Tracodi) which under the management of the Ministry of Transport according to Decision No. 1190 / QĐ / TCCB-LD.

>>>>

On May 18th, 2005, Tracodi's status quo was transferred to management under the People's Committee of Long An Province according to Decision No. 611/TTg-CN approved by the Prime

On April 4^{th} , 2013, the company was officially converted from Transport and Industry Development Investment Company Limited (Tracodi Co., Ltd.) into Transport And Industry Development Investment Joint Stock Company (Tracodi) with the majority of shares held by the State. Tracodi's total Charter Capital was 78,5 billion VND, in which the State Capital Investment Corporation (SCIC) held 68,01%; the Company's staff held 1,29%; and other shareholders held 30,70%, respectively.

On March 31st, 2016, Tracodi increased its Chartered Capital to 324.85 billion VND, officially carried out the necessary procedures for the conversion, registration of becoming a public company, depository and listing of shares at the State Securities Commission (SSC), Vietnam Securities Depository (VSD) and Ho Chi Minh Stock Exchange (HSX) respectively.

8/2018 - Charter Capital has reached 382,301,920,000 VND. Tracodi was honored "Top 500 Largest Enterprises in Vietnam in 2018".

VISION - MISSION - CORE VALUES, BUSINESS PHILOSOPHY







Tracodi aims to become one of the

industry leaders in Vietnam in

terms of scale and efficiency in

• Infrastructure construction

and project development.

• Trading of manufactured and

agricultural products.







Tracodi is to constantly create superior values for shareholders and society as a whole.







- Commit to the highest values for shareholders.
- Focus on employees.
- Corporate social responsibility.
- Annual dividend target from 15%.



BUSINESS PHISOLOPHY

- Safe, effective and sustainable.
- United, committed, creative and principled.

• Labor export.

VISION

areas including:

• Quarrying.

3. BUSINESS SIZE AND SECTORS

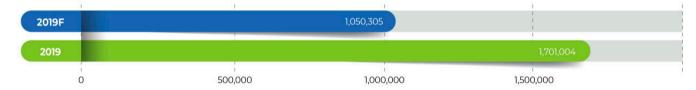
3.1. BUSINESS SIZE

Transport and Industry Development Investment Joint Stock Company has more than 399 employees (including its subsidiaries).

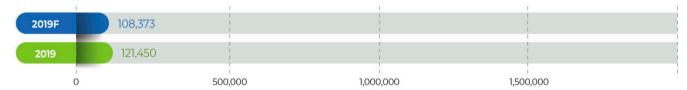
Tracodi has developed significantly year by year which has been shown via numbers of workers have come to work overseas and its net income.

Business Results 2019

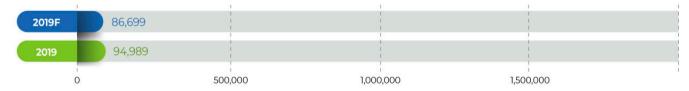
Net revenue



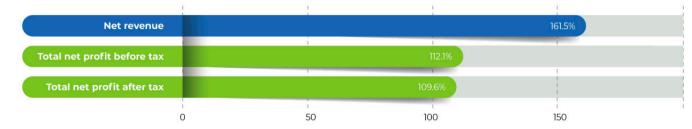
Total profit before tax



Total profit after tax



• % net revenue, total profit before tax, total profit after tax



Net revenue exceeded 61.5% of the plan 2019 and exceeded 94.3% compared to the Actual 2018.

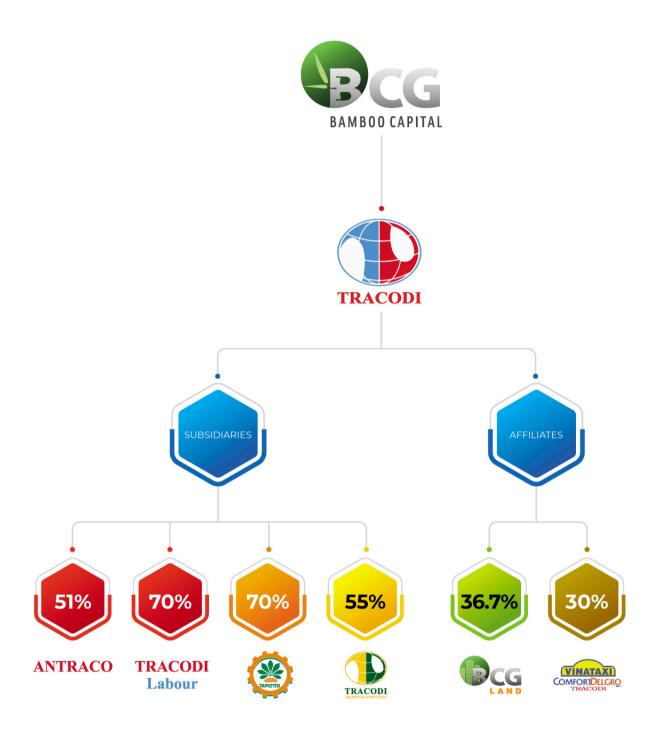
3.2. BUSINESS SECTORS

With 30 years of journey, Tracodi has affirmed its position in the market, a prestigious brand focusing on 4 core sectors:

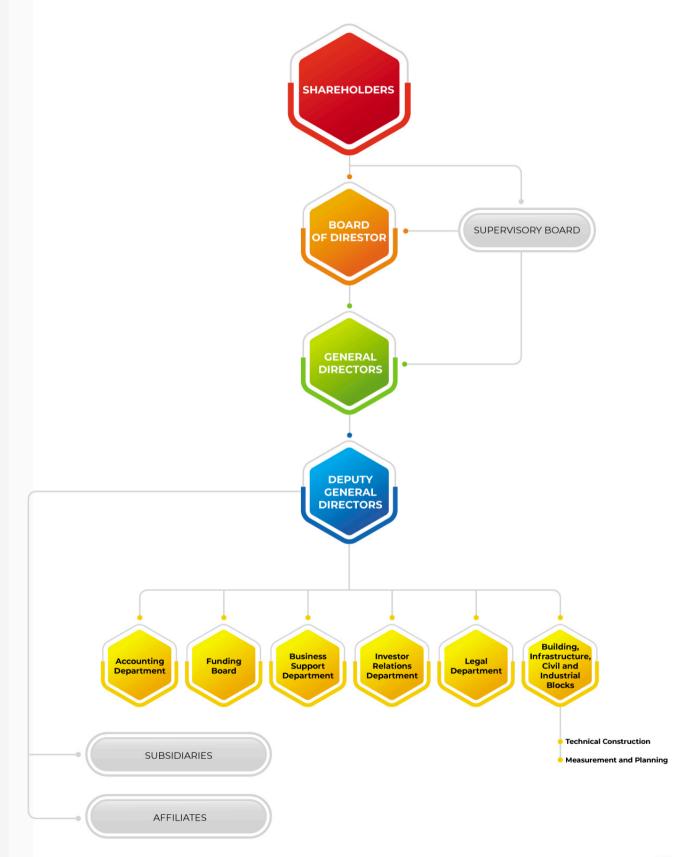


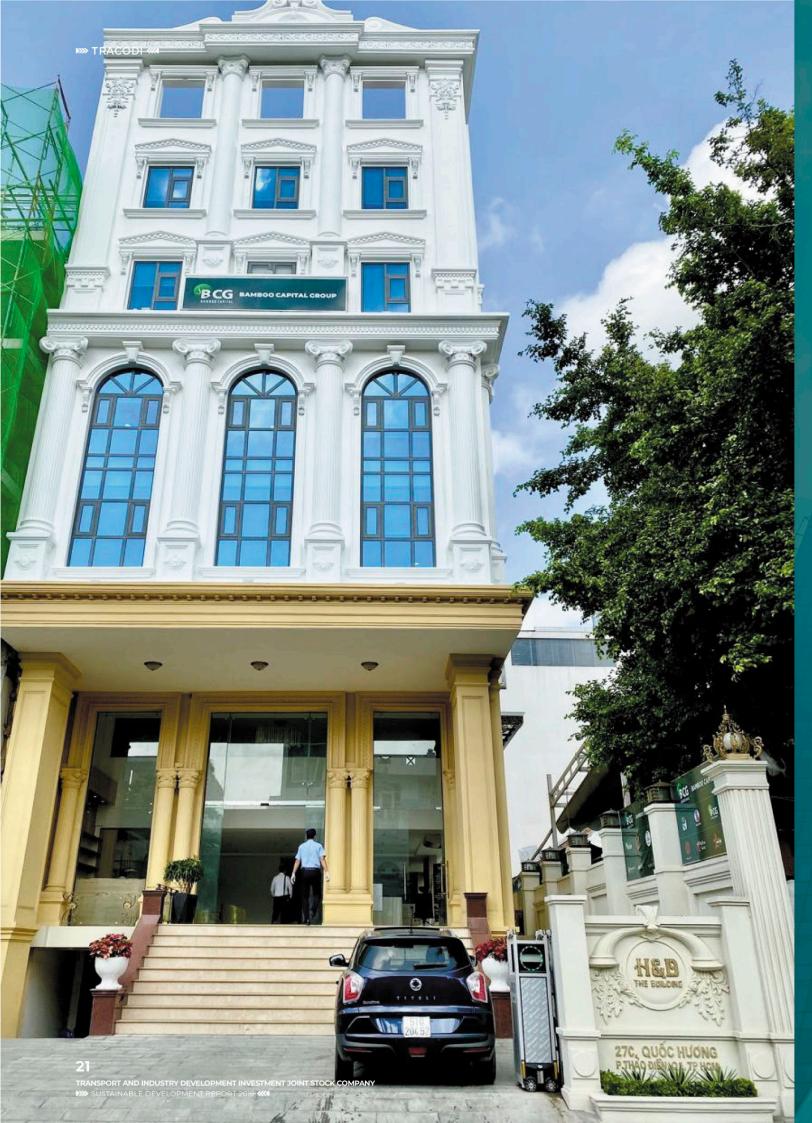
4. ORGANIZATIONAL STRUCTURE

OUR UMBRELLA STRUCTURE



♦ ORGANIZATION CHART - TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT JOINT STOCK COMPANY (Tracodi)



