



TRACODI

//

# TECTONIC CONSTRUCTIONS SUSTAINABLE FUTURE

SUSTAINABILITY  
REPORT

2020 //



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# DECLARATION OF

# SUSTAINABLE DEVELOPMENT

TRACODI'S 30-YEAR MILESTONE

STATEMENT OF THE GENERAL DIRECTOR

STRATEGY STATEMENT

COMMITMENT IN THE GOALS OF SUSTAINABLE DEVELOPMENT



# 30 Years of TRACODIMARKET 1990-2020



### EQUITY

**661** BILLION VND

### TOTAL ASSETS

**6.239** BILLION VND

### CHARTERED CAPITAL

**473** BILLION VND

### NET REVENUE

**2.853** BILLION VND

### SHARES

**47<sup>+</sup>** MILLION SHARES



**22.19%**  
ROE

**2.35%**  
ROA



**393** LABORER



**250<sup>+</sup>** CONSTRUCTION WORKS



### CONTRIBUTION TO THE COMMUNITY

**17.690.408.194** VND

### CONTRIBUTION TO THE STATE BUDGET

**150.579.629.045** VND

**600** GIFTS FOR INDIGENT CHILDREN

**5000** GIFTS TO SHARE COVID19 DIFFICULTIES

**TOP 50** BEST GROWTH ENTERPRISES IN 2020

**TOP 5** FAMOUS BRANDS Vietnamese Competitive Brands in 2020

**TOP 50** BEST CORPORATE GOVERNANCE Small Cap Groups in 2020

**TOP 500** LARGEST ENTERPRISES IN VIETNAM 2017-2020



**TRADITIONAL FLAGS**  
FROM THE PEOPLE'S COMMITTEE OF HO CHI MINH CITY OF "30 years of establishment and development"

**CERTIFICATE**  
OF MERIT FROM THE PRIME MINISTER FOR "Achievements in service business and social charity work, contributing to the cause of building socialism and defending the country"



Construction of civil and traffic works (road) company **CLASS I**

Construction for traffic (bridges), industry, technical infrastructure company **CLASS II**

Company of design and verify designs of civil, industrial, traffic, and technical infrastructure **CLASS II**



**“Throughout 30-year golden journey of TRACODI established and developed, I am proud of the consensus, the ability to respond proactively, flexibly, and the ability to promote bravery, overcome difficulties and challenges to move forward strongly, self-upgrading to higher levels, win the trust and love from shareholders, partners and customers, thereby helping TRACODI firmly maintain its position in the market and contribute to the prosperity of the country.”**



**NGUYEN THANH HUNG**  
GENERAL DIRECTOR

## STATEMENT OF THE GENERAL DIRECTOR

The general situation of 2020 is considered a year of enormous difficulties and challenges for the world economy. The dynamic, creative and decisive management of the Board of Directors, the continuous efforts of the Board of Management and the enthusiasm and determination of TRACODI's employees in the trend of integration, in the direction of increasing Professional, sustainable development, has been gradually affirming TRACODI's position in the construction industry in Vietnam, one of the industries capable of leading the economy and bringing a huge source of national income. Along with that, the orientation of 2021 will continue to be TRACODI's special breakthrough year for the next 10 years with the growth of nearly 100% targets focusing on key activities of industrial, infrastructure and civil constructions. At the same time, we always aim to do business not only to bring profits but also to create a balance in economic, environmental and social development.

2020 is also a special year that TRACODI celebrates its 30th anniversary of establishment and development (October 30, 1990 - October 30, 2020). This event has an essential meaning, identified as a pivotal year in its journey to continue writing the sustainable development history of TRACODI brand. It has been a long journey for TRACODI to make more efforts in corporate governance and administration, thoroughly solving the limitations to create value for the TRACODI brand to develop further in business efficiency, safety and ensure maximum benefits of shareholders and stakeholders. At the same time, TRACODI always improves benefits and the quality of the working environment for employees, demonstrating its responsibility to the community and society and fulfilling its obligations to the State Budget.

“

**Accompanying and developing with the community is TRACODI's sustainable development goal, a solid foundation for us to create a steadfast business and create value for society. TRACODI wishes to join hands to build a green environment in which everyone has a better, fuller, more equal and humane life, and moreover, a lasting development for the sustainable future of TRACODI.**

”

Strong capacity, the ability to identify and anticipate new trends, continuously improving, and promoting unique strengths are core values that bring TRACODI closer to future success and to promote resilience, excellence in its sustainable development commitments in terms of ensuring transparency in the operation process and subsequent reports so that TRACODI can achieve even more outstanding goals and progress to build a successful business.

GENERAL DIRECTOR

NGUYEN THANH HUNG



# STRATEGIC STATEMENT



The Sustainable Development Goals (SDGs), launched by the United Nations in 2015, are an once-in-a-lifetime opportunity to help create a better world. Given TRACODI's scale and influence, we look forward to both contributing and benefiting from doing this.



Protecting the core human resources, create proactive response capacity, come up with working scenarios and create adaptations to special circumstances during the Covid-19 pandemic.



Be flexible in the way doing business, use the values of our resources to create even greater values and achieve the goals for shareholders and the needs of society



Ensure business continuity by identifying potential risks to develop a better risk management plan, minimizing risks and possible problems.



Consider a positive assessment of TRACODI's short-term and long-term strategies and ambitions, identifying goals which can create growth momentum for Tracodi, thereby helping TRACODI take measures to promote sustainable development.



TRACODI's goals are built on a solid foundation of SDGs, firmly linked together to help us reach new levels, develop economic efficiency, optimize the green environment.



# COMMITTED TO SUSTAINABLE DEVELOPMENT GOALS



## Administration

- ✔ Maintain and promote an effective management role
- ✔ Focus on developing core areas of activity
- ✔ Plan a sustainable management strategy "Maintenance - Effectiveness - Optimization"



## Human resource development

- ✔ Create an effective working environment, develop a salary, bonus and welfare policy in accordance with the regime for employees
- ✔ Improve professional training and soft skills, promote technical creativity



## Green environment work

- ✔ Consistency in implementation to ensure compliance with regulatory policies, maintain and improve an environment-friendly management system
- ✔ Develop and apply an environmental health and safety system that meets ISO standards...
- ✔ Efficient selection of raw materials at the source
- ✔ Use and develop clean energy sources and optimize savings
- ✔ Control and treat emissions well (reduce CO2 emissions and greenhouse gas emissions)
- ✔ Waste and water control



## Responsibility to the community

- ✔ Well implemented social security programs
- ✔ Contribution to the state budget
- ✔ Develop volunteering roles, share with the social community
- ✔ Contributing to the economy and facilities in Vietnam





# COMPANY

# OVERVIEW

GENERAL INFORMATION

CAPITAL STRUCTURE

ESTABLISHMENT AND DEVELOPMENT

VISION - MISSION - CORE VALUES

SCALE AND FIELD OF OPERATION

BUSINESS MODEL

TRACODI'S VALUE CHAIN

ORGANIZATIONAL STRUCTURE

SALES AND PROFITS OF THE COMPANY AND SUBSIDIARIES

OUR PRESENCE



# GENERAL INFORMATION



**TRANSPORT AND INDUSTRY DEVELOPMENT  
INVESTMENT JOINT STOCK COMPANY**

SHORT NAME	<b>TRACODI</b>
BUSINESS REGISTRATION CERTIFICATE	<b>NO. 0300482393</b> First registered on May 25, 2007
STOCK TYPE	<b>CỔ PHIẾU PHỔ THÔNG</b>
STOCK CODE	<b>TCD</b>
PAR VALUE	<b>VND 10.000</b>
TOTAL NUMBER OF SHARES	<b>47.294.590</b> shares

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

Phone +84 28 38330314 - 38330315

Fax: + 84 28 38330317

Email: [ir@tracodi.com.vn](mailto:ir@tracodi.com.vn)

Website: [www.tracodi.com.vn](http://www.tracodi.com.vn)

Youtube: [www.youtube.com/user/Tracodi](https://www.youtube.com/user/Tracodi)



# CAPITAL STRUCTURE

## 2017

26 May 2017: Listed on Ho Chi Minh City Stock Exchange with authorized capital of

**324.850.000.000 VND**

July 2017: increased authorized capital to

**382.301.920.000 VND**

## 2018

In 2018, the authorized capital was increased to

**382.301.920.000 VND**

## 2019

In 2019, the authorized capital was increased to

**423.023.700.000 VND**

## 2020

In 2019, the authorized capital was increased to

**472.945.900.000 VND**



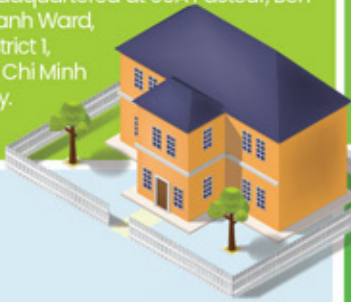


# ESTABLISHMENT AND DEVELOPMENT



## 1990

On October 30, 1990, the company was established under Decision No. 1988/QĐ/TCCB-LĐ with the name of TRANSPORTATION DEVELOPMENT INVESTMENT CORPORATION (TRACODI) - a state-owned enterprise directly under the Ministry of Transport and Post Office, headquartered at 55A Pasteur, Ben Thanh Ward, District 1, Ho Chi Minh City.



## 1993

On June 16, 1993, the State Enterprise was re-established under the name of TRANSPORTATION DEVELOPMENT INVESTMENT COMPANY (TRACODI) under the Ministry of Transportation according to Decision No. 1190/QĐ/TCCB-LĐ.



## 1995

On May 15, 1995, Tracodi Company was transferred from its status quo to the Transport Construction Corporation 6 (CIENCO 6) according to Decision No. 2767/QĐ/TCCB-LĐ of the Ministry of Transportation, production and business activities according to Decision No. 90/QĐ-TTg dated March 7, 1994 of the Prime Minister (model of Corporation 90).



## 2005

On May 18, 2005, the whole TRACODI Company was separated from the status quo of the Transport Construction Corporation 6 (CIENCO 6) to the People's Committee of Long An province under Decision 611. /TTg-CN of the Prime Minister.



## 2007

On April 24, 2007, the State-owned enterprise model was transformed into a one-member limited liability company, renamed as Transport and Industry Development Investment One Member Limited Company (Tracodi Co., Ltd.) according to Decision No. 1131/QĐ-People's Committee of Long An Province.



## 2013

On April 04, 2013, officially transformed from Transport and Industry Development Investment One Member Limited Company (TRACODI Co., Ltd.) to TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT JOINT STOCK COMPANY (TRACODI) controlled by the State. Accordingly, the total authorized capital of Tracodi is VND 78.5 billion, SCIC's holding capital is 68.01%; staff is 1.29%; other shareholders are 30.70%.



## 2020

September 2020, the authorized capital after increase: VND 472,945,900,000, marking the 30-year milestone of TRACODI's growth, proudly honored to receive major awards: "Top 50 Best Growth Enterprises in 2020", "Top 50 Famous Brands - Vietnam Competitive Brands in 2020" and "Top 5 Management Enterprises in Vietnam - Small Cap Group 2020".

At the same time, TRACODI delightfully received the Prime Minister's Certificate of Merit for "Achievements in service business and social charity work, contributing to the cause of building socialism and defending country", along with the traditional flag from the People's Committee of Ho Chi Minh City for "30 years of establishment and development", proud to be in the "Top 500 largest enterprises in Vietnam" for 4 consecutive years.

## 2019

For the second consecutive year, Tracodi was honored as "Top 500 Largest Enterprises in Vietnam in 2019", "Top 10 fastest growing Vietnamese enterprises in 2019" and "Top 500 most profitable enterprises in Vietnam in 2019".



## 2018

Tracodi was honorably listed in "Top 500 Largest Enterprises in Vietnam in 2018".



## 2017

The State Securities Commission issued Document No. 1172/UBCK-GSĐC dated March 7, 2017 approving the Transport and Industry Development Investment Joint Stock Company (Tracodi - TCD) to become a public company. On May 26, 2017, TR officially traded for the first time on Ho Chi Minh City Stock Exchange.



## 2016

On March 31, 2016, Tracodi increased authorized capital to VND 324.85 billion, officially implemented the process for public company registration, securities depository registration and securities listing on HSX stock exchange.



## 2015

On April 17, 2015, Tracodi successfully held an Extraordinary General Meeting of Shareholders to elect members to replace the Board of Directors, Supervisory Board, and change the legal representative. The company officially operated under the model of a joint stock company with 100% private capital since April 24, 2015.





## VISION

- TRACODI becomes the leading construction management company, GENERAL CONTRACTOR in Vietnam in the field of construction: civil, industrial and transport infrastructure.
- Top 10 fastest growing companies in the industry in the period of 2021-2025.
- General contractor with full construction solutions: design, execution, finance and sales.
- Pioneer in the application of new technical solutions (BIM technology) and new material solutions in the construction industry.



## BUSINESS PHILOSOPHY

SAFETY, EFFICIENCY AND FIRM SOLIDARITY, INNOVATION, CREATIVITY AND DISCIPLINE

## MISSION

- Always create the best values for employees, shareholders and contribute to social responsibility.
- Human resources are assets, develop and attract personnel: stable income; project-based salary and bonus benefits; annual ESOP for key staff.
- Require human resources standards of competence, ethics, responsibility and dedication for career passion.
- Express the commitment to shareholders that dividend interests are always stable from 12% annually.
- Sustainable development is reflected in the introduction of green solutions, renewable energy, new materials that not harmful for the environment, and environmental sanitation is always prioritized on construction work.