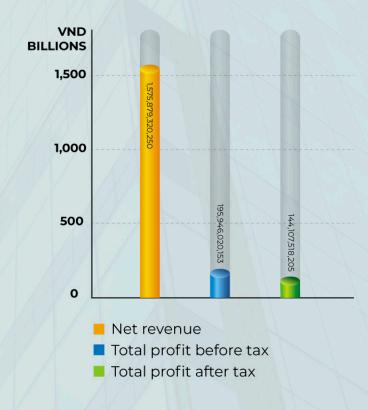


HOLDING COMPANY - BAMBOO CAPITAL JOINT STOCK COMPANY (BCG) (www.bamboocap.com.vn)

Founded in 2011, Bamboo Capital Group (BCG) has quickly grown to be one of the leading M&A companies in Vietnam. BCG has become a leading multi-sector investment company with more than 30 subsidiaries and affiliates and has entered to the top 500 largest enterprises in Vietnam. It is considered a stable financial company, as well as a reliable brand in the market who has absolutely contributed to the development of the country.

Over the years, BCG has rapidly grown via investment in infrastructure and real estate projects in medium-term. As at December 30, 2019 BCG has recorded impressive business results.

Business results 2019



Tracodi has redirected by expanding its business to be more diversity, grasped the trend of integration and improved the procedure to be more professional. Tracodi is ready to joint venture, work with other businesses towards sustainable development.

TRACODI

Labour

01

AN GIANG BUILDING MATERIAL EXPLOITING AND PROCESSING Co., Ltd. (ANTRACO) (www.antraco.com.vn)

Antraco was established in 1994, is the largest quarry company in Mekong Delta region, who is joint venture between Tracodi and An Giang Mechanical Company.

Capital ownership ratio of TCD: 51%

ANTRACO

06

COMFORTDELGRO

04

BCG LAND JSC (BCG LAND) www.bcgland.com.vn

BCG Land was established in March 2018, the company mainly focuses on real estate business, industrial and civil infrastructure, irrigation, railways, roads; installation of electrical systems...

Capital ownership ratio of TCD: 36.7%

02

TRACODI LABOUR JOINT STOCK COMPANY (TRACODI LABOUR) (www.tracodi.com.vn)

Tracodi Labour was granted a Business Registration Certificate in 2017 and was separated from the labor export sector by the Ministry of Labor Export (XKLĐ) of its parent company TCD as one of the first companies operating in the field of labor export.

Address: 89 Cach Mang Thang Tam, Ben Thanh Ward, District 1. Ho Chi Minh City.

Capital ownership ratio of TCD: 70%

05

VIETNAM TAXI CO., Ltd. (VINATAXI) www.vinataxi.vn/vn

Vinataxi is a joint venture between ComfortDelGro Group and Tracodi, founded in 1992. The pioneer in implementing taxi card service is very convenient since 1996.

Capital ownership ratio of TCD: 30%

03

TAPIOTEK JOINT STOCK COMPANY (www.tapiotek.com)

Tapiotek Joint Stock Company established in 2019. Tapiotek produces and trade cassava starch and starch products.

Capital ownership ratio of TCD: 70%



TRACODI TRADING & CONSULTING JOINT STOCK COMPANY

www.tracoditrading.com.vn

The company is licensed in the end of 2019. The company operates in the field of trade and export of agricultural products, food, indoor and outdoor furniture to meet the needs of infrastructure construction,...

Capital ownership ratio of TCD: 55%



We believe that it is not possible to achieve long-term business success in a world which contains poverty, hunger and climate change. With the goal of not only focusing on profitability but also creating balance in environmental and social-economic development. Our vision on is to bring profits for the company, create sound work environments, inspire employees, balance ecosystems and reduce environmental impact.

02

The Sustainable Development Goals (SDGs), set by the United Nations in 2015, are once-in-a-lifetime opportunities to help create a better world. With the scale and influence of Tracodi, we would like to both contribute to and benefit from them.

03

Change never is easy, nor do we claim to have arrived there yet. But we are on the journey, and we hope that many other companies will also seize the opportunities that the SDGs present. By using our resources to bring values, we have delivered short-term and long-term benefits for shareholders as well as society.

To achieve the goals, and benefit from them, we know the transformation has to begin with ourselves. Tracodi is really driving change within our business towards sustainable development and green environment. Many of Tracodi's goals are closely related to SDGs. In this report, Tracodi points out where the strongest connection are and where we are making the greatest contribution.

SUSTAINABLE DEVELOPMENT STRATEGY

We always focus on the stability and improve ability and efficiency of construction management. Also, concentrate on managing risks effectively to minimize unexpected losses and catch opportunities to achieve the objectives, protect Tracodi brand, interest of partners, shareholders and deliver benefits to society.

The 5-year long-term strategy, we have aimed to divest in non-core businesses, and mainly focus on our strength such as infrastructure construction and implementation of the projects invested by our holding company.

An organization's joint development efforts will be a new development path towards Tracodi's intended goal, so it will drive change in its business towards sustainable development and green environment in the future. Tracodi's goals are built on a solid, closely linked SDGs to show that Tracodi defines itself as the strongest connection and also the place where the greatest contribution is being made.





































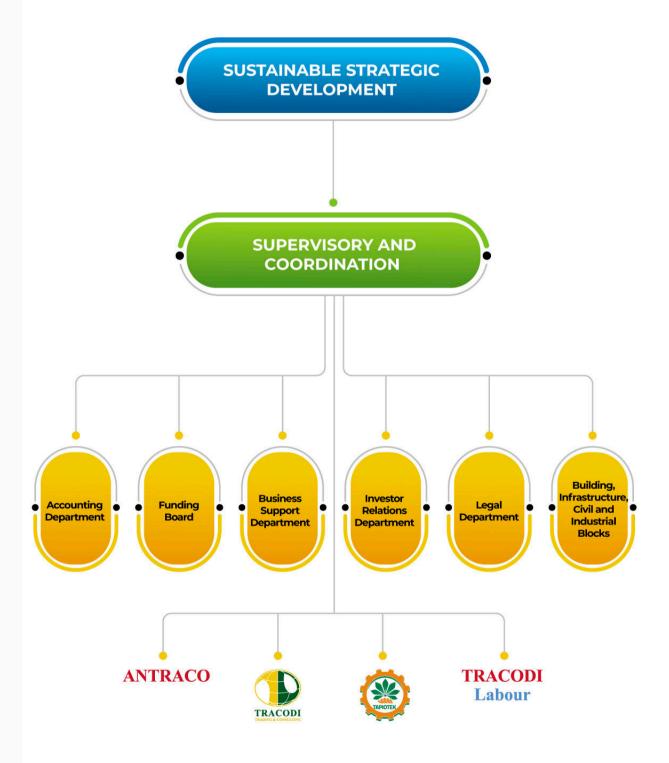


SUSTAINABLE DEVELOPMENT TARGET 2019

Based on 17 interconnected goals of SDGs, Tracodi has selected and integrated sustainable development goals in our direction which directly link to sustainable development strategy for the period of 2019-2023, including:



3. SUSTAINABLE DEVELOPMENT MANAGEMENT



SUSTAINABLE DEVELOPMENT STRATEGY AND MANAGEMENT

❖ SUSTAINABLE STRATEGIC DEVELOPMENT DIVISION



OT MR. NGUYEN HO NAM

Chairman of the Board of Directors

To give direction and sustainable development strategy.



02MR. NGUYEN THANH HUNG

1st Standing Vice Chairman of Board of Directors and General Director

Give strategies, guide and manage SD teams, and evaluate performance of the team.

❖ SUPERVISORY TEAM



MR. NGUYEN THE TAI

Vice Chairman of the Board of Directors

In charge of implementing the strategies and plans, and supervise SD teams.



MS. LE THI MAI LOAN

2nd Standing Vice Chairman of Board of Directors

In charge of implementing the strategies and plans, and supervise SD teams.



MR. BUI THANH LAM

Member of the Board of Directors

In charge of implementing the strategies and plans, and supervise SD teams.



MR. NGUYEN VIET CUONG

Head of Supervisory Board

ensure the compliance during the implementation of sustainable development strategy.



Chief Accountant

Monitoring of budgets and costs related to sustainable development activities

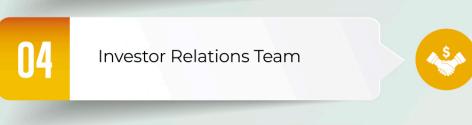
>>> TRACODI «««

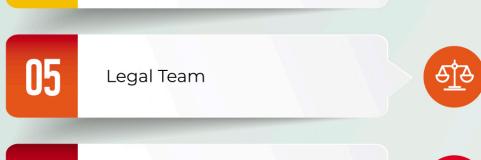
❖ IMPLEMENTATION TEAM

Sustainable Development Teams in Tracodi

The sustainable development strategy has been implemented at Tracodi and its subsidiaries. We have coordinated and worked closely to implement sustainable developments goals and monitored activities to ensure the consistency during the implementation.









Our members and their teams

Be responsible for implementing sustainable development strategy and plans approved by the holding company. Coordinating and reporting to the holding company to ensure sustainable development goals will be implemented consistently and successfully.





»» TRACODI ««

SUSTAINABLE DEVELOPMENT PROCESS



4. STAKEHOLDER ENGAGEMENT

Tracodi has considered all stakeholders who may have influence in its business. Besides direct factors such as suppliers who providing materials and goods for business, other stakeholders, such as employees, are also key factor, who may have an effect on business Tracodi empower employees who will represent Tracodi in to implement and make positive impact on the community.

RELATIONSHIPS AMONG STAKEHOLDERS

Main stakeholders of the Company: The company's investors are shareholders who are the most popular internal stakeholders and also the most affected by the results of business activities. In the meantime, shareholders are persons who deciding factor to the success or failure of the business as they indirectly give orientations, vote to withdrawing or supplying capital for project implementation. These stakeholders will benefit from their investments, have the right to decide their assets in the business such as stocks, bonds, cash, securities ... voting right for business development of the Company.

External influence: a person or organization will be affected by the company's activities, on the contrary, external influence can sometimes directly affect the company but not directly attach to it.

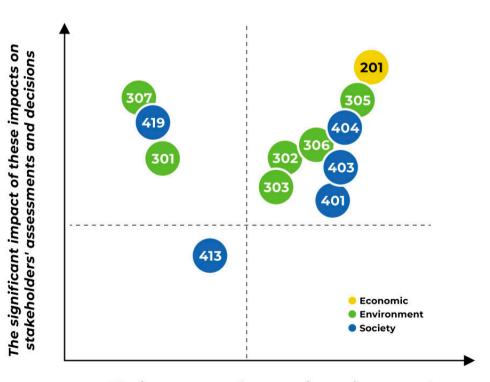
Stakeholders	Shareholders	Workers	Regulatory authorities	Customers	Community	Bank	Suppliers/ contractors
Information	Employment, wages and working conditions, remuneration and bonuses.	Strictly comply with the Laws, Regulations and Guidelines set out by the authorities.	Commitment to quality products and services.	Community Development Program - Local Infrastructure Development.	Economic efficiency and payout to capital providers.	Occupational health safety and environmental management	Occupational ealth safety and environmental management.
exchange	Motivation, training programs for career development.	Tax obligations.	Responsible and sustainable supply.	Jobs and job opportunities for local people.		Improving competitive advantage.	Improving competitive advantage.
	Occupational safety and health.	Socio-economic development program for the community.		Responding promptly and responsibly to community complaints.			
Information receiving and processing department	Human Department.	Legal Department, Accounting Department, Life Department.	Sales Department.	Life Board, Board of Directors.	Funding board.	Building blocks, product rooms.	Building blocks, product rooms.
	Building a dynamic, modern and fair working environment for workers.	Strictly comply with all laws and regulations of the State and the governing body in all activities of the Company.	Product quality control through quality management systems, green and sustainable solutions.	Increased investment in community development.	Improve credit ratings on good financial management performance.	Build effective partnerships with contractors/suppliers.	Build effective partnerships with contractors/ suppliers.
TCD feedback	Develop a transparent feedback mechanism, fair evaluation mechanism.	The Company regularly updates fully and quickly the information of laws and regulations of the State to ensure no wrongdoing. report is filed on time with the strictest compliance.	Product development; dedicated customer service; meet the needs of customers.	Cooperation and human resource capacity building for local communities.	Enterprise-level risk management system, enhanced corporate governance and transparency.	Raising awareness of standards in accordance with best-in-the-best standards.	Raising awareness of standards in accordance with best-in-the-best standards.
	Regularly conduct training courses for employees according to rank and work needs.	The Company also ensures that all reports are filed on time with strict compliance.	The company also ensures regular interaction and relationships with customers through communication channels.	The mechanism for receiving complaints is timely and transparent.			
	Occupational Health and Safety Program.						

CORE FACTORS OF TRACODI

Field	Aspect	Core f	SDG	
	Economic efficiency	Sustainable growth	Total Consolidated Revenue	1 Wester 2 Houses ((()
			Profit before tax	
Economic		Value brings to shareholders and investors	Value paid to shareholders and investors	8 INCOMPRESENTS 9 MONETA AND STATE OF S
		Value brings to the Government	Contributed to the state budget through tax obligations	16 PAGE ASTRON 17 PARTMESSAPE AUGISTANIA
<u>via liv</u>	Indirect economic impact	Invest in community	Bridge construction, local supports	
	, , , , , , , , , , , , , , , , , , ,	Development for local	Amount of cassava starch purchased from farmers	
		Creating Sustainable Jobs	Jobs at Tracodi and its members	
	Labor and	Compensation and benefits	Employee compensation and benefits	3 GOOD SEALTH 4 COUNTY
Conint	employment	Training and development	Number of training courses	5 counts 8 economic commi
Society		Equality and fairness	Percentage of women in the company	Y M
		Occupational safety and development	Labor safety and health care policies	11 SECTIONAL CHES 10 NEGOCIES AND DIMENSIONS 10 NEGOCIES THE SECTION SECTIO
	Product responsibilit	Safe and quality products	HACCP certified products	
	Corporate social	Local community	Share and contribute our value	16 PLACE AUTHOR AND TRANSPORT STITUTIONS ***********************************
	responsibility	Socio-economic compliance	Socio-economic compliance	

Field	Aspect	Core business		SDG
	Raw materials	Sustainable sources of raw materials and circular economy	Value savings from initiatives in production	7 STANSBERGY 14 WEEKS WEEKS
Environment	Waste and sewage	Wastewater and waste control and circular economy	Total waste	
	Energy	Green energy use and efficiency	% CNG/total energy use (% Biomass/total energy use)	
	Environmental compliance	Compliance with environmental regulations in production activities	Green production, no environmental pollution	15 till and the second

KEY FACTOR MATRIX OF TRACODI



The importance of economic, environmental and social impacts of enterprises

>>> TRACODI «<

7. RISK MANAGEMENT

7.1. X TARGETS AND ROLE OF RISK MANAGEMENT



7.2. RESPONSIBILITY FOR RISK MANAGEMENT

01

The Board of Directors decides on the organizational structure, tasks and procedures of the risk management system.

The CEO is responsible to the Board of Directors for the organization and

organization and implementation of strategies, policies, regulations, and human resource. Subsidiaries

implementation in a timely

manner.

Each unit/team and affiliates should build engaged in risk flexible management response policy mechanism in to risks, focus on according to management and conduct criteria to ensure regular consistency, assessment. efficiency, and

Risk

Alternative and deliver contained the contained and account of the contained contained contained and account and account and account and account and account and account account account and account acc

7.3. RISK SOURCES AND RISK MANAGEMENT STRATEGY

Sources of risk are deciding factors which are results of positive or negative outcomes, therefore, it is required good preparation for those unexpected risks.



& ECONOMIC RISK

- Effects comes from macro fluctuations.
- Direct and extreme impact on the development and business activities.
- → Business strategy must be built to be based on surveying and researching the needs of the market.
- → Flexibly seizing opportunities and identify key objectives and viable business areas.



- Risks of safety responsibilities for workers, construction timeline.
- In compliance with labor safety regulations.
- → Improving technical training, providing working equipment and giving guidance on how to use personal rotective facilities.



❖ DISASTER RISK

- Influenced by weather factors and climate change.
- Risks of price fluctuations in input materials.
- → Disaster risk management and capacity enhancement.
- → Building good relationships with reputable suppliers.



♦ DISEASE RISK

- Increase in the price of essential products.
- Securities market falls.
- Effect on business heavily.
- Unemployment rate increased.
- → Building a flexible plan to respond to epidemic.



♦ LABOUR EXPORT RISK

- Workers voluntarily break the agreements.
- Covid epidemic has greatly affected labour exports.
- → Building remote training plan.
- → Working with local job referral centers.



♦ COMMUNICATION RISK

- Difficulty to control information and the speed of spreading.
- → Tracking and updating information.
- → Building crisis management strategy.



❖ LEGAL RISK

- Subject to local and international laws.
- → Compliance with laws, general regulations.
- → Training human resources to improve legal knowledge.

❖ ENVIRONMENT RISK

- Negative impact on business performance and society.
- → Eco-friendly development.
- → Applying advanced technology.
- → Using products that reduce waste.

SOLUTION BUSINESS RISK

- Pressure from supplier.
- Pressure from customers.
- Pressure from potential competitors.
- Pressure of alternative products.
- Pressure from internals.
- → Improving product quality to bring more value to customers and implement strategies to enhance competitive position in the industry.