## CORE VALUES

 <p>Optimizing costs and profits</p>	 <p>Focus on the human element</p>
 <p>Building a cohesive ecological chain</p>	 <p>Strong financial capacity</p>
 <p>Represent social and community responsibility</p>	 <p>Value commitment to stakeholders</p>

## SCALE AND FIELD OF OPERATION

393 EMPLOYEES  
5 FIELDS OF ACTIVITY  
4 SUBSIDIARIES  
3 AFFILIATES

### 01 INFRASTRUCTURE CONSTRUCTION - CIVIL AND INDUSTRIAL

- ✓ 1993 Goes into operation
- ✓ 3 fields : Construction of transport infrastructure, civil and industrial
- ✓ Leading General Contractor in Vietnam
- ✓ 250+ Construction works



### QUARRYING 02

- ✓ 1.5 million m<sup>3</sup>/year : exploiting capacity
- ✓ 40 building stone products
- ✓ The largest quarry in Mekong Delta
- ✓ Mekong Delta area: main distribution place
- ✓ 1 Subsidiary: An Giang Construction Materials Exploitation and Processing Joint Venture Co., Ltd



### 03 COMMERCE

- ✓ Business products: agricultural products, food, furniture, construction materials, medical products
- ✓ Foreign export to USA, Europe, Asia and UAE
- ✓ 1 Subsidiary: Tracodi Trading & Consulting Joint Stock Company



### LABOR EXPORT 04

- ✓ Issuance of permits to send workers to work abroad
- ✓ Potential markets: Japan, Taiwan, Germany, Europe
- ✓ Sourcing: connecting Mekong Delta provinces
- ✓ 1 Subsidiary: Tracodi Labor Export Joint Stock Company



### 05 WATER TREATMENT TECHNOLOGY

- ✓ MET wastewater treatment technology is the first technology in Vietnam and in the world
- ✓ Salt water treatment
- ✓ Polluted river water treatment
- ✓ Industrial wastewater treatment
- ✓ Domestic wastewater treatment
- ✓ 1 Subsidiary: Life Purity Joint Stock Company





# BUSINESS MODEL



## MAIN PARTNER



## KEY ACTIVITIES



Focus on revenue and profit growth

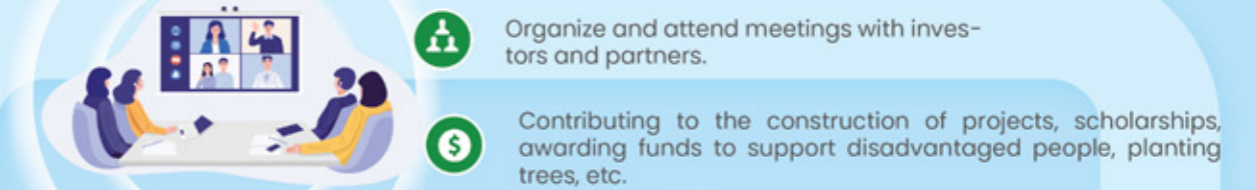
Contribution to the state budget

Contributing to the community

## SOLUTION VALUE



## CUSTOMER RELATIONSHIP



## CUSTOMERS SEGMENT



## MAIN RESOURCES



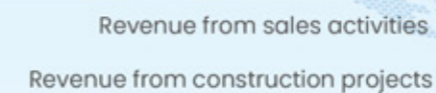
## COST STRUCTURE



## DISTRIBUTION CHANNEL



## REVENUE LINE





# TRACODI'S VALUE CHAIN



**THE INFRASTRUCTURE**

- » General administration
- » Law obedience
- » Making business plans
- » Quality Management
- » Financial balance

**POWER**

- » Focusing on investment in research and development of products, services and projects
- » Expanding of investment business into green and clean energy sectors
- » Linking relationships between stakeholders
- » Training and developing of the workforce



**BUSINESS ACTIVITIES**

- » Clean production
- » Saving energy and raw materials
- » Investing in the construction and development of green energy projects
- » Limiting waste and discharge
- » Investing in and research wastewater treatment technology
- » Using water efficiently
- » Minimizing energy use

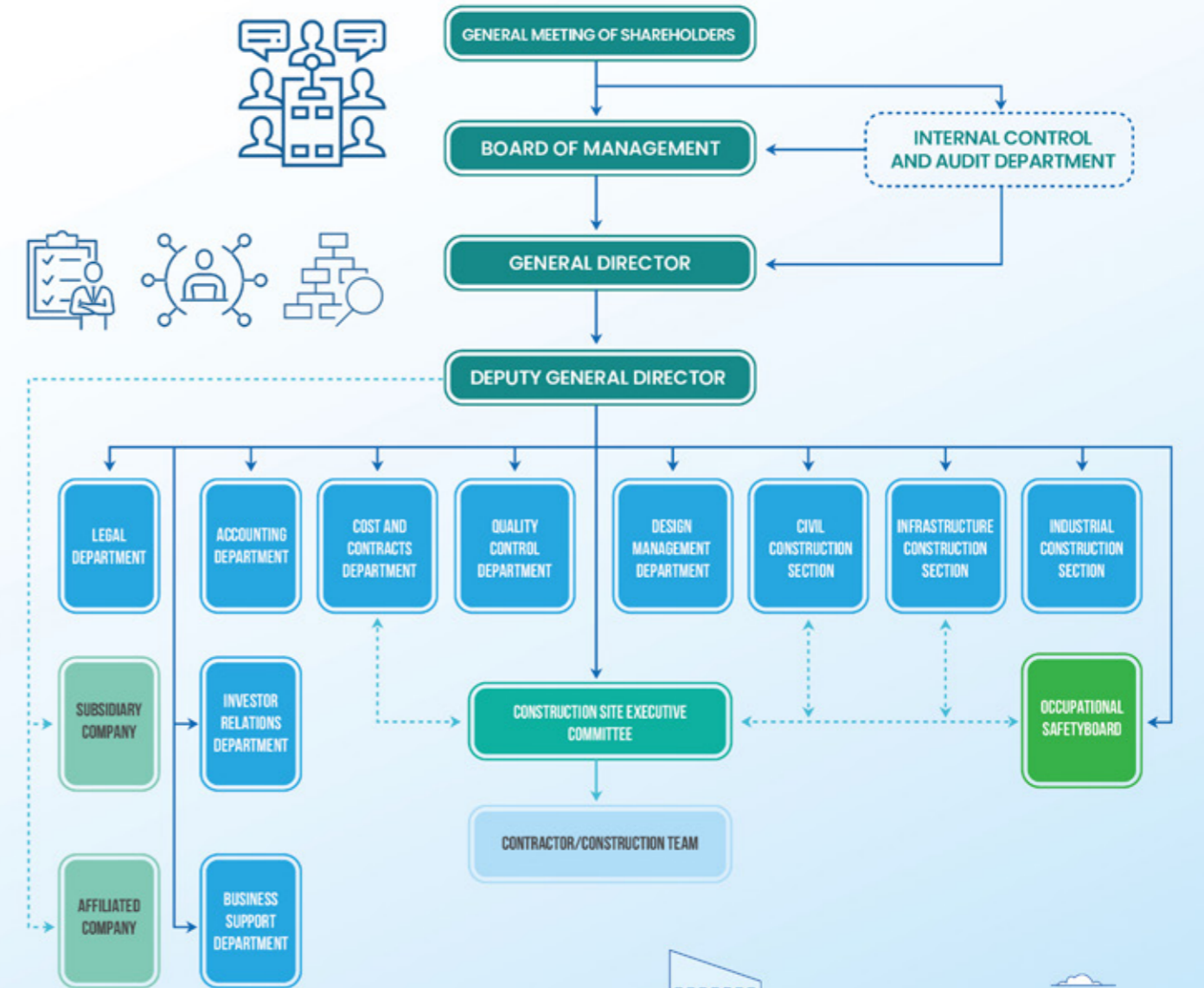


**TECHNICAL DEVELOPMENT**

- » High investment in modern processing technology
- » Optimization of engineering technology



# ORGANIZATIONAL STRUCTURE





# SALES AND PROFITS OF THE COMPANY AND SUBSIDIARIES

## HOLDING COMPANY



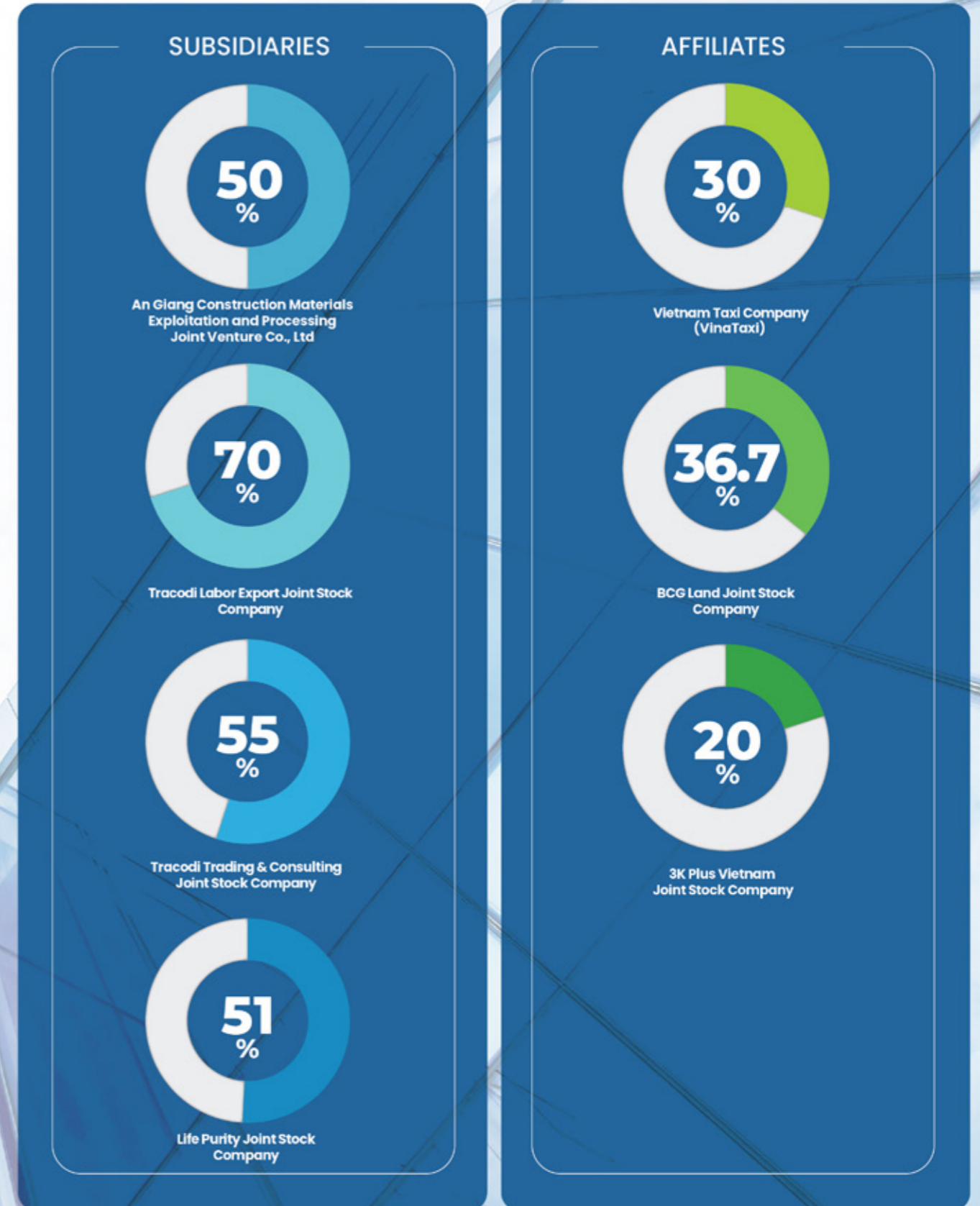
### BAMBOO CAPITAL JOINT STOCK COMPANY

Established in 2011, until now, Bamboo Capital has become one of the leading multi-industry corporations in Vietnam with more than 30 member companies and associates. The stock code is BCG.

With 4 main business segments: manufacturing & agriculture, construction & commerce, infrastructure & real estate and renewable energy, BCG focuses on investing in real estate and renewable energy as a goal of sustainable development.



## SUBSIDIARIES, AFFILIATES





SUBSIDIARIES

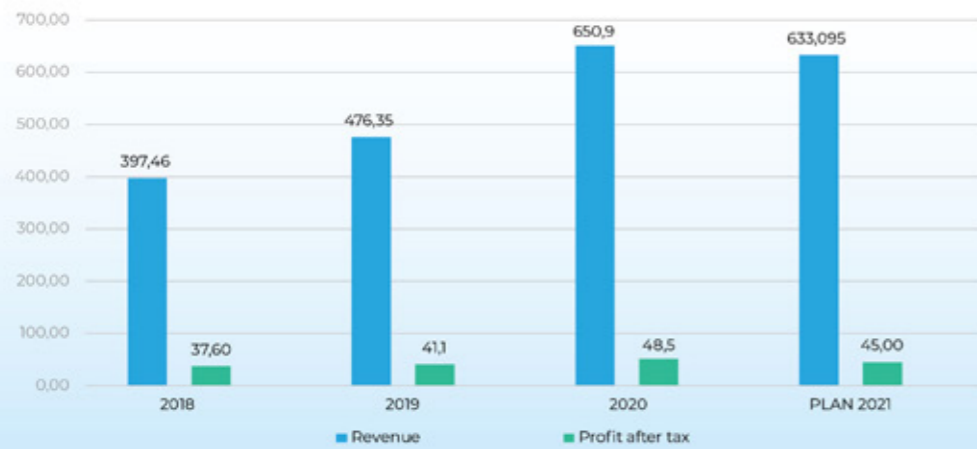
**ANTRACO**

**AN GIANG CONSTRUCTION MATERIALS EXPLOITATION AND PROCESSING JOINT VENTURE COMPANY LIMITED (ANTRACO)**

Antraco Company is an enterprise engaged in the field of mining, processing and trading of construction stone, established in 1994, the company owns the largest quarry in the Mekong Delta.

BUSINESS RESULTS

Unit: Billion VND



REVENUE  
Billion VND  
**650,9**

PROFIT  
AFTER TAX  
Billion VND  
**48,5**

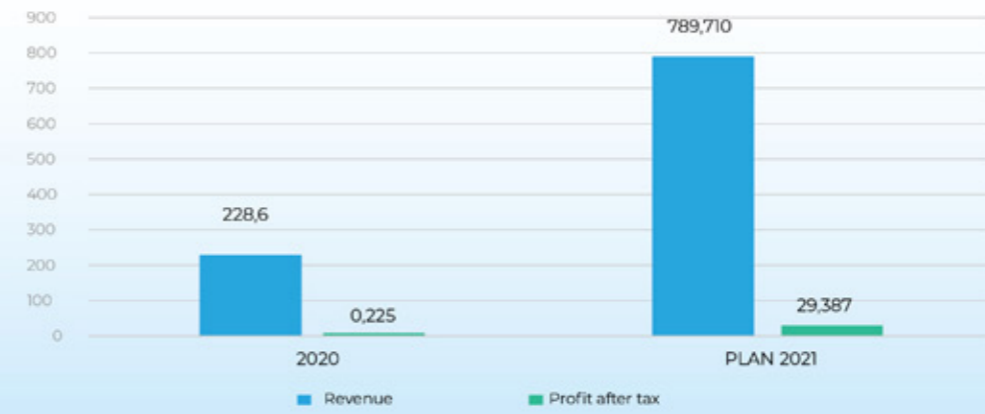


**TRACODI TRADING & CONSULTING JOINT STOCK COMPANY**

Trading in a variety of agricultural and food products such as: exporting roasted coffee, tea, instant bird's nests, modified tapioca starch, interior and exterior furniture and medical products to the US, Europe, Europe, Asia and the UAE, developing into the purchase and sale of equipment and supplies for projects, meeting the construction needs of infrastructure construction.