*** HUMAN CONSCIOUSNESS**

- Direct impact on the success and ability to fulfill the goals of the company.
- → Implementing the plans to improve working quality such as welfare, bonus scheme, good working environment

7.4. 2019 RISK MANAGEMENT



Build action plan and options to reinforce the opportunities and mitigate risks ensuring the implementation of goals; For handling risks, Tracodi's Management has assessed and identified the impact and risks relating to costs and benefits, and then identified final risk and risk appetite.

Minimize the impact and risks to ensure the success. Consider impact factors and give out action plan quickly meet the goals in the furture.

Annually, the management has accessed, reviewed and measured risk management performance and efficiency, which based on that to build and develop risk management for coming year. The management will decide how to implement risk management, the desired level of risk management maturity, and therefore, they could build proper risk management strategy. In 2018, Tracodi has continuously focused on effective risk management in business and projects. To do so, Tracodi has raised awareness of risk management for employees by conducting training on. Tracodi also build voluntary and proactive risk culture captured by each employee to achieve the highest efficiency in risk management. Environmental activities are not only to reduce impact on water source but also protect the surrounding environment.



SCOPE AND SUBJECT OF THE REPORT

This sustainability report is the first report prepared by the Transport And Industry Development Investment Joint Stock Company during the period from January 1, 2019 to December 31, 2019. This report, along with the business profile, which based on the GRI Standards - certified by the Global Reporting Initiative (GRI), the reference to the standards GRI 201, 301, 307, 401, 402, 403, 419. This report is also supported directly by Corporate Sustainability and Reporting for Competitive Business (CSRCB) provided by GRI to improve the competitiveness ability and report quality of businesses in Vietnam, helping businesses same as us to definitely participate in the global value chain.

Main topics:

Main topics presented by Tracodi in this report including:



ECONOMIC

• GRI 201: Economic performance

ENVIRONMENT



GRI 301: Materials

• GRI 302: Energy

• GRI 303: Water and Effluents

• GRI 305: Emissions

• GRI 306: Waste

• GRI 307: Environmental compliance



SOCIETY

• GRI 401: Employment

• GRI 402: Labor relations

GRI 403: Occupational health and safety

GRI 413: Local communities

• GRI 419: Socioeconomic Compliance



SUGGESTION AND TIMELINE OF THE REPORT

❖ REPORTING PURPOSES

- The Sustainability Report is considered as a tool to measure, disclose, explain, and commit the responsibilities of the business to stakeholders regarding sustainable development.
- Exploiting resources to achieve profit goals, contributing to the sustainable development of the country. In the short term, it may cause cost increase, but in the long run, the company will reinforce its position in the market and gain giant benefits.
- In order to bring optimal value to shareholders and society, maximize the benefits of the Company and grasp wise opportunities when recognizing the risks and improving the ability to access and control the loss of resources.
- REPORTING TIMELINE: The fiscal year 2019, the period from 1.1.2019 to 12.31.2019

SUSTAINABLE DEVELOPMENT REPORT - RELATED COMPANIES

The selection of key topics is done by reference from GRI Standards and by consideration of other stakeholders who have direct influence on Tracodi, this report is designed to ensure transparency in the sustainability report and ensure the interests of the shareholders and in comply with socioeconomic and environmental standards.

3.1. REPORT OF THE BOARD OF MANAGEMENT ON BUSINESS PERFORMANCE 2019

In the 2019, the revenue exceeded the plan set and was higher than in 2018, the profit grew quite well. Specifically, net revenue and pre-tax profit reached VND 1,701 billion and VND 121 billion respectively, presenting 161.5% and 112.1% of the plan respectively.

1,701

billion VND

NET REVENUE

billion VND

PRE-TAX PROFIT

161.5% - 112.1%

THE PLAN RESPECTIVELY

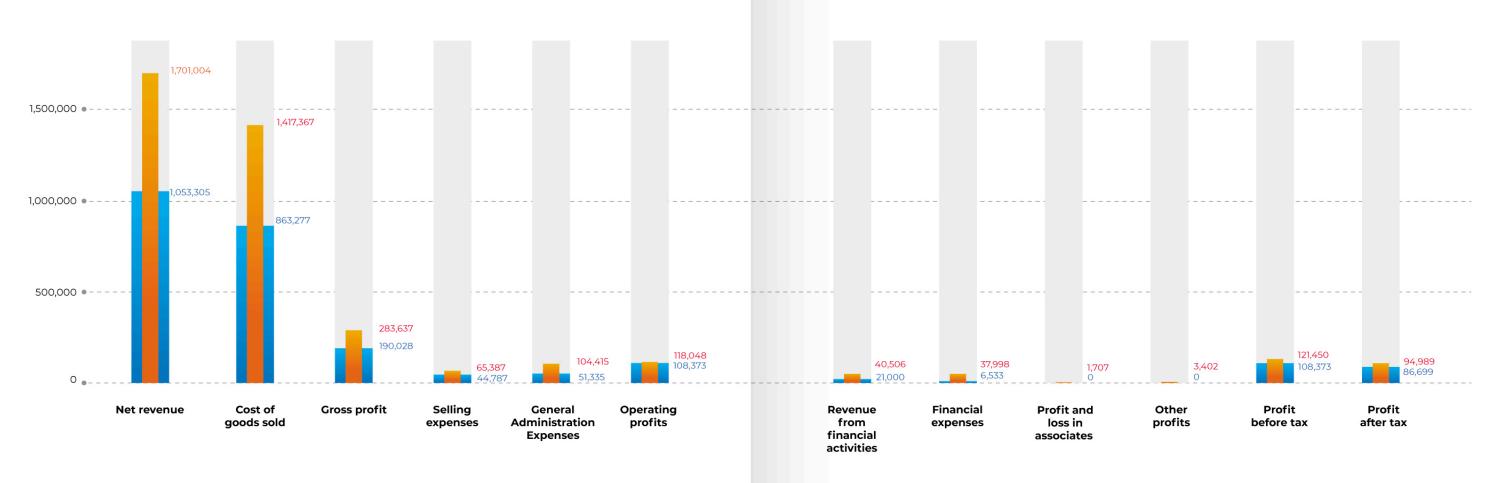
The Annual General Meeting of Shareholders 2019 approved a 2019 dividend payment plan of 20%. And the Board of Directors submits the dividend payment plan for 2019 to be 16%, in which: 11% by shares to increase charter capital to implement major projects in 2020 and 5% in cash.

Perform (2019)

Plan (2019)

Business Results 2019

Unit: million VND



No.	Items	%
1	Net revenue	161.5%
2	Cost of goods sold	164.2%
3	Gross profit	149.3%
4	Revenue from financial activities	192.9%
5	Financial expenses	581.6%
6	Profit and loss in associates	

https://www.tracodi.com.vn/quan-he-nha-dau-tu/thong-tin-tai-chinh

No.	Target	%
7	Selling expenses	146.0%
8	General Administration Expenses	203.4%
9	Operating profits	108.9%
10	Other profits	
11	Profit before tax	112.1%
12	Profit after tax	109.6%

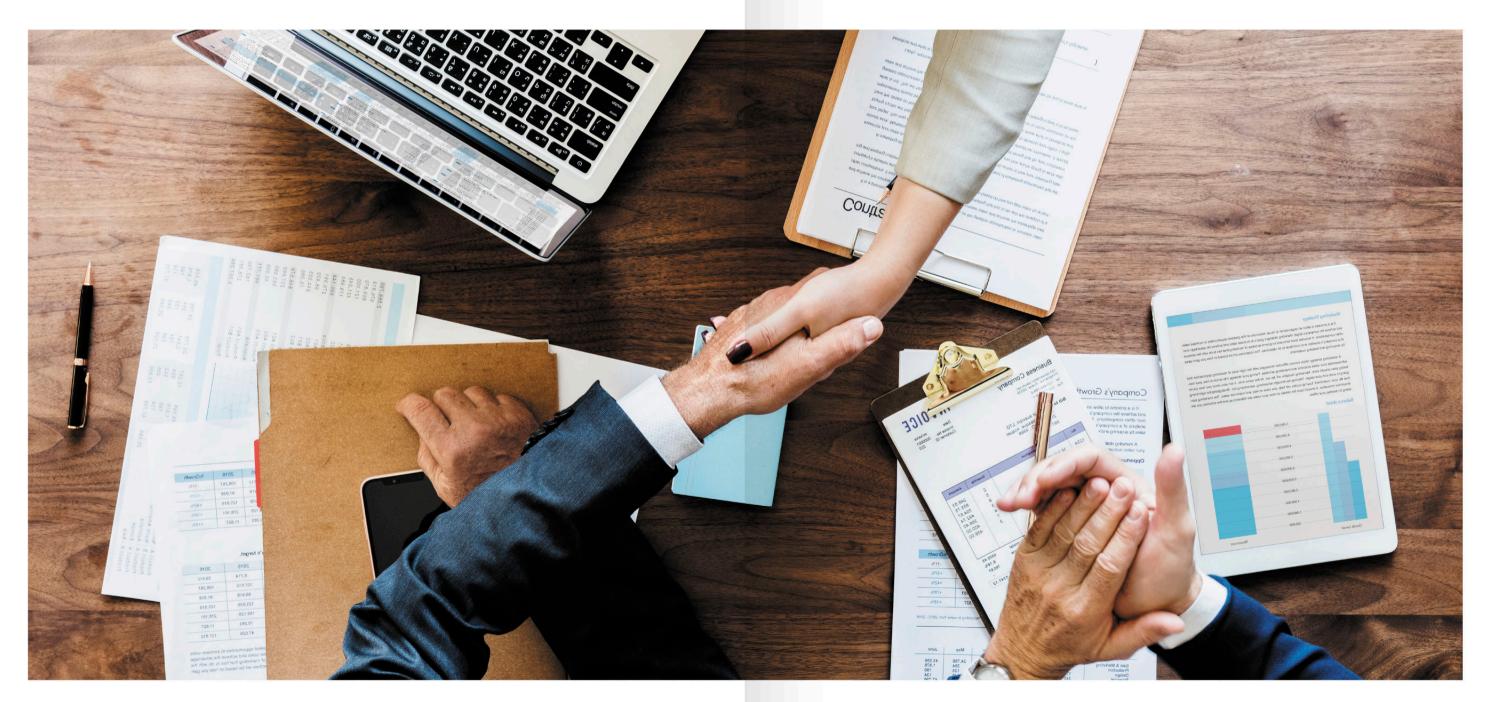
3.2. EVALUATION OF THE COMPANY'S FINANCIAL SITUATION 2019

Based on periodic reports and data analysis presented by the Board of Directors at the Board of Directors meetings, the Supervisory Board evaluates:

- The Company's 2019 financial statements fully reflected the business and financial situation of the Company and are presented in prescribed reporting formats which in accordance with Vietnamese Accounting Standards and current regulations.
- Revenue significantly exceeded the plan. Assets, capital and profits dramatically rose compared to 2018.
- The Supervisory Board agreed with the independent auditor's opinions on the semi-annual financial statements as at June 30, 2019, and the financial statements ending the year as at December 31, 2019.

4. > EVALUATION ON THE REPORT

- Compliance with the current regulations of the Laws on enterprises, investment, and securities.
- Working results are reported monthly and updated the situations in the timely manner to the Management and directors. Showed professional and creative working style.
- The management showed their day-to-day management ensure that the work gets done correctly and in a timely manner, and develop in holding company and other members. In the events of emergency or other problems, the Board of Directors has been always ready or to take great opportunities from the crisis (if any) to drive the company overcome and grow stronger.



»» TRACODI ««



1. ECONOMICS



1.1. GRI 103 - MANAGEMENT APPROACH

The Company always focuses on monitoring the revenue, expenses, dividends, taxes, ... through a strict management system and is regularly updated to the Management for promptly catching up the company situation and giving out the suitable

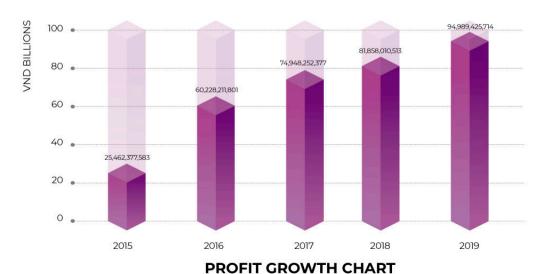
business plans. We have always striven growing revenue and profits based on our hard work and experience. We commit to bring the highest benefits to shareholders, employees, and the community.



Economic performance GRI 201

1.2. GRI 201 - ECONOMIC PERFORMANCE

Founded in 1990 and listed in Hochiminh Stock Exchange on May 26, 2017, Tracodi is one of the longstanding companies in the Vietnam market with a charter capital of 423,023,700,000 VND. We have strong financial resources, and stable business growth every year. Through it, Tracodi has contributed to building a thriving community, towards the benefits of shareholders and stakeholders.





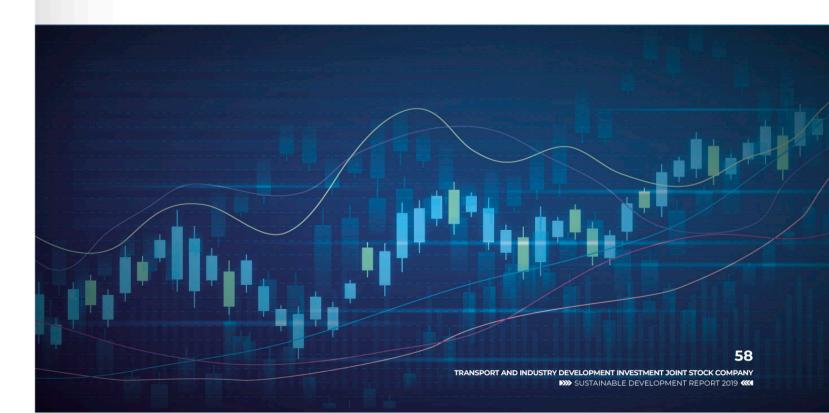
REVENUE AND PROFIT CHART

2019 is the fifth year marking the process that Tracodi Company officially transformed from a state-owned enterprise to a wholly private-owned enterprise since April 20, 2015; 2019 has been considered as a year of strong and stable growth after restructuring, with the workforce rearranged to suit the operating model. In addition to continuing to promote the main strength of construction, Tracodi has also promoted export trade, focusing on 3 main products: furniture, coffee, and modified tapioca starch.

In the period 2015 - 2019, Tracodi recorded impressive growth in business results with

net revenue increased from VND 190 billion to VND 1,701 billion, CAGR of 72.86%. Selling and administrative expenses from 190 billion in 2015 increased to 1,629 billion in 2019. Profit after tax increased from 25 billion to 94.9 billion in the same period, with a CAGR of 38.98%. Total assets at the end of 2019 reached 1,622 billion VND, up 10.9% over the same period in 2018; and owner's equity reached 552.69 billion, up 11.2% over the same period in 2018.

https://www.tracodi.com.vn/quan-he-nha-dau-tu/thong-tin-tai-chinh



Tracodi has always fulfilled its tax obligations and other payables to the State Budget, the amount has been increasing gradually over the years.



STATE BUDGET FILING CHART



2. > ENVIRONMENT



2.1. GRI 103 - MANAGEMENT APPROACH

Develop and implement precise, visionary, highly feasible environmental plans and plans that bring the benefits of the whole system together. Enforcement

of environmental policy objective, correct and consistent with terms of the organization and ensure that the interests of stakeholders.

2.2. GRI 301 - MATERIALS



❖ GRI 103 - MANAGEMENT APPROACH

Always effort on contributing to natural resource conservation activities through

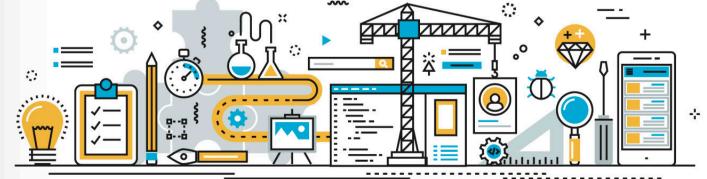
close coordination with and support on traders and farmers.



❖ GRI 301 - MATERIALS

As a typical business in tapioca starch producing field, Tapiotek has understood its influence through the use of raw materials. The main product to use as raw materials is tapioca roots, we have very high and constant demand for them.

Policy Not built yet	Commitment Not built yet
	Not built yet
Goals / Targets	Responsibility
Not built yet	Business Development Director
Resources	Issue handling mechanism
Raw material purchasing team.	Not apply
Action plan, programs and projec	cts during the year
Not built yet	cts during the year.



Overall assessment on management approach for raw materials in 2019.

Evaluation mechanism Result Adjustments or proposal The use of raw materials are evaluated periodically as the critical factors of production. The Management and production managers will review these data.

Materials used by weight or volume.

Unit: Kg

	2019				
Recycle materials (raw tapioca starch)	Materials cannot be regenerated (Packaging)				
11,326,750	2.746				



2.3. GRI 302 - ENERGY

Management Approach GRI 103

❖ GRI 103 - MANAGEMENT APPROACH

Tracodi has ensured electrical energy during production, reducing the negative effects of excessive energy use by controlling the amount of electricity usage and encouraging employees to save electricity.



❖ GRI 302 - ENERGY

An Giang Building Material Exploiting And Processing Co., Ltd. (Antraco) has succeeded in reducing electricity usage and has switched to use renewable energy. The amount of energy used is listed and fully reported to the management on the weekly basis.



Policy

Energy has been used economically, efficiently and environment-friendly.

Goals / Targets

Energy savings

Resources

Technical Department, Electrical Team

Commitment

Compliance with the laws of environment.

Responsibility

Company Director

Issue handling mechanism

Not build yet

Action plan, programs and projects during the year

Maintain machinery and equipment to ensure energy savings.



Assessment on management approach for energy enterprises in 2019.