BUSINESS RESULTS

Unit: Billion VND



REVENUE  
Billion VND  
**228,6**

PROFIT  
AFTER TAX  
Billion VND  
**0,225**

**TRACODI Labour**

**TRACODI LABOR EXPORT JOINT STOCK COMPANY**

Tracodi Labor is one of the first enterprises in Vietnam to be granted a license to send workers to work abroad, focus on potential and quality markets such as Japan, Taiwan, Germany, Europe.

BUSINESS RESULTS

Unit: Billion VND



REVENUE  
Billion VND  
**11,10**

PROFIT  
AFTER TAX  
Billion VND  
**1,155**



**LIFE PURITY JOINT STOCK COMPANY**

Using self-generated mechanical energy technology - MET technology solves negative problems such as salt water treatment, polluted river water treatment, meeting the supply of clean water for living and production needs growing bigger nowadays.





**AFFILIATES**



**VIETNAM TAXI COMPANY (VINATAXI)**

Vinataxi Company was established in 1992. VinaTaxi is the first Taxi service business joint venture present in Vietnam, pioneering in deploying convenient and profitable taxi card program for enterprises since 1996.

**BUSINESS RESULTS**

Unit: Billion VND

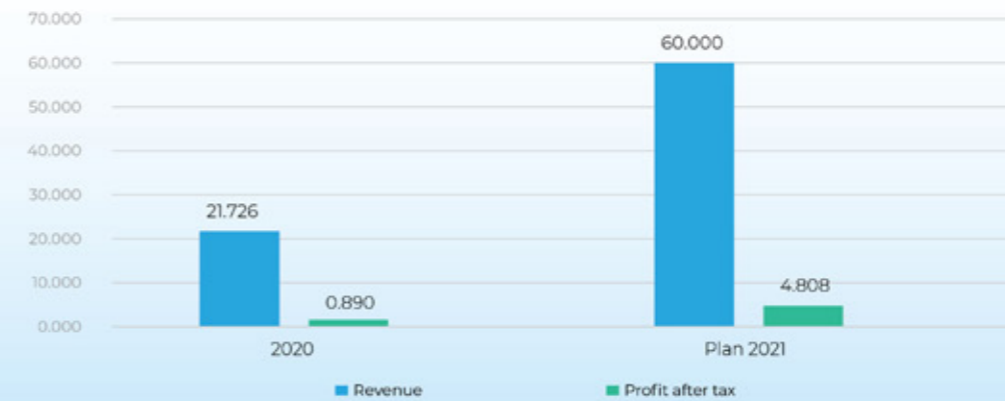


**3K PLUS VIETNAM JOINT STOCK COMPANY**

Established in 2019, 3K Plus Vietnam is an enterprise operating in 2 main business fields: construction and real estate investment. "Desire – Humility – Fearless" is the guideline that every 3K Plus Vietnam member always aims for.

**BUSINESS RESULTS**

Unit: Billion VND

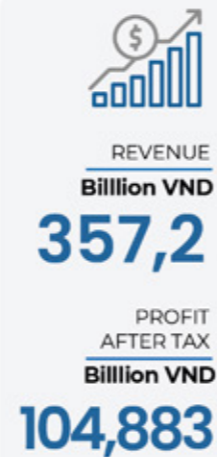


**BCG LAND JOINT STOCK COMPANY**

BCG Land Company was established in 2018. The projects developed by BCG Land have created brand reputation and product lines are well accepted by the market. BCG Land is focusing on investing in the luxury resort real estate segment in prime locations across the country.

**BUSINESS RESULTS**

Unit: Billion VND





## OUR PRESENCE



INFRASTRUCTURE & REAL ESTATE



RENEWABLE ENERGY



**1. BCG - BANG DUONG (BCG-CME LONG AN 1)**

Thanh Hóa, Long An



**2. GAIA (BCG-CME LONG AN 2)**

Thanh Hoa, Long An



**3. PHU MY SOLAR POWER PLANT**

Phu My, Binh Dinh



**4. VNECO VINH LONG SOLAR POWER PLANT**

Vung Liem, Vinh Long



**1. MALIBU HOI AN**  
Dien Ban, Quang Nam



**8. HOIAN D'OR**  
Hoi An, Quang Nam



**3. CASA MARINA RESORT**  
Ghenh Rang, Quy Nhon



**5. CASA MARINA PREMIUM**  
Ghenh Rang, Quy Nhon



**7. CASA MARINA MUI NE**  
Phu Hai, Phan Thiet, Binh Thuan



**2. KING CROWN VILLAGE THAO DIEN**  
Thao Dien Ward, District 2, Ho Chi Minh City



**4. KING CROWN INFINITY**  
Vo Van Ngan Str., Thu Duc City



**9. ARMOR RIVERSIDE VILLAGE**  
Binh Chanh, Ho Chi Minh City



**6. PROVINCIAL HIGHWAY 830 & 824 (BOT)**  
Long An





# STRATEGY AND MANAGEMENT

# OF SUSTAINABLE DEVELOPMENT IN ACTIVITIES

- SUSTAINABLE DEVELOPMENT IN THE CURRENT GENERAL SITUATION
- GENERAL STRATEGY FOR SUSTAINABLE DEVELOPMENT
- SUSTAINABLE DEVELOPMENT GOALS IN 2020
- SUSTAINABLE DEVELOPMENT MANAGEMENT

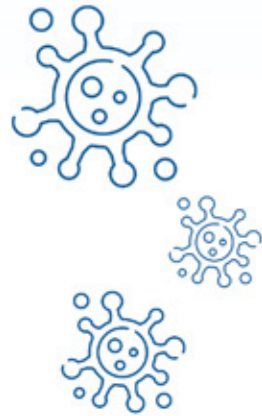
- ENGAGE STAKEHOLDERS
- KEY AREAS
- MATRIX OF MATERIAL TOPICS
- RISK MANAGEMENT



# SUSTAINABLE DEVELOPMENT IN THE CURRENT GENERAL SITUATION

## ECONOMY AND SOCIETY

Socio-economic of our country in 2020 takes place in the context of a strong outbreak of the Covid-19 epidemic and unpredictable developments on a global scale that have seriously affected all aspects of every country in the world. The complicated and unpredictable expansion of the Covid-19 epidemic caused slow down of growth in most industries and fields. The situation of international trade disruption causes consequences to Vietnam's production, export and import activities. Unemployment and underemployment rates are high.



### WORLD

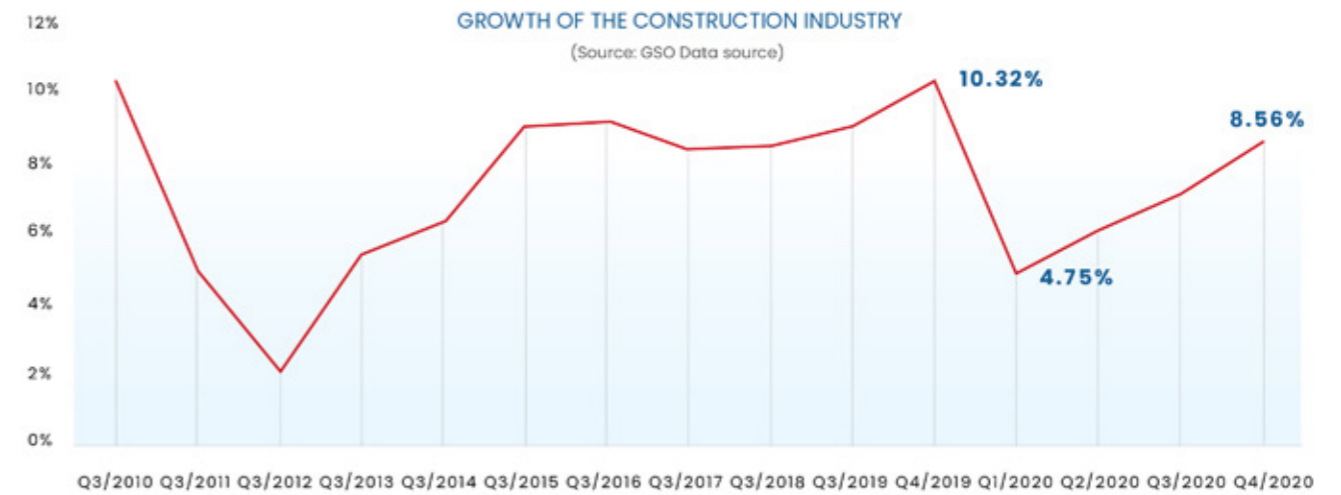
- Socio-economic activities from industry, transportation to services, entertainment... leading to an estimated workforce of more than 3 billion people were simultaneously affected.
- The world economic growth rate in 2020 will decrease by 5-7% compared to previous years.
- Increasing financial risks through the explosion of financial support packages amounting to trillions of dollars and cutting currency interest rates.



### VIETNAM

SOME OUTSTANDING INDICATORS OF VIETNAM'S ECONOMY ACHIEVED IN THE PAST YEAR ARE AS FOLLOWS:

- Vietnam's GDP in 2020 will increase by 2.91%, among the world's highest economic growth groups.
- Consumption growth recovered in the last 6 months of 2020. Consumption in 2020 increased by 1.1% over the same period last year.
- Investment capital from the State budget is the bright spot of investment throughout 2020.
- Monetary policy remained in a controlled easing state, with money supply and credit growth of 14% and 13%, respectively.
- The construction industry in the year to GDP increased from 5.94% to 6.19% and contributed 0.5 percentage points to the added value of the whole economy.
- The prospect of the construction stone industry is particularly thriving from the second half of 2020 and in the coming years.
- The stock market recovered quickly.





# SUSTAINABLE DEVELOPMENT IN THE CURRENT GENERAL SITUATION

## THE NATURAL ENVIRONMENT

The Covid-19 pandemic has had a negative impact on the socio-economy, but at the same time has partly brought a good signal to the environment due to social distancing.



- The reduction of greenhouse gas pollution levels is thanks to the social distancing measures that countries have been applying.
- Improving air quality.
- Reducing emissions in the industrial sector.
- Nevertheless, Covid-19 pandemic increased the amount of waste, especially medical waste.



STRATEGIC VISION FOR SUSTAINABLE DEVELOPMENT AT TRACODI IN 2020  
ACCORDING TO



INVEST IN PEOPLE



- Providing a full range of medical and social insurance services to ensure employees' health
- Implementing gender equality and equal rights between men and women
- Improving employee education and skills training
- Using clean water to serve workers
- Being committed to empowering employees to develop their capabilities
- Providing stable income, improve employees' life

PROSPERITY AND COOPERATION



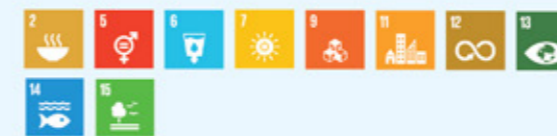
- Improving processes, enhance sustainable growth
- Building a fair working environment
- Ensuring the compatible tasks and create good opportunities for career development

PROMOTING JUSTICE, PEACE AND INCLUSIVE GOVERNANCE



- Enhancing the role of management
- Comply with the law
- Respect and protect human rights
- Directing towards a stable working environment

ENSURE CLIMATE ADAPTABILITY AND ENVIRONMENTAL SUSTAINABILITY



- Effective planning to respond to climate change and natural disasters
- Sustainable management of natural resources and the environment





# SUSTAINABLE DEVELOPMENT GENERAL STRATEGY



Taking full advantage of human resources, well grasping new opportunities in the application of the Sustainable Development Goals (SDGs), launched by the United Nations in 2015, this is the basis for TRACODI to create outstanding values, to reach new horizons, contributing to short-term and long-term development for shareholders as well as society.



Economic growth that does not involve environmental and social responsibility as well as the interests of workers is a mistake. The success does not stem from a small factor, but above all, the ability to apply and manage a good combination of those factors, thereby promoting TRACODI's strengths to contribute to society and build a green environment. TRACODI with a clear view on the goal of sustainable development is reflected in the introduction of green solutions, renewable energy, new and environmentally unharmed materials. Demonstrating our vision of Sustainable Development is a business that not only brings profits, creates an effective working environment, motivates employees, balances the ecosystem and above all reduces the impact on the environment.

Through practical research in TRACODI's strategy and operations, it is possible to grasp the current business situation, thereby proposing some effective solutions and future sustainable development orientations for the Company. The term sustainable development itself has many meanings, these meanings guide managers and leaders to decide what to do in crisis situations and new directions for development. Crisis prevention, mitigation and media response starts with a strategic business plan, the integrity and legitimacy of the organization is at the heart of the theme towards the goal of evolving to protect the interests of the Company in the present and future.



The change in business activities and positioning of its strength in key areas towards sustainable development and creating a green environment have prompted TRACODI to build its own set of linked goals, and closely related to the SDGs, which is clearly shown in this Report, emphasizing more clearly what TRACODI built for the social community and what TRACODI has been promoting.