Evaluation mechanism	Result	Adjustments or proposal
Board of Directors evaluate the power usage of each department monthly.	Qualified	No

Energy consumption of ANTRACO CO., LTD during the period of 2018-2019

Unit: Kwh

Goals	2018	2019
Total electricity supplied by the electricity supplier (2)	10,423,125	12,110,891
Total energy consumption (1) + (2) + (3) + (4) – (5)	10,423,125	12,110,891

The intensity of energy use at Antraco during the period of 2018-2019

Unit: Kwh

Goals	2018	2019
Total energy consumption (1)	10,423,125	10,110,891
Total numbers of products produced (2)	1,518,396	1,651,963
The intensity of the energy used to produce 1 product (1) / (2)	6,86	6,12



2.4. GRI 303 - WATER AND EFFLUENTS

Management Approach

GRI
103

> Water And Effluents

GRI

❖ GRI 103 - MANAGEMENT APPROACH

We well control and save water, recycle and reuse water ensuring the output waste. We hope that it will minimize the negative environmental impacts.

❖ GRI 303 - WATER AND EFFLUENTS We definitely control our water and

wastewater by using through wastewater treatment system and water reservoir. After treatment, water could be re-used for other purposes such as tree watering, street watering, watering for dust deduction during operation of crushers to minimize dust dispersion.



Policy Not build yet	Commitment Compliance with the laws on environment.
Goals/Target Not build yet	Responsibility Head of Safety Department, Director of the Company.
Issue handling mechanism Not build yet	Resoures OSHA Department, Industrial Hygiene Department and Fire Protection Department.
Action plan, programs and pro	jects during the year.



Wastewater treatment system has been run continuously.

Assessment on management approach for water and effluents in 2019.

Evaluation mechanism	Results	Adjustments or proposal
Board of Management evaluates the power usage of each department monthly.	Qualified	No

Total amount of water input of Antraco in 2019 (source from Antraco).

Unit: Kwh

Indicator	Water volume (m³)
Water from rivers, streams, pond, lakes	50,000
Groundwater	-
Rain water	20,000
Wastewater from other organizations	_
Urban water supply	10,000
Other	

2.5. GRI 305 - EMISSIONS

❖ GRI 103 - MANAGEMENT APPROACH

We strictly control our emissions to ensure environmentally friendly Manufacturing Processes. Environmental pollution emissions shall be reduced by minimizing emissions from vehicles and equipment.



❖ GRI 305 - EMISSIONS

In particular, vehicles should be shut down when not in use, such as waiting for loading and unloading. In addition, regular maintenance of vehicles also contributes to reducing emissions into the environment. We have also invested in advanced technology to reduce pollution emissions and improve production efficiency.





Policy Not Build yet	Commitment Compliance with the laws in environment.
Goals/ Targets Not Build yet	Responsibility Not Build yet
Resoures	Issue handling mechanism
Not Build yet	Not Build yet

Maintain the vehicles and equipment often also help to reduce emissions into the environment. Apply advanced technology in the production process.

Assessment on management approach for emissions in 2019.

Evaluation mechanism	Results	Adjustments or proposal
Emissions shall be checked once a year by a qualified assessment organization, and results submitted to the management.	Qualified	No

2.6. GRI 306 - EFFLUENTS AND WASTE

Management Approach GRI 103

❖ GRI 103 -MANAGEMENT APPROACH

Regularly inspect and check the waste treatment to ensure the effectiveness of environmental protection. The company has worked with waste treatment supplier to resolve waste in accordance with the laws. In addition, we have set up an inspection team to check in a weekly basis to get accurate and transparent assessment results.



❖ GRI 306 -**EFFLUENTS AND WASTE**

Particularly, the Company will collect and put waste and hazardous waste into the waste storage thrice a week and every 3 months respectively.



Policy

Responsibility

Head of OSHA Department, Industrial Hygiene Department and Fire Protection Department.

Resources

OSHA Department, Industrial Hygiene Department and Fire Protection Department.

Commitment

Compliance with the

Goals/Targets

Not build yet.

Issue handling mechanism

Not build yet.

Action plan, programs and projects during the year

Promulgate regulations on waste management. Continuously improve production processes and technologies to minimize waste into the environment.

Assessment on management approach for waste in 2019.

❖ GRI 103 - MANAGEMENT APPROACH

Compliance with the laws on environment,

society and economy which

the company for its impacts. Tracodi always ensures its

compliance at highest level.

demonstrates vital responsibility of

Evaluation mechanism	Results	Adjustments or proposal
OSHA Department, Industrial Hygiene Department and Fire Protection Department conducts weekly assessment on hygiene of the factory, and submits report to the management.	Qualified	No

2.7. GRI 307, 419 ENVIRONMENTAL AND SOCIOECONOMIC COMPLIANCE

Management Approach **GRI**

Environmental GRI



❖ GRI 307, 419 - ENVIRONMENTAL AND SOCIOECONOMIC COMPLIANCE

We have affirmed our compliance with the laws and corporate governance on the environmental impacts which has been our strength. We have educated our employees on keeping the workplace hygiene which helping to minimize violation of the laws on environment. The company has conducted an assessment on environmental impacts and we have

committed to protect the environment during our operations. In addition, measurement and monitoring procedures have been carried out once a month and the reports have been sent to relevant authorities to ensure our strict compliance with the laws on environment.

Policy Not build yet.	Commitment Compliance with the laws on environment.
Responsibility Director	Goals/Targets In compliance with the laws and requirements of related parties
Issue handling mechanism Not build yet.	Resources OSHA Department, Industrial Hygiene Department and Fire Protection Department.

Action plan, programs and projects during the year.

Build check list of legal documents and update regularly to ensure in compliance.





Assessment on management approach for to environmental and socioeconomic compliance in 2019.

Evaluation mechanism	Results	Adjustments or proposal
Monitoring has been done regularly to ensure the compliance. Failure to comply with the laws can have serious consequences shall be promptly reported to the management.	Qualified	No

We have not detected any legal violations from environmental and socioeconomic aspects, and will be definite in compliance with the laws, which keep our responsible corporate image and reputation in the market.



SOCIETY

GRI

3.1. GRI 103 - MANAGEMENT APPROACH

We understand the importance of human resources in the company; therefore, we have focused on and improved the quality of our human resources. To do so, we have invested in training system for our

staff, maintained effective work relationships, built good working environment, trained ethics skills, rewarded good performance and developed talents.



3.2. GRI 401 - EMPLOYMENT

MINIMUM WAGE

We have developed policies to ensure the health, safety, and welfare of employees. The Board of Directors, Board of Management, and Supervisory Board have entitled to salaries, bonuses, and benefits in accordance with Tracodi's current regulations and in accordance with position, job title and performance.

Assessment on management approach for its positioning in the market in 2019

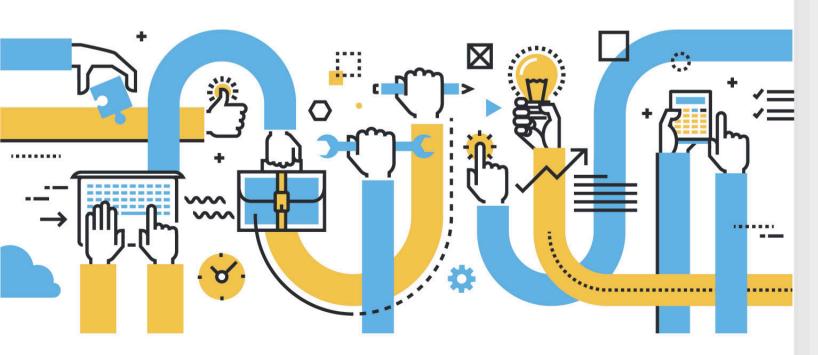
Evaluation mechanism	Results	Adjustments or proposal
Policies and performance have been reviewed annually by Emulation and Reward Committee.	Qualified	





Region-based minimum wage by genders compared to Tracodi in 2019

Place	Employee	Employees (not including freelancers)
	Male Female	Male Female
НСМС	180% 180%	
An Giang	134% 134%	



❖ POLICY ON COMPENSATION AND BENEFITS

Policy

Attractive and competitive salary compared with other businesses in the region and same industry for long-term.

Commitment

Ensuring stability of work and life for employees, ensuring all employees could receive benefits in accordance with the laws.

Ensuring that employees are properly evaluated and rewarded according to their performance

Goals/Targets

Not build yet

Responsibility

Board of Management

Resources

Head/Deputy Head of departments such as Business Support Department, and Accounting and Finance Department.

Issue Handling Mechanism

Company union shall receive and resolve complaints and issues.

Action plan, programs and projects during the year.

Build and develop wage policies and bonus regime.



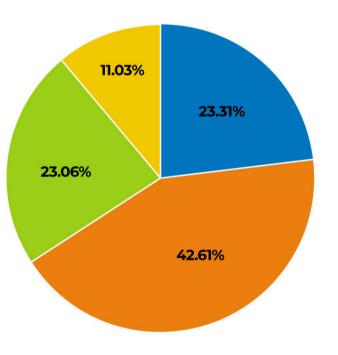
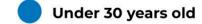


Chart shows the proportion of workers divided by age







The current minimum wage in Tracodi is around VND 8.6 million per month which is higher than minimum wage required by the laws (Labour Code 2012 and by Region 1, 2,

- Salary and benefits have been paid according job description and performance of each individual and department (KPIs).
- The Company has built bonus policy: Employees could show their ability 13th month salary, performance pay bonus. It has brought motivation and improved labor productivity. In
- 3). In addition to the attractive salary, employees are entitled to receive bonus, compensation and benefits (the company paid insurance to all of employees).
- addition, the company has also given holiday bonus to employees such as New Year. Tet. Reunification Dav. Labor Day, National Day....
 - and capability to get promotion and reward.