# SUSTAINABLE DEVELOPMENT GOALS IN 2020



Focusing on key segments: Infrastructure, Civil and Industrial Constructions, Quarrying, Trade, Labor Export and Water Treatment Technology (MET)



Building and developing a team of professional personnel, with good and capable moral qualities, practical experience, constantly innovating



Stabilizing business development, effective risk management



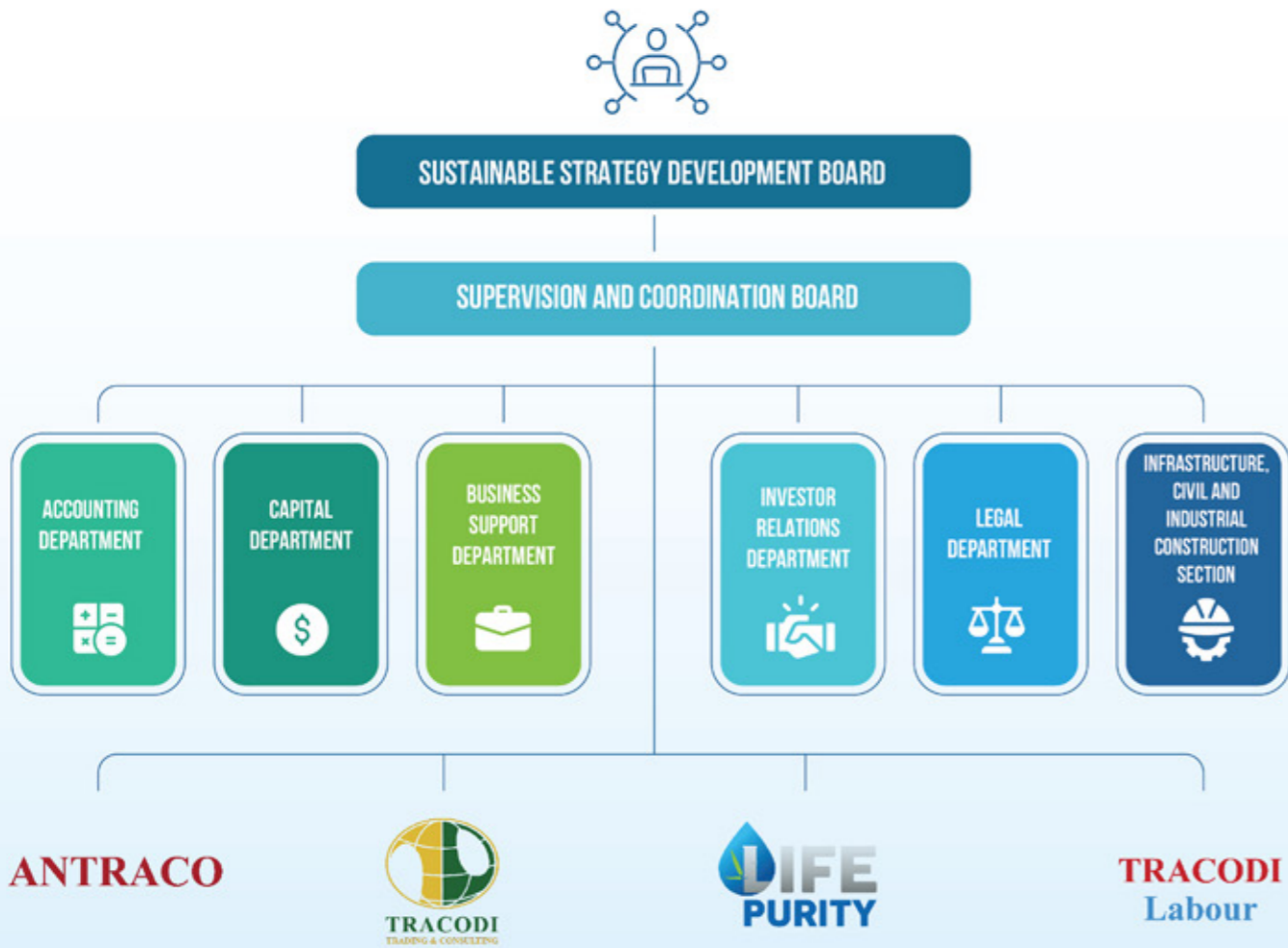
Creating values for the company, shareholders and society



Sharing responsibility with society, joining hands for the community



# SUSTAINABLE DEVELOPMENT MANAGEMENT



# SUSTAINABLE DEVELOPMENT MANAGEMENT



TRACODI's sustainable business solutions offer practical strategies and solutions that help the Company address strategic, compliance, operational, reputational and financial issues related to sustainability.

The element of internal connection occupies a leading part in the development strategy of the company, especially in the process of information communication, assignment of tasks and above all, the efforts of the Board of Directors to develop appropriate strategies, quickly respond to crises and minimize unwanted risks in the future. TRACODI's sustainable business solutions offer practical strategies and solutions that help the Company address strategic, compliance, operational, reputational and financial issues related to sustainability. With extensive expertise, we help strategic partners and customers achieve their sustainable development goals, capitalize their operations effectively, reduce risk, and find solutions that ensure long-term profitability.

To ensure the implementation of the Sustainable Development Strategy and refer to short-term and long-term ambitions to the Company's vision, goals, values and sustainable development, assess risks, overcome inadequacies in the process and to implement the set goals, the Board of Directors develops and executes a practical sustainable development program including prioritized initiatives, supporting tools, milestones, evaluation indicators, performance and measurable goals. The purpose is to ensure that the Company has the necessary policies, standards, systems and people in place to identify and meet international standards of practices in the economic, environmental and social fields





# SUSTAINABLE DEVELOPMENT MANAGEMENT

## SUSTAINABLE STRATEGY DEVELOPMENT BOARD



Mr. **NGUYEN HO NAM**

**CHAIRMAN**

Orienting and directing the implementation of the Sustainable Development Strategy

Mr. **NGUYEN THANH HUNG**

**STANDING VICE CHAIRMAN OF THE 1ST BOARD OF DIRECTORS CUM GENERAL DIRECTOR**

Directing, organizing the Strategy, monitoring, supervising and evaluating the effectiveness of sustainable development activities



## SUPERVISION AND COORDINATION BOARD



Mr. **NGUYEN THE TAI**

**VICE CHAIRMAN**

In charge of implementing strategies and plans to departments and units and supervising related sustainable development activities.



Ms. **LE THI MAI LOAN**

**STANDING VICE CHAIRWOMAN OF THE 2ND BOARD OF DIRECTORS**

In charge of implementing strategies and plans to departments and units and supervising related sustainable development activities.



Mr. **BUI THANH LAM**

**MEMBER OF THE BOARD OF DIRECTORS**

In charge of implementing strategies and plans to departments and units and supervising related sustainable development activities.



Mr. **NGUYEN VIET CUONG**

**HEAD OF THE SUPERVISORY BOARD**

Supervising the process of activities related to sustainable development.



# SUSTAINABLE DEVELOPMENT MANAGEMENT

## IMPLEMENTATION GROUP

### DEPARTMENTS/SECTIONS AT THE PARENT COMPANY



Implementing sustainable development issues at the Parent company and monitor the results of the implementation of sustainability goals at subsidiaries and associated companies, coordinating between departments to promote sustainable development activities.

-  Accounting Department
-  Cost and Contracts Department
-  Business Support Department
-  Investor Relations Department
-  Legal Department
-  Quality Control Department
-  Design Management Department
-  Infrastructure, Civil and Industry Construction Section

### MEMBER COMPANIES AND DEPARTMENTS/SECTIONS AT MEMBER UNITS



Responsible for implementing sustainable development projects and plans according to the Company's strategy and coordinating activities with departments/sections.

-  Antraco
-  Tracodi Trading
-  Tracodi Labor
-  Life Purity



To ensure the implementation of the Sustainable Development Strategy and the realization of the set goals, the Sustainable Strategic Development Board has proposed goals, policies, and action plans. Along with the participation of the Supervisory and Coordination Board, it has contributed to company operation according to strict common standards, fully meeting the required management elements,

connecting departments in the direction of sustainable development goals, ensuring a solid construction in terms of investment capital, strategic implementation plans, maintaining good investor relations, operating on the basis of compliance legal standards, socio-economic goals and role enhancement on social security issues, building Company values to the community.

## SUSTAINABLE DEVELOPMENT PROCESS





# ENGAGE STAKEHOLDERS



TRACODI considers all stakeholders that affect its business. Besides having a direct influence on the business, such as the suppliers, which provide the raw materials for business sustainability, other stakeholders, such as employees, are also important as TRACODI empowering people and making a positive impact on the community around them.

RELATED PARTIES	GOVERNMENT	SHAREHOLDERS	WORKERS	MANAGEMENT COMPANY	CLIENTS	COMMUNITIES	BANK	SUPPLIERS/ CONTRACTORS
Exchange information	Actively participate in perfecting the legal system and related industries	Employment, wages and working conditions, remuneration and bonuses	Strictly complying with the Laws, Regulations and Guidelines set forth by the authorities	Committed to quality products and services		Community development program - local infrastructure development	Economic efficiency and payment for capital providers	Occupational health and safety and environmental management
	Apply and update government regulations	Labor motivation, training programs for career development	Tax obligations	Supply responsibly and sustainably		Employment and job opportunities for local people		Enhance competitive advantage
	Contribute ideas at relevant seminars and conferences	Occupational health and safety	Socio-economic development program for the community			Respond promptly and responsibly to community complaints		
Information receiving and processing Dept.	Legal Dept., Investors Relation Dept.	Human resources Dept.	Legal Dept., Accounting Dept., Life Dept.	Business Dept.		Life Board, Leadership Board	Funding Dept.	Construction Section, Product Dept.
TCD's feedback	Strictly comply with the regulations and policies	Build a dynamic, modern and fair working environment for employees	Strictly comply with Laws and Regulations of government and governing agencies in all activities	Control product quality through quality management system, green and sustainable solutions		Increase investment in community development	Improve credit rating on effective financial management.	Build effective partner-relationship with suppliers/ contractors
	Regularly update and change information and regulations of the Government. Ensuring transparency in business	Develop a transparent feedback system and fair evaluation structure	The company regularly updates fully and promptly the information of Laws and Regulations to ensure that no violations occur. Reports are submitted on time with the strictest compliance.	Product development; dedicated customer service; Satisfy customer needs		Cooperation and human resource capacity building for local communities	Enterprise-wide risk management system, enhancing corporate governance and transparency	Raise awareness of best practice standards
	Fully fulfill the obligations of the business such as paying taxes and insurance. Participating in and launching movements and programs for socio-economic development	Regularly conduct training courses for employees according to their rank and job requirements	The company also ensures that all reports are submitted on time with strict compliance	The company also ensures regular interaction and relationships with customers through communication channels.		Procedures for receiving and resolving complaints promptly and transparently		
		Occupational health and safety program						



# TRACODI'S KEY AREAS

## HOW TO IDENTIFY KEY AREAS ?

- 01.** Collecting information, recording issues related to globally sustainable development factors
- 02.** Choosing an effective sustainable development strategy and focus on the leading role of stakeholders
- 03.** Setting appropriate goals and strategic action plans
- 04.** Adhering to selection and implementation targets

FIELDS	SIDES	KEY AREAS	SDG	
 <p><b>ECONOMY</b></p>	<b>ECONOMIC EFFICIENCY</b>	Sustainable growth Value for shareholders and investors Value brought to the Government	Total Consolidated Revenue Profit before tax Value paid to shareholders and investors Contributing to the state budget through tax obligations	   
	<b>INDIRECT ECONOMIC IMPACT</b>	Invest in community activities Local economic development Creating sustainable jobs	Bridge construction, local support Amount of tapioca starch purchased from farmers Jobs at TRACODI	 
	<b>LABOR AND EMPLOYMENT</b>	Salary and benefits Training and developing Equality and fairness	Employee benefits Number of training courses Percentage of women in the company	   
	<b>PRODUCT LIABILITY</b>	Safety and career development Safe and good products	Occupational safety and health policy HACCP certified products	 
	<b>COMMUNITY RESPONSIBILITY</b>	Local community Socioeconomic Compliance	Share and contribute value Comply with economic and social regulations	
	 <p><b>ENVIRONMENT</b></p>	<b>MATERIALS</b>	Sustainable raw materials and circular economy	Value savings from innovation in production
<b>WASTE AND WASTEWATER</b>		Wastewater and waste control and circular economy	Total amount of waste	
<b>ENERGY</b>		Use green and efficient energy	% CNG ratio/total energy used (% Biomass/total energy used)	
<b>ENVIRONMENTAL COMPLIANCE</b>		Comply with environmental regulations in production activities	Green production, no environmental pollution	



# MATRIX OF MATERIAL TOPICS





# RISK MANAGEMENT



The Covid-19 pandemic is causing an unprecedented global crisis, all countries and fields have been caught up. Many countries have come up with solutions such as lockdown and isolation to prevent the spread of disease. After a quick grasp of the situation, TRACODI's Board of Directors identified risks and devised an appropriate risk management strategy to respond to the epidemic in a timely manner, ensuring the continuous operation of the Company and the health and safety of employees and the community.



## ECONOMIC RISK



Impact from macro fluctuations

The Covid-19 epidemic has a direct impact on development and strongly affects production and business activities.

- » Planning business strategies must be associated with the market, building it on the basis of investigation and study of market demand.
- » Seizing opportunities flexibly and identify key targets and viable business areas.



## ENVIRONMENTAL RISKS



Impact from macro fluctuations

Towards the goal of environmentally friendly sustainable development through improvement activities, innovation, application of advanced technologies to create positive values, reduce environmental pollution.

- » TRACODI is working with construction material suppliers for projects to come up with products that can reduce waste during construction, ensuring safety and cleanliness at the construction site.



## OCCUPATIONAL SAFETY RISKS



Risks about worker's safety responsibility, construction progress  
Awareness of compliance with regulations on occupational safety

- » Improve professional training, equipment and instructions on how to use personal protective equipment.



## COMMUNICATION RISKS



Difficult to control the amount of information and transmission speed

- » Following and updating information.
- » Building predictability and crisis resilience



## LABOR EXPORT RISKS



Risks about worker's safety responsibility, construction progress  
Awareness of compliance with regulations on occupational safety

- » Improve professional training, equipment and instructions on how to use personal protective equipment.



## LEGAL RISKS



Subject to the regulation of domestic and foreign legal scope

- » Complying with laws and regulations.
- » Training human resources to improve legal knowledge.



## NATURAL CALAMITY RISK/CLIMATE CHANGE



Weather events seriously affect the economy  
Risk of fluctuations in input material prices

- » Building natural calamity risk management and improve response capacity.
- » Selecting reputable partners to provide input sources, effectively manage COGS.
- » Contributing close business cooperation relationship with suppliers.

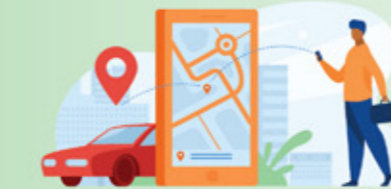


## PANDEMIC RISKS



Increase of essential products prices    Business activity declines  
Stock market falls    Unemployment happens

- » Developing a plan to respond flexibly if a pandemic occurs.



## RISKS IN THE TRANSPORT SECTOR - TAXI



The severe impact of the Covid-19 pandemic on the transportation industry

- » Maintaining and reducing costs, taking advantage of available space to expand the field of motor vehicle inspection.



# RISK MANAGEMENT

## RISK MANAGEMENT PLAN IN 2021



# RISK MANAGEMENT

## ACTUAL IMPLEMENTATION OF RISK MANAGEMENT ACTIVITIES

### STRATEGY "RETAINING PERSONNEL- PERFORMING DUAL DUTIES"



- Advocate the strategy of maintaining personnel and recruiting additional talented personnel
- While preventing the Covid-19 epidemic, successfully completed the set goals and tasks
- Comply with all epidemic prevention measures recommended by the Ministry of Health
- The goal is to have no sick employees and always ensure business continuity
- Raise individual awareness to proactively complete all goals and tasks of production and business
- Developing TRACODI brand as one of the leading construction companies in Vietnam, perfecting the organizational structure with core activities of construction and implementation of large projects





# RISK MANAGEMENT

## TRACODI RESPONDS TO THE COVID-19 PANDEMIC IN 2020

Responding to the COVID-19 pandemic and its consequences will be one of the biggest challenges for TRACODI in this era. TRACODI has launched its business in the context of the pandemic:

- Changing measures and requirements on occupational safety
- Restructuring the workplace
- Restructuring operational procedures
- Allowing some remote work locations
- Deploy online meetings
- Attend the webinar
- Increasing automation and new forms of work
- Accelerating the development of a new business segment – Medical equipment

To evaluate the effectiveness of the COVID-19 response through aspects related to TRACODI's workforce (Protecting People, Safe & Productive Work, Cost Management, Development Investments), Communications).







# SUSTAINABLE DEVELOPMENT REPORT ON ACTIVITIES

SCOPE AND SUBJECT OF THE REPORT

PROPOSAL OF REASON AND TIMELINE FOR REPORTING

SUSTAINABLE DEVELOPMENT REPORT IN EACH FIELD – RELATED COMPANIES

EVALUATION OF REPORTING STANDARDS



## SCOPE AND SUBJECT OF THE REPORT

This sustainability report was prepared for the second time by Transport And Industry Development Investment Joint Stock Company during the period from January 1, 2020 to December 31, 2020, aiming to present and disclose information about TRACODI's operational goals, commitments, and orientations for sustainable development.

The impact level of TRACODI's stakeholders in key areas of operation is clearly presented in the report, including governance methods; goals; sustainable development orientation; TRACODI's commitment to the community, society, stakeholders; business results; social programs; outstanding activities during the year; completion of TRACODI's past and future commitments; concerns; cohesion stakeholders. All factors have partly highlighted TRACODI's business picture.

This report, and the enterprise profile, has been prepared based on the GRI Standards – an internationally recognized standard from the Global Reporting Initiative (GRI), a reference format to standards on economic, environmental and social. Together with the support from the Corporate Sustainability and Reporting for Competitive Business (CSRCB) directly provided by GRI to improve the competitiveness and reporting quality of businesses in Vietnam, contributing to the effective impact of assisting Vietnamese enterprises in general and TRACODI in particular to participate in the global value chain.

There are 17 Sustainable Development Goals of the United Nations, but TRACODI mainly focuses on applying the development goals and strategic direction of the company's Sustainable Development.



### IMPORTANT TOPICS



#### ENVIRONMENT

**GRI 201:** Economic performance



#### ENVIRONMENT

- GRI 301:** Materials
- GRI 302:** Energy
- GRI 303:** Water and Wastewater
- GRI 305:** Emissions
- GRI 306:** Waste
- GRI 307:** Environmental compliance



#### SOCIETY

- GRI 401:** Employment
- GRI 403:** Labor Relations
- GRI 404:** Occupational health and safety
- GRI 413:** Local Community
- GRI 419:** Compliance, economy and society

## PROPOSAL OF REASON AND TIMELINE FOR REPORTING

### PURPOSE OF THE REPORT



- The sustainable development report is considered a tool to measure, announce, explain and commit the responsibility of enterprises to stakeholders for sustainable development activities.
- Exploiting resources to achieve profit goals, contributing to the sustainable development of the country. In the short term, sustainable business activities may increase costs, but in the long term, the company's position is increasingly strengthened and brings economic benefits to itself.
- In order to bring optimal value to shareholders, society, enhance the benefits for the Company and takes the opportunity to clearly recognize risks and improve the ability to control the problem of resource reduction.
- During the fiscal year 2020, the period from January 1, 2020 to December 31, 2020. The reporting cycle is carried out annually.

### REPORTING TIMELINE

## SUSTAINABLE DEVELOPMENT REPORT IN EACH FIELD – RELATED COMPANIES

The selection of material topics is done by referring to the GRI Standards and considering other stakeholders that directly affect TRACODI. The report is designed to ensure transparency in sustainable development reporting, the interests of shareholders and comply with economic – social – environmental standards.

### REPORT OF THE BOARD OF MANAGEMENT ON THE RESULTS OF PRODUCTION AND BUSINESS ACTIVITIES IN 2020



Revenue in 2020 exceeded the plan set by the Board of Directors and higher than revenue in 2019. The profit growth was quite good, specifically, with net revenue and pre-tax profit of VND 2,853 billion and VND 178 billion, respectively, reaching 148.30% and 140.55% of the year plan.

<b>2.853</b> Billion VND	<b>148,30%</b>	<b>178</b> Billion VND	<b>140,55%</b>
NET REVENUE	OF THE YEAR PLAN	PRE-TAX PROFIT	OF THE YEAR PLAN



# SUSTAINABLE DEVELOPMENT REPORT IN EACH FIELD – RELATED COMPANIES

## RESULTS OF PRODUCTION AND BUSINESS ACTIVITIES IN 2020

STT	TARGETS	PLAN 2020	PERFORM 2020	PERCENTAGE (PERFORM/PLAN)
1	NET REVENUE	1.923.586	2.852.633	148,30%
2	Cost of goods sold	1.617.256	2.479.368	153,31%
3	Gross profit	306.330	373.265	121,85%
4	Financial income	11.003	173.622	1577,95%
5	Financial expenses	46.654	173.202	371,25%
6	Profit and loss in associates	1.518	34.521	2274,12%
7	Selling expenses	64.791	108.834	167,98%
8	Enterprise Cost Management	81.749	108.834	144,12%
9	Net profit from operating activities	125.656	181.555	144,49%
10	Other profits	1.010	-3.525	-349,00%
11	TOTAL PROFIT BEFORE TAX	126.666	178.030	140,55%
12	PROFIT AFTER TAX	101.333	178.030	144,82%

The Annual General Meeting of Shareholders year 2020 approved the 2020 dividend plan of 10% to 15% at the time of authorized capital of VND 472 billion in order to prevent the unpredictable situation of the Covid-19 epidemic. On the other hand, the Company needs to keep profits to supplement capital for production and business activities, so, at The Annual General Meeting of Shareholders year 2021, the Board of Management proposed to submit a dividend payment plan for 2020 of 11% / authorized capital (VND 823 billion), of which: 5% in shares to increase authorized capital to deploy large projects in 2021 and 6% in cash. Thus, the dividend rate for 2020 is 11%, still ensuring the expected level as reported at the meeting in 2020.

This is a remarkable effort of the Company during the epidemic period to ensure the interests of shareholders.

## ASSESSMENT OF THE COMPANY'S FINANCIAL POSITION IN 2020

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

Realized net revenue is VND **2,852,633** billion, **48.3%** higher than the target of the business plan in 2020. Revenue increased sharply due to 02 main reasons:



- Revenue from construction activities increased impressively, contributing VND 1,891 billion and accounting for 66.3% of total consolidated revenue. Revenue is mainly due to completion of construction and installation works such as: GAIA solar power plant project (capacity of 100 MWP), Phu My 1, 2, 3 solar energy projects (capacity of 330 MWP in Binh Dinh Province), King Crown Thao Dien Village project, partial progress acceptance from Radisson Blu Hoi An project, new voltage solar power projects with a total built capacity of 43 MW in 2020.
- Profit after tax reached VND 146.7 billion, equivalent to 144.82% of the plan in 2020 and an increase of 54.48% compared to the implementation of 2019 (reached VND 94.9 billion in 2019). Revenue from quarrying activities from Antraco Joint Venture in 2020 also exceeded the planned target, this section achieved revenue of VND 650.9 billion, contributing 22.8% of TRACODI's consolidated revenue target in 2020.

The Company's 2020 financial statements fully reflect its business and financial situation and are presented according to the prescribed reporting forms, in accordance with Vietnamese Accounting Standards and other relevant laws and current regulations

- Revenue from production and business activities far exceeded the original plan. Assets, capital and profits had good growth compared to 2019.
- The Supervisory Board agreed with the opinions of the Independent Auditor on the semi-annual financial statements as of June 30, 2019 and the financial statements for the year ended December 31, 2019.





# EVALUATION OF REPORTING STANDARDS



- TRACODI strictly complies with the provisions of the current Law on enterprises, investment and securities to complete the Sustainable Development year 2020
- The company has strived to make this report accurate, clear, reliable, timely and comparable as recommended by the Global Reporting Initiative (GRI). Economy - Environment - Community are the three overall criteria for building the report.
- This report is prepared in accordance with the Global Reporting Initiative Standards for Sustainable Development Reporting (GRI Standards) released by the Global Sustainability Standards Board (GSSB) in 2016, revised in 2018 and 2020. This is the international standards and the latest version of the Sustainable Development Report.
- With the Strategy of Sustainable Development Report year 2020, TRACODI will follow the development trend of the times, develop more sustainably and strongly. We strongly believe in it. With this report, TRACODI also makes people greater happiness and joy.
- Leadership is carried out regularly and closely so that business activities are stable and grow at the parent company and member companies. The Board of Directors is always ready to accept great opportunities from the development period as well as the crisis (if any) to make the company become domestically and internationally thriving.







# EFFICIENCY OF SUSTAINABLE DEVELOPMENT ON ACTIVITIES

ECONOMY  
ENVIRONMENT  
SOCIETY

SUSTAINABLE DEVELOPMENT ACHIEVEMENTS  
INDICATORS ON PRODUCTION AND BUSINESS IN 2020



# ECONOMY



## GRI 103 – MANAGEMENT APPROACH

TRACODI always focuses on tracking indicators of revenue, expenses, dividends, taxes, ... through a strict management system and is updated regularly to timely grasp the business's performance and propose right business plans. Striving to grow in revenue, profit based on experience, we are committed to the highest benefits for shareholders, income for employees and the economic development of the community.



## GRI 201 – ECONOMIC PERFORMANCE

Established in 1990 and started listing on May 26, 2017, TRACODI is one of the oldest and leading companies in the Vietnamese market today with a charter capital of VND 472,945,900,000 (updated till December 31, 2020), solid financial capacity and stable business growth every year. Through that, TRACODI contributes to a prosperous community, heading towards the long-term benefits of shareholders and stakeholders. In 2020, despite the complicated developments of the COVID-19 pandemic, TRACODI overcame difficulties and experienced breakthrough growth.

Specifically, the company's net revenue increased significantly to VND 1,152 billion, an increase of more than 67.7% compared to year 2019. TRACODI recorded a profit after tax of VND 146,747 billion, up 54.48% over the same period last year, showing that the company continued to maintain a positive growth momentum thanks to good control of expenses, effective risk management, good management of business operations and project investment segments, which raised the Company's position and made huge increase in profits.

In the future, the Company promotes growth with the goal of becoming one of the leading companies in the field of infrastructure construction, while strengthening cooperation with the world's leading partners, striving to produce good products under the brand name TRACODI.



CHARTER CAPITAL

**472,945,900,000** VND



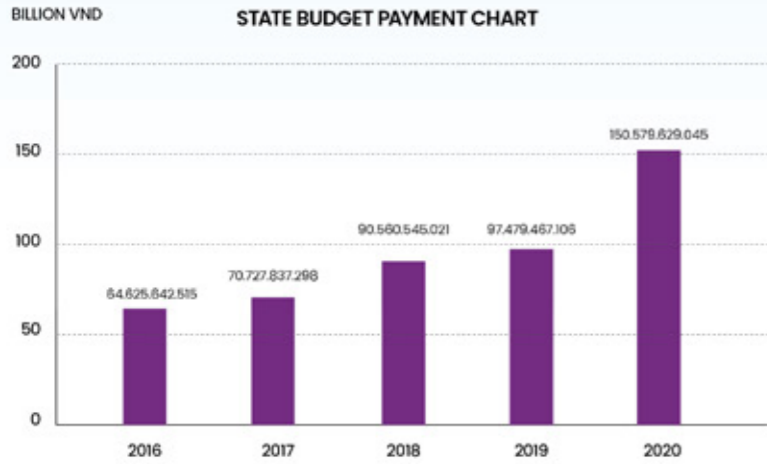
In September 2020, TRACODI's charter capital has reached VND 472,945,900,000, marking the 30-year milestone of the Company's growth. We also proudly honored to receive major awards: "Top 50 Best Growth Enterprises in 2020", "Top 50 Famous Brands - Vietnam Competitive Brands in 2020" and "Top 5 Best Management Enterprises in Vietnam - Small Cap Group 2020". At the same time, TRACODI was delighted to receive the Prime Minister's Certificate of Merit for "Achievements in service business and social charity

work, contributing to the cause of building socialism and defending the country", along with the traditional flag from the People's Committee of Ho Chi Minh City for "30 years of construction and development". We are proud to be in the "Top 500 largest enterprises in Vietnam" for 4 consecutive years. Along with that, there are successful volunteering and social activities, accompanying the community to overcome the Covid-19 pandemic.