3.3. GRI 403 - OCCUPATIONAL SAFETY AND DEVELOPMENT

We understand the importance of health and safety of our workers in the workplace; therefore, we have absolutely put our duty and responsibility in the care and protection of our employees. As a top priority, we have always improved the quality of the workplace by creating a friendly working environment, developing the policy of safety and health care for employees. "Health and Safety" are two key factors that directly affect the quality of work and performance efficiency.

Based on the criteria of labor safety, employees are entitled to the insurance according to Vietnamese labor laws, ensuring the interests of employees upon retirement, sickness, maternity, and general annual examination. In addition, the Company has also provided premium insurance covering health and accidence for employees (Bao Viet Insurance). Employees are also entitled to other benefits such as vacation, family member sickness, wedding..





Policy

Ensuring safe working conditions for workers by providing working tools. Also applying measurement to prevent occupational accidents. In compliance with policies on occupational safety.

Goals/Targets

Reduce risks and prevent workplace injuries during the working.

Resources

OSHA Department, Industrial Hygiene Department and Fire Protection Department

Commitment

Commit to comply with labor laws.

Responsibility

CEO

Issue handling mechanism

Internal handling mechanism.

Action plan, programs and projects during the year.

Build safety regulations in the workplace corporate governance of the Company.

Benefits for employees Tracodi Labor Joint Stock Company in 2019.

Benefits	Full time	Part time
Social insurance	X	
Unemployment insurance	Χ	
Health Insurance	X	
Maternity leave	X	
Health care	X	

Safety regulations are included in the Labor Agreement. In addition, the Company has paid for employees on regular medical check-ups and in depth that especially for workers who are working in high-risk areas. We commit all of employees will be receive this benefit and able to participating in health care program to ensure our healthy workers in the workplace.



Evaluation mechanism	Results	Adjustment or proposal
Occupational health and safety are monthly assessed by OSHA Department, Industrial Hygiene Department and Fire Protection Department., and the results are reported to the Board of Directors.	Qualified	No

Maternity leave at Tracodi Labor Joint Stock Company in 2019.

Welfare name	Male	Female
Total number of employees entitled to maternity leave.		02
Total number of employees are on maternity leave.		02
Total number of employees returning from maternity leave.		02
Total number of employees returned to work and stayed within 12 months after maternity leave.		02
Returning to work turnover after maternity leave.		100%
Retention rate after maternity leave.		100%





3.4. GRI 404 - TRAINING AND EDUCATION

TRAINING POLICY

People are not only the greatest asset of the company but also the whole society. Therefore, to develop and maintain elite and professional staff that is our vital responsibility, which towards creating stable jobs, gaining sustainable development, and building happy life for

employees.

In addition, the company also focuses on professional qualification improvement and skill development for employees, the Company always facilitates employees to participate in training courses.

❖ RECRUITMENT PROCEDURE IN TRACODI

Human resources attraction → Recruitment → Onboard → Dedication → Achievement

❖ TRAINING

The company also focuses on professional qualification improvement and skill development for employees, the Company always facilitates employees to participate in training courses...

The Company regularly coordinates with Training Agencies to organize training courses to improve employees profession and skills such as management skills, negotiation skills, conflict resolution in order to help employees improving their

skills and working more efficient. Training programs are designed diversify to meet different needs such as "Understand yourself and others" training program for key management and "Negotiation skills" and "Effective time management" training programs for junior level. Training courses equipped employees with the necessary skills and knowledge to be able to complete their assigned tasks and gain achievement.

Training Courses	The level of response
Workplace safety	100%
Management skills	100%
Sales skills	100%
Negotiating skills	100%
Time management	100%
Conflict resolution	100%

Training course has been built diversified which inspiring units and individuals to successfully complete their tasks. Annually, the Company has conducted assessment to evaluate and reward employees who gained achievements at year end.

*** KEY PERSONNEL AND HUMAN RESOURCES DEVELOPMENT**

The company has focused on high-quality human resources development, improved the remuneration, enhanced welfare for employees which truly motivating staff and be common practices.

To develop high-quality human resources mechanism. Tracodi has refined and built good policies to attract and promote talents. Tracodi has built up good remuneration policy, created professional and dynamic working environment, and an impressive and healthy corporate culture. In the meantime, Tracodi has cooperates with universities and training centers to implement recruitment fairs for talents.

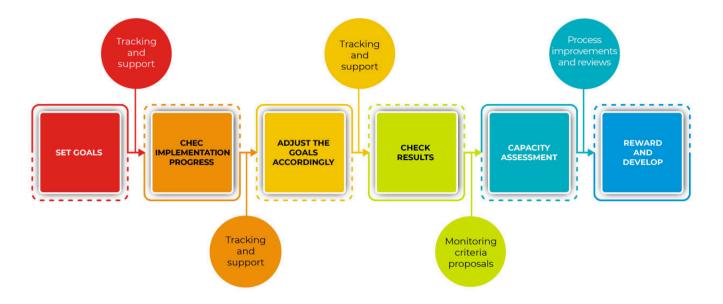
CORPORATE CULTURE

Tracodi has built values and behaviors that create unique environments. Cultural factors are always formed in parallel with the development of the business. Values, beliefs, and standards that are shown in the behavior of each employee.

ORGANIZATION MATERIAL **SYSTEMIC VALIDITY** DEVELOPMENT **ORGANIZATIONAL CULTURE HISTORICAL HUMANITY** INHERITANCE

> It is clear to see that, with what Tracodi has done so far, we would like to create a solid corporate culture. We have brought people together by organizing contests, sports festivals annual teambuilding, yoga class, happy lunch together with aims to create a rewarding playground for employees in the company, also create opportunities for everyone to gain work-life balance, to re-energize to continue perform better and more efficiently.

*** KPI ASSESSMENT PROCEDURE**



3.5. INTERNAL VALUES AND GRI 413 - LOCAL COMMUNITIES



SHAREHOLDER RESPONSIBILITIES

Emphasis on building good relationships with investors and shareholders by listening to their opinions and ensure their interest such as the annual dividend payout ratio is not lower than 10%. To focus on market capitalization so that the Company's shares are welcomed in the market which following by increase in share value and determination of the Company positioning in the market. It has shown our care and protection to our valuable shareholders.

***** CORPORATE SOCIAL RESPONSIBILITY



• GRI 103 - MANAGEMENT APPROACH

"Always stay consistent with our goals of sustainable development together with the community and enhancing corporate social responsibility is development direction of Tracodi".

Tracodi has always included community-based activities in our sustainable development strategy. Sharing values with the community is our responsibility, joy, and goal which we have strived to pursue long-term sustainable development.

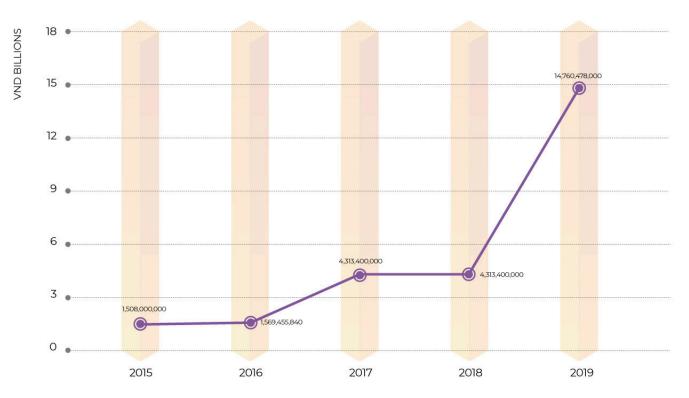


• GRI 413 - LOCAL COMMUNITIES

Tracodi has frequently cooperated with local agencies, partners, and people to raise awareness of responsibilities, join hands to build and develop happy and joyful community.

The chart below shows Tracodi and its members have contributed to the community over the years.





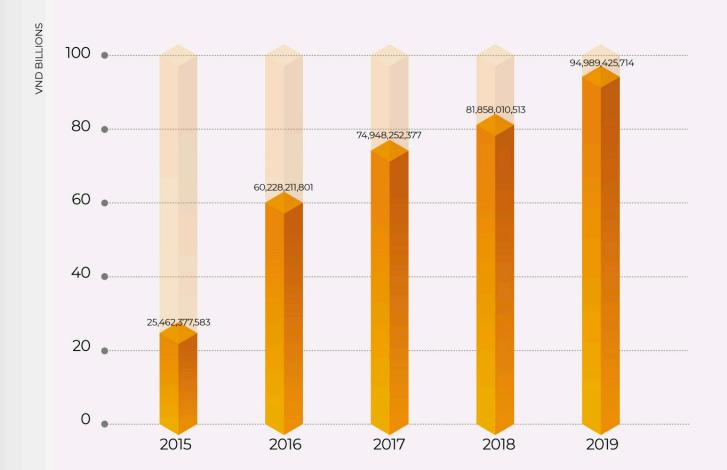
CONTRIBUTION TO THE SOCIETY

Tracodi understands that corporate social responsibility is one of the practical actions contributing to share the burdens for localities facing many difficulties. Correspondingly, we have been aware that acting alone will not make big change according to the vision set by the SDGs. Therefore, to build sustainable development strategy, Tracodi has worked with its holding company, subsidiaries, affiliates and local agencies together poverty ending, inequality reduction, and environmental protection.