TARGET/YEAR	2016	2017	2018	2019	2020
NET REVENUE	831,822,302,020	1,095,900,438,254	875,265,318,408	1,701,003,618,815	2,852,633,077,915
GROSS PROFIT	150,742,292,875	174,895,357,768	222,055,919,265	283,636,813,815	373,265,359,033
PROFIT BEFORE TAX	73,358,727,581	91,368,114,347	104,312,631,255	121,450,477,806	178,030,015,576
PROFIT AFTER TAX	60,228,211,801	74,948,252,377	81,858,010,513	94,989,425,714	146,747,194,042
OWNER'S EQUITY	382,809,529,862	433,550,499,030	490,487,714,159	552,692,295,764	661,435,926,682
EQUITY	324,850,000,000	344,340,340,000	382,301,920,000	423,023,700,000	472,945,900,000
TOTAL ASSETS	2,449,340,607,753	1,153,441,133,045	1,701,218,292,229	1,935,269,553,628	6,239,445,009,383
LIABILITIES MUST PAY	2,066,531,077,891	719,890,634,015	1,210,730,578,070	1,382,577,257,864	5,578,009,082,701
EQUITY/TOTAL ASSETS	15.63%	37.59%	33.04%	33.07%	10.60%
ROS	8.82%	8.34%	11.92%	7.14%	6.36%
PROFIT AFTER TAX /NET REVENUE	7.24%	6.84%	9.35%	5.58%	5.14%
GROSS PROFIT MARGIN	18.12%	15.96%	25.37%	16.67%	13.08%
ROE	15.73%	17.29%	16.69%	17.19%	22.19%
ROA	2.46%	6.50%	5.51%	5.86%	2.35%



Over the years, TRACODI has paid taxes and other payments at the rate of 119.9% compared to registration and budget payment increased by 54.5% compared to year 2019. Annually, the Company has fully and timely paid taxes and other revenues in accordance with the provisions of law, while well protecting the environment and ensuring absolute safety in production and business:

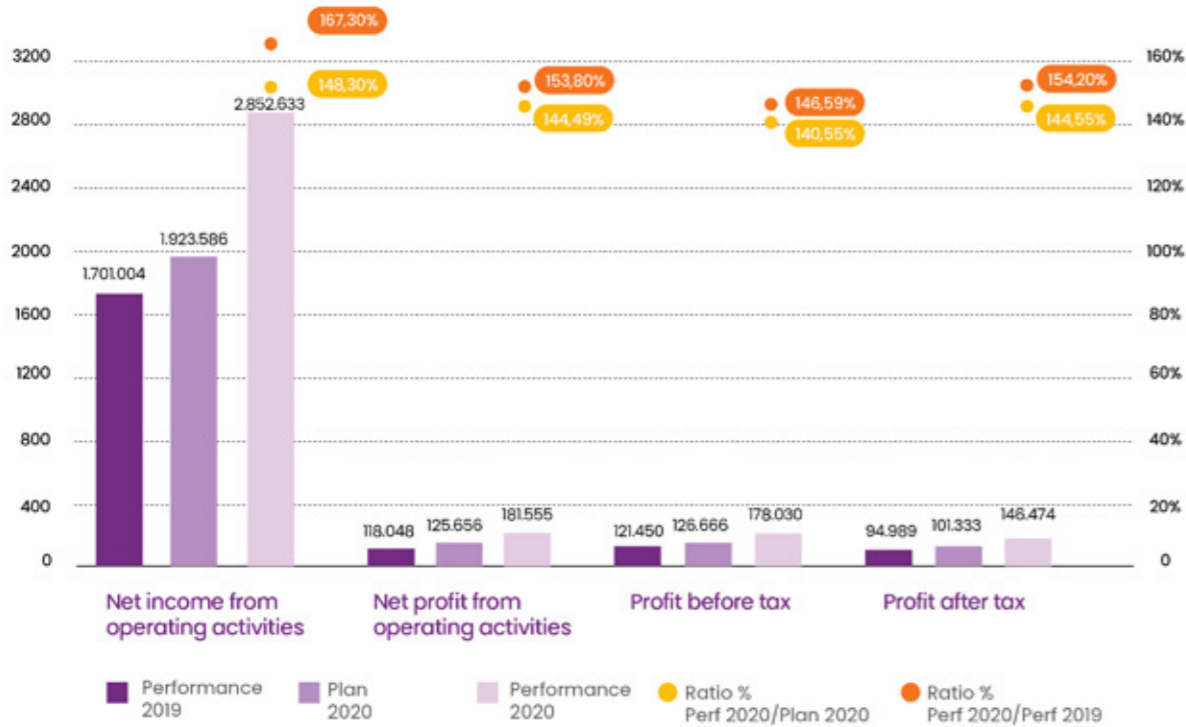


Despite facing many challenges and the fierce competition of the market economy, Vietnam's socio-economy in 2020 takes place in the context that the whole world is struggling with Covid-19 pandemic, natural disasters, political conflicts... However, with the close and drastic direction, quick adaptation to macro fluctuations, the consensus of the company's employees has achieved

solidarity and strength and made 2020 as the 5th consecutive year TRACODI has reached outstanding growth.

Specifically, the audited consolidated report on December 31, 2020 has showed the consolidated business results of TRACODI with the following basic criteria:

Unit: Million VND



DIVIDEND DISTRIBUTION

Performance 2019	Plan 2020	Performance 2020	Ratio % Perf 2020/Plan 2020	Ratio % Perf 2020/Perf 2019
<b>16%</b> (11% in stock and 5% in cash)	<b>10% - 15%</b>	<b>11%</b> (5% in shares and 6% in cash)	<b>110,00%</b>	<b>68,75%</b>

# ENVIRONMENT



### GRI 103 – MANAGEMENT METHODS

TRACODI develops and implements environmental plans that are accurate, far-sighted, highly feasible, and gather the benefits of the whole system. The Company also executes an objective and correct environmental policy that is suitable to the conditions of the organization and ensures the interests of stakeholders.

### GRI 301 – MATERIALS



### GRI 103 – MANAGEMENT METHODS

We always promote efforts to contribute to resource conservation activities through close coordination and support with traders and farmers.



### GRI 301 – MATERIALS

As a typical enterprise in the field of starch production, Tapiotek understands its impact through the use of raw materials. The main product of our business is cassava, with a very high and continuous demand for raw materials.

Policy	Commitment
Under development	Under development
Goals/Targets	Responsibility
Under development	Director of Sales
Human resource	System for receiving and settling complaints
Raw material purchasing team	None
Specific programs, project actions, initiatives during the year	
Use biodegradable packaging to replace traditional packaging improve the role of using green upstream raw materials.	



AN OVERVIEW OF THE COMPANY'S MANAGEMENT APPROACH TO RAW MATERIALS IN 2020

Evaluation System	Result	Adjustment or suggestion
The use of raw material was periodically rated as a critical data of the production. Board of Director and Production Manager will review these data.	Đạt	Không

Materials used by weight or quantity  
Unit: Kg

**TAPIOTEK COMPANY**  
**2020**

**10.784.627** | MATERIALS THAT CAN BE REGENERATED  
FRESH CASSAVA(KG)

---

**2.057** | NON-RENEWABLE MATERIALS  
PACKING(KG)



GRI 302 – ENERGY



GRI 103- MANAGEMENT APPROACH

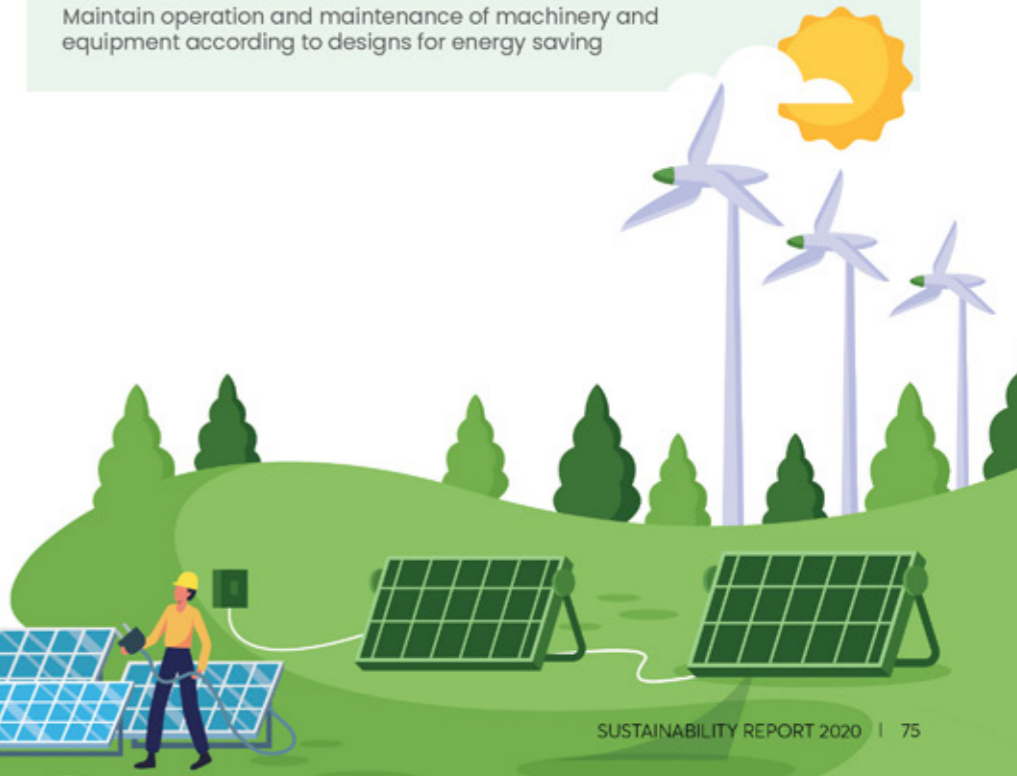
TRACODI ensures significant electrical energy needs during production, reducing the negative effects of excessive energy use through controlling electricity consumption, encouraging power saving, etc.



GRI 302 – ENERGY

LD ANTRACO Co., Ltd. has been successful in reducing electricity use and has started using renewable energy sources for business. The amount of energy used is statistically and fully reported in weekly production reports.

Policy	Commitment
Use energy economically, efficiently and environmentally friendly	Comply with environmental laws
Goals/ Targets	Responsibility
Energy saving	Director
Human Resource	System for receiving and settling complaints
Engineering Dept, Electricity team	Under development
Specific programs, actions, projects and initiatives during the year	
Maintain operation and maintenance of machinery and equipment according to designs for energy saving	





OVERVIEW OF THE COMPANY'S MANAGEMENT APPROACH TO ENERGY IN 2020

Evaluation System	Result	Adjustment or suggestion
Board of Directors reviews energy usage by department monthly.	Good	None

Energy consumption in ANTRACO LD Co., LTD  
2019-2020  
Unit: Kwh

TOTAL ENERGY CONSUMPTION (1) 2019 **12.110.891** | Kwh

TOTAL ENERGY CONSUMPTION (1) 2020 **13.032.075** | Kwh

Intensity of Energy Use LD ANTRACO CO., LTD  
2019-2020

TOTAL ENERGY CONSUMPTION (1) 2019 **10.110.891** | Kwh 2020 **11.906.852** | Kwh

TOTAL PRODUCTS PRODUCED (2) 2019 **1.651.963** 2020 **1.693.137**

INTENSITY OF ENERGY USE TO PRODUCE 1 UNIT OF PRODUCT (1)/(2)

2019 **6.12** 2020 **7.03**



GRI 303 – WATER AND WASTEWATER



GRI 103- MANAGEMENT APPROACH

We are making all efforts to control and save water, recycle and reuse water as well as ensure the quality of the output waste to limit the negative impacts on the environment.



GRI 303 – WATER AND WASTEWATER

We manage our water and wastewater issues through a wastewater treatment system and a cistern where treated water can be reused for other purposes such as watering plants, watering roads, spraying dust in crushers, etc., to minimize the amount of dust dispersed.

Policy	Commitment
Comply with and implement the wastewater control plan, prepare before the construction is started	Comply with environmental laws
Goals/ Targets	Responsibility
Save water	Head of Safety Department, Company Director
Human Resource	System for receiving and settling complaints
Occupational Safety Dept, Sanitation and Fire Prevention Dept.	Under development
Specific programs, actions, projects and initiatives during the year	
<ul style="list-style-type: none"> <li>• Identification of waste water sources, development of contaminated water treatment methods</li> <li>• Proper treatment of water from washing large equipment to mix concrete</li> <li>• Establish a suitable wastewater treatment site for construction activities</li> <li>• Build surrounding embankments at washing areas, where fuel is stored</li> <li>• Treat the oil obtained in the separation pit as specified by the contractor</li> <li>• Prevent contact and clearly mark environmentally sensitive areas.</li> <li>• Quickly handle dirt collection pits, embankments, filter tanks during the construction phase</li> </ul>	

OVERVIEW OF THE COMPANY'S MANAGEMENT APPROACH FOR WATER AND WASTEWATER IN 2020

Evaluation System	Result	Adjustment or suggestion
The Board of Directors reviews monthly water use by department.	Good	None





Total amount of water input by source LD ANTRACO CO., LTD in 2020

**50.000** | Surface water (rivers, streams, ponds, lakes, etc.)  
Amount of water (m<sup>3</sup>)

**20.000** | Rain water  
Amount of water (m<sup>3</sup>)

**20.000** | Urban water supply  
Amount of water (m<sup>3</sup>)



Policy	Commitment
Implement Maximum emission control policy such as dust control, noise control.	Comply with environmental laws
Goals/ Targets	Responsibility
Maximum control and restriction emissions are generated.	Head of Safety Department, Company Director
Human Resource	System for receiving and settling complain
Occupational Safety Dept.	Under development
Specific programs, actions, projects and initiatives during the year	
Maintaining regular maintenance and servicing of transport machinery also contributes to minimizing emissions to the environment. Research and apply advanced technology in the production process.	

**GRI 305 – EMISSIONS**



**GRI 103- MANAGEMENT METHOD**

We strictly control emissions to ensure an environmentally and community-friendly production process. Activities to reduce emissions of environmental pollution are carried out through limiting emissions from means of transport, machinery and equipment.



**GRI 305 – EMISSIONS**

Specifically, transport vehicles are encouraged to turn off their engines when not in use. In addition, regular maintenance of transportation machinery also contributes to reducing emissions to the environment. Investing in advanced technology is also one of the methods implemented by the Company to reduce pollutant emissions and improve production as well as business efficiency.

**DUST CONTROL:**

- Drilling and shooting concrete: Where chiseling is underway, dust control is required for concrete, including spraying water before drilling, using nets and tarpaulins to control dust dispersion.
- Material handling: minimize the actual transport height to limit dust generated from loading and unloading. All warehouses of supplies and materials must be covered with waterproof sheets or sprayed with water so as not to generate dust
- Dust generated from vehicles: water spray is used to wet the potential dust source. Cover the sides and back of the truck for vehicles to transport materials.
- Provide car wash facilities at the exits of the construction site to prevent dust from being generated outside. Control the speed of traffic on the construction site to limit suspended and dispersed dust.
- Improve training to increase awareness of compliance and compliance with the principle of dust reduction
- Site clearance.

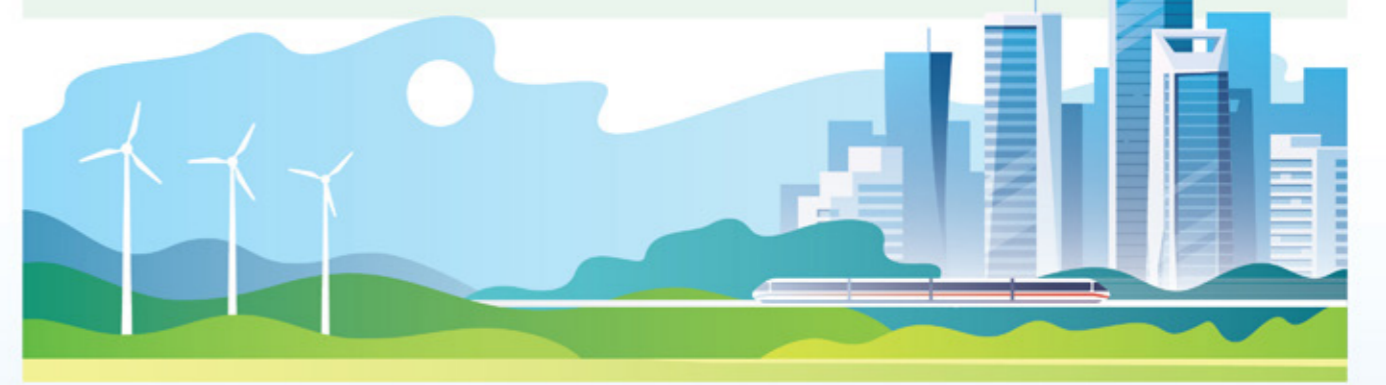
**NOISE CONTROL:**

- Systematic control of activities that often cause noise, such as drilling, concrete chiselling, piling, etc.
- Analyze the cause of the noise and quickly deal with it.
- Location of noise sources must be away from hard walls and corners.
- Isolate the source of noise and reduce the number of workers in direct contact.
- Using soundproofing equipment, equipment and tools to help reduce noise.

TRACODI COMPLIES WITH REGULATION QCVN 26:2010/BTNMT ON NOISE LIMITS BETWEEN 55.5 DBA – 67.5 DBA

**OVERVIEW OF THE MANAGEMENT APPROACH TO EMISSIONS ACTIVITIES OF THE COMPANY IN 2020**

Evaluation System	Result	Adjustment or Suggestion
Emissions to the environment are monitored by a competent organization once a year, reported to the Board of Directors and management agencies.	Good	None





**GRI 306 – WASTE**



**GRI 103- MANAGEMENT METHOD**

We manage regularly check and control waste treatment to ensure effective environmental protection. The company hires a waste treatment unit for destruction in accordance with the law. In addition, we conduct a weekly inspection team at the production area where the Company's production and business activities are located to obtain accurate and transparent assessment results.



**GRI 306 – WASTE**

The Company collects waste and puts into waste storage, periodically 3 times/week for waste and 3 months/year for hazardous waste.

Policy	Commitment
Sign waste treatment contracts with specialized units	Comply with environmental laws
Goals/ Targets	Responsibility
Effective control of waste, applicable to site operations.	Head of Department of Occupational Safety, Sanitation and Fire Prevention
Human Resource	System for receiving and settling complain
Department of Occupational Safety , Sanitation and Fire Prevention	Under development
Specific programs, actions, projects and initiatives during the year	
Issue regulations on waste management, continue to improve production processes and technology to minimize waste	



- Develop a program of continuous improvement in waste reduction
- Incorporating waste control hierarchy
- The system includes collection, classification, treatment and recycling of waste
- Waste segregation and temporary and controlled storage areas
- Take all necessary measures to prevent the discharge of waste into the Environment
- Plan and manage construction and demolition waste according to regulations
- Hazardous waste has its own storage area and has a treatment process to ensure the allowed time is 60 days
- Household garbage must be stored in closed containers and separate from other waste

**OVERVIEW ASSESSMENT OF THE MANAGEMENT APPROACH TO WASTE THE COMPANY IN 2020.**

Evaluation System	Result	Adjustment or suggestion
The Department of Occupational Safety, Sanitation and Fire Protection periodically assesses the sanitary condition of factories on a weekly basis, and prepares reports to the Board of Directors.	Good	None

**GRI 307, 419 – ENVIRONMENTAL, ECONOMIC, SOCIAL COMPLIANCE**



**GRI 103- MANAGEMENT METHOD**

Compliance with environmental, economic and social laws represents the fundamental responsibility of enterprises for their impacts. TRACODI always ensures its highest level of compliance.



**GRI 307, 419 – ENVIRONMENTAL, ECONOMIC, SOCIAL COMPLIANCE**

Our Company affirms its management capacity, limits the remedial obligations, strengthens business profile. Environmental sanitation and hygiene in the workplace are disseminated to all employees, minimizing the risks related to violations of environmental law. The company carries out an environmental impact assessment and is committed to environmental protection before operating. In addition, environmental measurement and monitoring activities are executed once a month and reported to the authorities to ensure strict environmental law compliance.







Policy	Commitment
Under development	Comply with environmental laws
Goals/ Targets	Responsibility
Comply with all legal regulations and requirements of related parties	Manager
Human Resource	System for receiving and settling complain
Department of Occupational Safety, Sanitation and Fire Prevention	Under development
Specific programs, actions, projects and initiatives during the year	
List legal documents that are updated regularly to ensure compliance	

**OVERVIEW OF THE CORPORATE GOVERNANCE APPROACH TO ENVIRONMENTAL, ECONOMIC AND SOCIAL COMPLIANCE IN 2020**

Evaluation System	Result	Adjustment or suggestion
Law and regulation compliance is regularly monitored. Any non-compliance especially with legal requirements will be immediately reported to the Company's.	Good	None

# SOCIETY



### GRI 103 - MANAGEMENT METHOD

The quality of human resources must always be maintained and improved to develop the quality of production and business. The Company keeps investing in training and education processes for employees, and build employee engagement with the company, as well as customers, while increasing employees' competence.



### GRI 401 - EMPLOYMENT

#### STARTING SALARIES

We develop policies to ensure health, safety and welfare of employees. The Board of Directors, Executive Board, Supervisory Board are entitled to salary, bonus and other benefits according to the salary, bonus and other welfare regimes in accordance with current regulations of TRACODI and are paid according to positions and titles associated with the level of task completion.





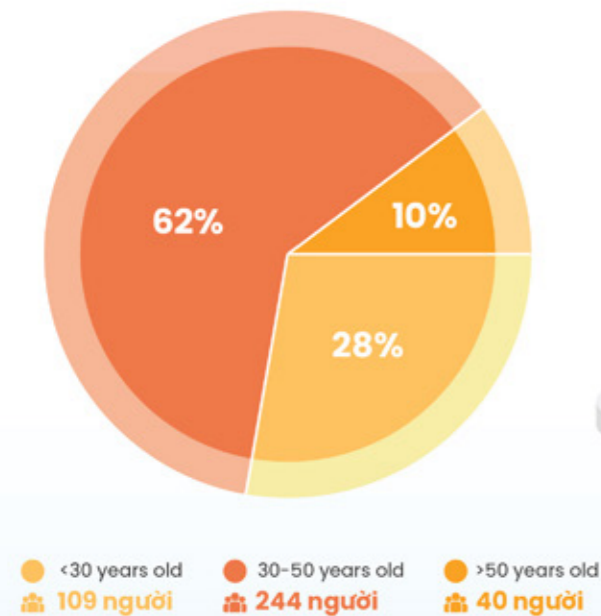
**OVERVIEW OF THE MANAGEMENT APPROACH TO THE MARKET PRESENCE OF THE COMPANY IN 2020**

Evaluation System	Result	Adjustment or suggestion
Policies and evaluation results, salary and bonus are evaluated annually by the Board of Directors and the Emulation and Reward Council, under the supervision of the Labor Union and the administrative division.	Good	None

**Ratio of starting salaries by gender to regional minimum wage of TRACODI and Antraco Company 2020**

Location	Staff		Workers (excluding official staff – eg: Contractor workers, outsourced workers, etc.)	
	Male	Female	Male	Female
Ho Chi Minh City	154%	154%		
An Giang City	134%	134%		

THE PILE CHART SHOWS THE PROPORTION OF LABOR BY AGE



**LABOR POLICY AND WELFARE**

Policy	Commitment
Guarantee decent salary and income comparing with other businesses in the region and the same industry for long-term cooperation and dedication	Ensure work and life stability for employees, ensure all of them enjoy all material and spiritual benefits as prescribed by law Ensure employees are evaluated and rewarded according to their competence and achievements
Goals/ Targets	System for receiving and settling complaints
Under development	Receive and resolve complaints through Labor Union
Human Resource	Responsibility
Trưởng/Phó các phòng ban Công ty như Phòng Tổ chức – hành chính và Phòng Tài Chính – Kế Toán	Board of Directors
Specific programs, actions, projects and initiatives during the year	
Develop policies on salary and bonus	

The current minimum salary of employees is about VND 5,868,000 million /month, higher than the one prescribed by law (according to the latest document, by region 1, 2, 3). In addition to that decent salary amount, employees working at TRACODI are entitled to the following salary, bonus and remuneration regimes: 100% of the company's employees are insured with the total amount in 2020).



- Salary is paid according to job positions, individual competence, performance results of each individual and department (KPIs).
- The Company promulgates a reward system: 13th month bonus, bonus on work performance, level of contribution to business results. The salary payment based on job position and work efficiency of each employee creates motivation and improves labor productivity. In addition, the company will also apply bonuses for public holidays (Lunar New Year, April 30, May 1 ...).
- Employees are considered to be promoted, assigned and evaluated to receive rewards.



GRI 403 - SAFETY AND CAREER DEVELOPMENT



The importance of health and safety in the workplace is the duty and ethical responsibility of TRACODI in the care and protection of its employees. We always give priority to improving the quality of the workplace, creating a friendly working environment, meeting the needs and ensuring the policy on safety and health care for employees. "Health and Safety" are two major factors that directly affect the quality of work and the efficiency of production and business activities.

Based on the criteria of occupational safety, employees are entitled to an insurance regime according to the regulations of Vietnam, ensured their rights during retirement, sickness, maternity, and annual health check. In addition to the insurance regime prescribed by the State, the Company also buys additional health insurance and accident insurance for employees (through Bao Viet Insurance Company). In addition, employees are also entitled to welfare regimes: sightseeing, vacation, allowance when family or themselves are sick, filial piety,...



Policy	Commitment
Ensure safe working conditions for employees, provide labor protection, support tools and apply measures to prevent occupational accidents as much as possible. Comply with the issued rules and policies on occupational safety. Tracodi's Health and Safety Management System complies with the requirements of existing local and international standards BS 18001:2007 and is part of a common process management system hosted on the Tracodi's internal network for all employees to apply. **See details on page 87	Commitment to comply with labor laws
Goals/ Targets	System for receiving and settling complaints
Minimize risks and prevent occupational accidents	Internal processing system
Human Resource	Responsibility
Department of Occupational Safety, Sanitation and Fire Prevention	General Director
Specific programs, actions, projects and initiatives during the year	
Develop common standards, regulations on occupational safety and operating regulations	



SAFETY, HEALTH AND ENVIRONMENTAL POLICY OF TRACODI

The Board of Directors of Tracodi considers the Safety, Health and Environment issues of all employees, consulting units, third-party personnel and the investor's personnel as the most important issues. Therefore, the following guidance has been released:

- 01 The objectives, plans and processes of the safety policy are clearly defined and documented to the extent appropriate for implementation.
- 02 The management of safety, health and environment is a mandatory factor comparable to the benefits and construction of production; and if any problem arises, safety will be prioritized.
- 03 The effective management of safety, health and the environment is the responsibility of the managers and is responded by all employees.
- 04 Working safely is a necessity for employees, and they must use appropriate risk control tools to plan their activities.
- 05 All construction and production activities must fully comply with the requirements of the Safety, Health and Environmental Management System, and local legal requirements.
- 06 During any working processes, all employees must comply with Tracodi's Safety, Health and Environmental Management System.
- 07 All incidents, accidents and injuries are preventable by effective investigation, testing, inspection, training, engagement, preparation and coordination measured by all relevant parties.
- 08 Tracodi always seeks to improve safety, health and environmental performance including reviewing activities carried out by internal control and assessing compliance in setting new goals in the future.
- 09 The company thoroughly examines the implementation of the HSE management system to ensure its relevance, suitability and compatibility with quality requirements and current project conditions.
- 10 We allocate human power and necessary resources to effectively implement and maintain an environmental, health and safety organizational structure.
- 11 We also apply professional safety, health and environmental performance guidelines, monitor and control the company's performance, and prepare progress reports and implementation plans as requested.
- 12 Provide appropriate emergency response to minimize the proliferation of safety, health and environmental non-compliance.
- 13 Whenever and wherever, the company consults with those who involved in the work in order to promote common positive views, openness of constructive comments, and report hazards, early warning signs, occupational health assurance system and mutually support to benefit all employees.

Tracodi's safety, health and environmental management system conforms to the requirements of existing local and international standards BS 18001:2007 and is part of the company's Common Process Management System. It is kept on Tracodi's internal network for all employees' reference and application. All employees must perform appropriate and necessary process to qualify the requirements of this policy. Despite urgency and importance of any tasks, safety is always the first priority.



**WELFARE COMPONENTS FOR EMPLOYEES OF TRACODI IN 2020**

Policy	Full-time	Contracted/Part-time
Social Insurance	☑	
Unemployment insurance	☑	
Health Insurance	☑	
Maternity leave	☑	
Health care	☑	

Safety regulations are clearly stated in the Labor Contract Agreement; in addition, the Company conducts periodic health checks and regular monitoring for employees, especially workers working in high-risk areas. We commit to 100% of employees participating in health care and ensuring good health to work.