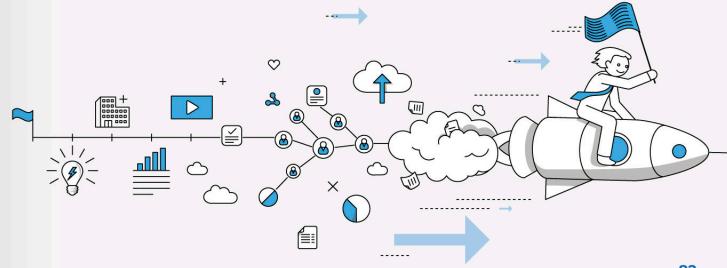
- In 2019, Tracodi sponsored VND 8,506,000,000,000 to Vietnamese Fatherland Front of An Phu District, under the State program of "Support for areas with extremely difficult socio-economic conditions", to build five (5) new rural bridges in An Phu.
- This year, Tracodi and its subsidiary Antraco, have contributed more than 4 billion VND to the community development such as building bridges, roads, building solidarity houses, funding for education, supporting for retirement club and associates, taking care of the heroic Vietnamese mother in Tri Ton district.
- On August 21, 2019, Antraco and Tri Ton District Study Promotion Association held the Antraco Scholarship Award Ceremony for school period 2019-2020. These scholarship delivered to poor and studious students in 15 towns in Tri Ton District.
- Antraco awarded VND 250 million to outstanding students including VND 77 scholarships under program "Encouragement for Talents" and many gifts under program "Next step to school". 2019 was the fourth year in a row that Antraco has given out scholarships to poor and studious students in Tri Ton district. We would like to contribute for local community development.
- In 2019, BOT 830 our member also awarded 340 gifts and cash to primary school students in An Thanh and Huu Thanh communes at the new school year opening ceremony. Each student has received notebooks, studying tools and VND 100,000 in cash. In addition, BOT 830 also gave 30 gifts of 100 thousand VND each to the children of An Thanh Hamlet Kindergarten at the new school year opening ceremony.

4. > SUSTAINABLE DEVELOPMENT ACHIEVEMENTS

In the period of 2015-2019, Tracodi showed its impressive business results with net revenue increased from VND 190 billion in 2015 to VND 1.75 billion in 2019, presenting 72.86% of CAGR. Selling and administrative expenses from VND 190 billion in 2015 increased to VND 1,629 billion in 2019. Profit after tax increased from VND 25 billion in 2015 to VND 94.9 billion in 2019, with CAGR at 39.98%. Total assets at the end of 2019 reached VND 1,622 billion, up 10.9% over the same period in 2018; and owner's equity reached VND 552.69 billion, up 11.2% over the same period in 2018.



PROFIT GROWTH CHART



AWARDS

The awards have clearly shown a clear view of the persistent efforts of Tracodi's and its members in transforming into the trend of integration, innovation, and improvement

towards sustainable development and affirming Tracodi's position in the market. Tracodi achievements includina:

❖ TOP 10 FASTEST GROWING ENTERPRISES IN VIETNAM IN 2019

economic growth. Tracodi was honored Top 10 fastest growing enterprises in Vietnam 2019 by held on April 19, 2019.

One of the enterprises has been considered as the Vietnam Report Joint Stock Company "rising star" who has contributed to Vietnam's (Vietnam Report) in collaboration with VietnamNet newspaper. The ceremony was

> Mr. Nguyen Thanh Hung - General Director of Tracodi received certificate of the Top 500 fastest growing enterprises in Vietnam in 2019 at the announcement



500 DOANH NGHIỆP LỚN NHẤT VIỆT NAM NĂM





❖ TOP 500 BEST PROFITABLE **ENTERPRISES IN VIETNAM IN 2019**

Tracodi achieved impressive business results and gained good profitability. It shall become one of main contributors for the future development of Vietnam's economy. Tracodi was honored in the top 500 most profitable in Vietnam in 2019 by Vietnam Report Joint Stock Company in collaboration with VietnamNet newspaper. The ceremony was held on November 6, 2019.



Mr. Nguyen Thanh Hung - General Director of Tracodi received the certificate of Top 500 largest enterprises in Vietnam in 2019 at the Announcement Ceremony.

❖ TOP 500 LARGEST ENTERPRISES IN VIETNAM IN 2019

Tracodi was honored Top 500 largest enterprises in Vietnam 2019 by the Vietnam Report Joint Stock Company (Vietnam Report) in collaboration with VietnamNet newspaper. The ceremony was held on January 9, 2020. This was second consecutive year Tracodi was honored in the VNR500 ranking.

Mr. Nguyen Thanh Hung - General Director of Tracodi received the certificate of Top 500 largest enterprises in Vietnam in 2019 at the Announcement Ceremony.

JO DOANH NGHIỆP TĂNG TRƯỞNG N VIÊT NAM NĂM 2019



NG TY CP ĐẦU TƯ PHÁT TRIỂN CÔNG NGHIỆP VÀ V

FUTURE DEVELOPMENT

General objectives

Ensure the effectiveness, manage and develop capital, bring maximum benefits and interests to shareholders, create the best working environment for employees, contribute to the community and society, build a solid foundation by focusing on effective corporate governance and minimizing potential risks. This is our target to build sustainable Tracodi brand in the market.

PERFORM "DUO TASK"

Covid-19 epidemic prevention and target achievement are our dou tasks to be done. To execute, we have complied with all epidemic prevention measures recommended by the Ministry of Health, and absolutely not subjective to neglect and be responsible for disease prevention. Raising awareness of employees to be aware of the epidemic to protect their health. To put 200% of their efforts to successfully perform tasks and achieve the target. Along with that, step by step bring the Tracodi brand to become of the leading construction companies in Vietnam by perfecting the organizational structure to deploy big projects.

PROMOTE SUSTAINABLE DEVELOPMENT IN ITS MEMBERS, IN WHICH:

The message has been conveyed to its members on sustainable development together. It is vision to develop sustainably in all fields of businesses of all members, by continuing to maintain the growth rate, the brand, the reputation, affirming the leading position in the business industry and enhancing the competitive position in the international market. Promote social activities to contribute to the community by implementing plans coordinate with holding company and its subsidiaries, affiliates and localities to solve poverty, inequality and environment. This action has been always supported by all members. We have created a high and beautiful value. Also, we have created a green business environment in compliance with environmental and socio-economic regulations. We have improved every single field of our business and tried to eliminate risks that may harm the environment and our stakeholders.

ACTION PLAN

HUMAN **RESOURCE DEVELOPMENT**

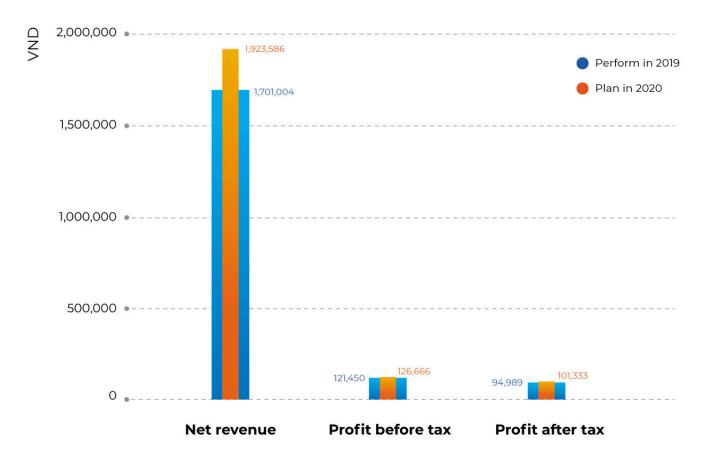
Focusing on training to improve corporate governance for the management of the Company. We have also applied advanced management tools to meet international integration requirements. We have strived to bring Tracodi brand to the Sustainable Development system with quality and meet international practices according to GRI 2020 standards. We tried to bring benefits for our staff physically and mentally. We have tried to build team cohesion in a great working environment.

RELATIONSHIP **DEVELOPMENTS** WITH STAKEHOLDERS

Together with focusing on brand development. Tracodi has continued to develop social relationships, share its responsibilities to the community, connect its businesses activities with localities where its businesses are. We have taken care of social security work at the locality and considered it not only our responsibility but also crucial factors for long-term development.

To celebrate the 30th Anniversary of Tracodi (October 30, 1990 - October 30, 2020), we have organized activities to gain significant achievements. With all achievements during past years. together with, our internal strengths, we are ready to seize new opportunities to earn more results contributing in the journey of 30-year development of Tracodi.

TARGET IN 2020



Targets	%
Net revenue	113.1%
Profit before tax	104.3%
Profit after tax	106.7%
Dividend	67%-100%



>>>> SUSTAINABLE DEVELOPMENT REPORT 2019 <<<

GRI STANDARDS

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TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT JOINT STOCK COMPANY

89 Cach Mang Thang Tam, Ben Thanh Ward, District 1, HCM City, Vietnam Tel: +84 28 38330314 - 38330315

Fax: +84 28 38330317

www.tracodi.com.vn