Evaluation System	Result	Adjustment or suggestion
Issues on occupational safety and health are assessed monthly by the Department of Occupational Safety, Sanitation and Fire Prevention, and the results are reported to the Board of Directors.	Good	None

**MATERNITY LEAVE OF TRACODI IN 2020**

Policy	Nam	Nữ
Total number of employees entitled to maternity leave		0
Total number of employees on maternity leave		0
Total number of employees who returned to work in the year after the end of maternity leave		0
Total number of employees who returned to work and were retained, within 12 months, after the end of maternity leave		0
Return to work and retention rates of employees who have taken maternity leave		0
Retention rate of employees who have taken maternity leave		0

**GRI 404 - EDUCATION AND TRAINING**



**EDUCATION POLICY**

Human resource is not only valuable asset of each company but also the property of the whole society. Therefore, maintaining and developing an elite and professional staff is a responsibility that TRACODI always prioritizes in order to create stable jobs, develop sustainable business and build a happy life for them.

In addition to salary policies, the company also focuses on improving professional qualifications and developing skills for employees. We always creates favorable conditions for them to participate in domestic and foreign training courses.

**THE PROCESS OF JOINING TRACODI**

- Attracting manpower >> Join the recruitment process
- >> Integration with the organization >> Dedication
- >> Achievement contributions

**PERSONNEL TRAINING**

The company focuses on improving professional qualifications and developing skills for employees, always creating conditions for them to participate in domestic and foreign training courses.

The Company regularly cooperates with the Human Resources Training Company to organize training courses to improve the qualifications and expertise of employees such as management skills, negotiation skills, conflict resolution, updating new knowledge, or working with high efficiency. Training programs are designed in accordance with qualifications and levels such as "Know yourself and understand people" for leaders of departments and key personnel of the Company or "Negotiation skills" "Effective time management" for employee to ensure that they are fully equipped with the necessary skills and knowledge to be able to complete assigned tasks and achieve work efficiency.



**Education programs**

**Level of response**

- Work safety
- Management skill
- Sales skill
- Negotiation skill
- Time management
- Conflict resolution





The program of training, emulation and commendation is carried out in the direction of diversity, encouraging teams and individuals to successfully complete tasks in all fields. Every year, the Company holds a meeting to evaluate and vote for the employees and has a reward system for employees' achievements at the end of the year.

**PROGRAMS OF CREATING HUMAN RESOURCES AND KEY EMPLOYEES**



The company focuses on enhancing high-quality human resources, improving remuneration and increasing employee benefits, ensuring that it is truly a driving force to promote effective business and follow market practices.

In order to develop high-quality human resources, TRACODI screens, offers policies to attract and search for available talents, and offers policies to foster employees to become professional and meet the requirements of the assigned tasks.

TRACODI has built a good remuneration policy with stable salary and benefits, built a professional and dynamic working environment, and an impressive corporate culture. At the same time, in order to be able to access talent, TRACODI cooperates with universities and training centers to organize recruitment days and job fairs.

**CORPORATE CULTURE**

TRACODI builds values and behaviors that create a distinct environment. Cultural factors are always formed in parallel with the development process of enterprises. We create values, beliefs and standards that are reflected in practice and in the behaviors of each member of the Company.

Typically with the activities that are being implemented and developed by TRACODI with the desire to create a corporate culture of solidarity, the Company organizes contests, sports festivals on the occasion of major holidays, programs annual teambuilding to create a useful playground to connect members in the company and at the same time make an opportunity for everyone to relax after work, re-energize to work better and more effectively, such as providing lunches, exercise classes (yoga)



**WORK IMPROVEMENT AND EVALUATION PROCESS**



**INTERNAL VALUES AND GRI 413 – LOCAL COMMUNITY**

**SHAREHOLDER RESPONSIBILITY**

TRACODI always ensure the interests and notice opinions of shareholders. Our orientation is to develop good relationships with investors and shareholders, ensure the annual dividend payment to them is not lower than 10%, pay attention to the market capitalization so that the Company's shares are welcomed, the Company's stock value increases, raise corporate value, show the utmost concern and protection of the legitimate interests of shareholders.

**COMMUNITY RESPONSIBILITY**



**GRI 103 – MANAGEMENT METHOD**

"Always being consistent with the set goals, sustainable development with the community, improving corporate social responsibility is TRACODI's development direction". TRACODI always focuses on community- and social-oriented activities in the company's sustainable development strategy, sharing values with society is a responsibility, a joy, a goal for long term sustainable development.



**GRI 413 – LOCAL COMMUNITY**

Along with the success in business, TRACODI has always been an active and exemplary enterprise in social work and charity. Always being steadfast and consistent with the set goals of sustainable development with the community, improving social responsibility, TRACODI always focuses on community and social oriented activities in its sustainable development strategy.





TRACODI determines that the success, brand value recognized and persisted throughout time is not only recognized by business results but also reflected in the responsibility to contribute to the development of the community and society. In order to build a strong community, TRACODI constantly cooperates with government agencies, partners, and local people to raise awareness and jointly develop the community.

TRACODI is always aware that well-performing charity work and social security is one of the practical actions to share the burden for difficult localities.

In 2020, TRACODI firmly accompanies Bamboo Capital Group and its member companies to join hands to support the community, actively participate in charity and social security programs with the total value above VND 17 billion. With the orientation of developing business activities in parallel with community development, reaching the goal of sustainable development, this series of activities is a program of BCG's efforts to share difficulties, to reduce the negatively environmental impacts caused by Covid-19 pandemic. Through this, BCG wishes to partly share current burdens with people, reduce difficulties during the epidemic period, and at the same time promote the spirit of solidarity, concern and care for the community.



TRACODI is always aware that well-performing charity work and social security is one of the practical actions to contribute to sharing the burden for difficult localities. At the same time, TRACODI understands that individual actions will not create change in line with the vision set forth by the SDGs. So, along with the sustainable development plan, TRACODI is working with its parent company, subsidiary, affiliate and local companies to support and solve poverty, inequality and environmental issues.

**Funding for the construction of 2 bridges under the Rural Bridge program in Binh Dinh province**

Bamboo Capital Group and its member companies sponsored with a total investment of more than VND 3.3 billion to build 02 bridges for people's lives in Phu Cat district, Binh Dinh province, marking a new step of the program when deploying the construction of the first bridges in Binh Dinh province.

**TRACODI cooperated with Antraco Joint Venture Company Limited to award Student scholarships**

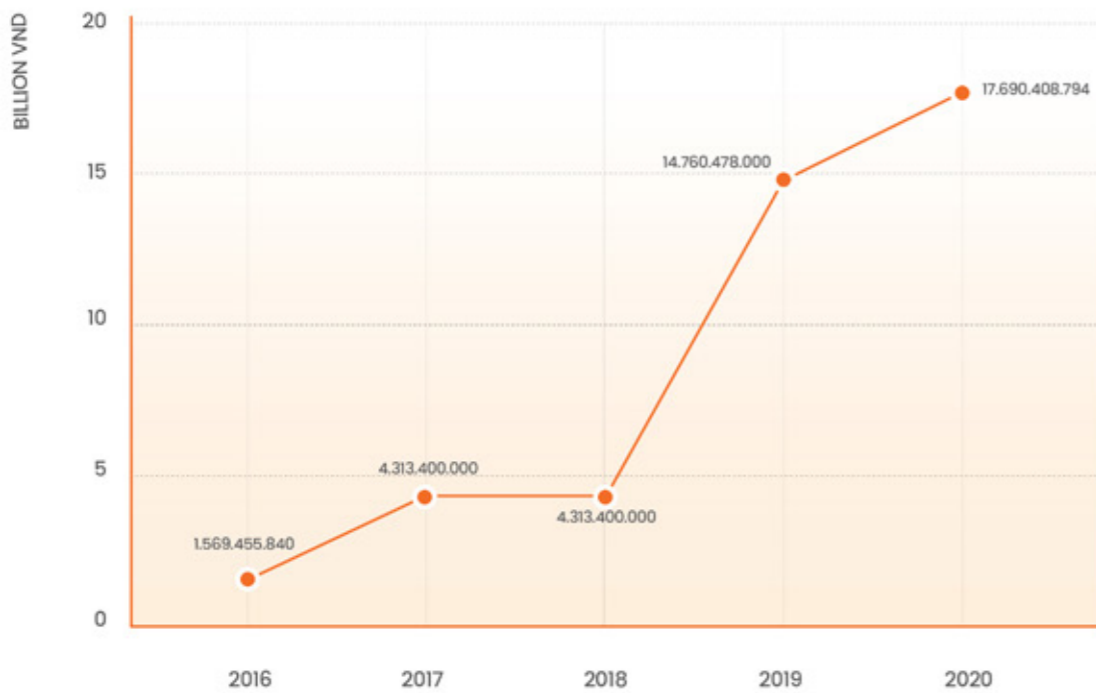
TRACODI and ANTRACO jointly organized the program "Step to school" in the school year 2020 - 2021 to give scholarships to students in Tri Ton district. As part of the group's annual social activities, this is the 5th year in a row that the TRACODI and Antraco have awarded scholarships to children. The program aims to create conditions and give motivation to light up knowledge for indigent students.



**Social welfare program of An Giang Joint Venture Exploiting and Processing Building Materials Company Limited (Antraco) - A subsidiary of TRACODI**

In 2020, ANTRACO Company has implemented social security work with a total amount of up to billions VND. In addition, TRACODI and ANTRACO jointly organized the program "Step to school" in the schoolyear 2020-2021 to award scholarships to students in Tri Ton district. As part of the group's annual social activities, this is the 5th year in a row that the TRACODI and Antraco joint ventures have awarded scholarships to children. The program aims to create conditions and increase motivation to light up knowledge for indigent students.

CONTRIBUTING TO THE COMMUNITY



The chart below shows TRACODI, its subsidiaries and affiliates contributing to the community over the years. (2016-2020) (Data for 2020: VND 17,690,408,194)



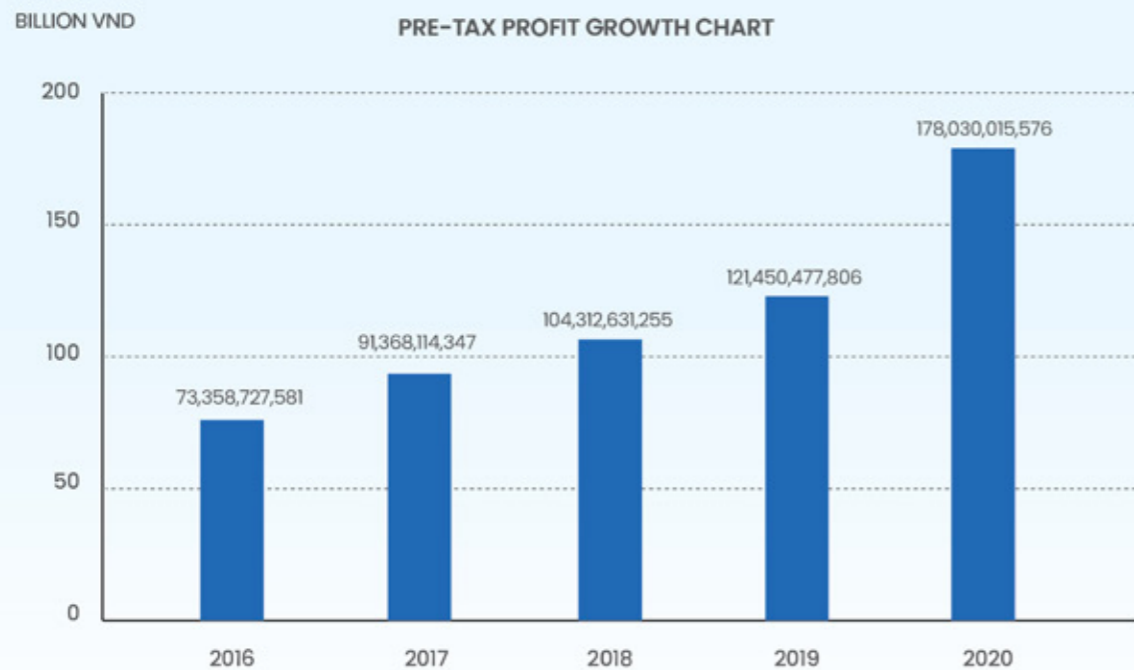


# SUSTAINABLE DEVELOPMENT ACHIEVEMENTS



In the period 2016-2020, TRACODI recorded impressive business results with net revenue from VND 831.8 billion to VND 2,853 billion, a growth rate of 243%. Profit after tax increased from VND 60.2 billion to VND 146.7 billion in the same period, helping TRACODI increase profit by 143.7% over the 5-year financial period. Total assets at the end of 2020 reached VND 6,239 billion, up 222.4% over the same period in 2019; and equity reached VND 661.4 billion, up 19.1% over the same period in 2019.

NET REVENUE	<b>2.853</b> Tỷ đồng	GROWTH RATE	<b>243%</b>
PROFIT AFTER TAX	<b>146,7</b> Tỷ đồng	PROFITS INCREASE	<b>143,7%</b>
TOTAL ASSETS AT THE END OF 2020	<b>6.239</b> Tỷ đồng	UP OVER THE SAME PERIOD IN 2019	<b>222,4%</b>
OWNER'S EQUITY	<b>661,4</b> Tỷ đồng	UP OVER THE SAME PERIOD IN 2019	<b>19,1%</b>



## AWARDS - TROPHIES OF THE YEAR

The recorded data reports have shown a clear view of the efforts of TRACODI's managers and employees in transforming themselves into the trend of integration, innovation, and business improvement in the direction of becoming more professional, sustainably developed, and at the same time affirming TRACODI's position in the Vietnamese market. The most recent achievements of TRACODI and its member companies include

### HONORING TRACODI IN "TOP 50 BEST GROWTH ENTERPRISES IN VIETNAM IN 2020"

Based on the criteria of Compounded Annual Growth rate (CAGR) of revenue and business performance of TRACODI, along with additional criteria such as total assets, total employees, profit after tax and corporate reputation in the world, TRACODI is listed in Top 50 Most Growing Enterprises in Vietnam 2020, coordinated by Vietnam Report Joint Stock Company - Vietnam Report, announced in collaboration with VietNamNet Newspaper on September 15, 2020.



Mr. Nguyen Thanh Hung - Vice Chairman of the Board of Directors cum General Director of TRACODI received flowers and certificates of merit from the program



**PROUD TO BE IN THE "TOP 500 LARGEST ENTERPRISES IN VIETNAM" FOR 4 CONSECUTIVE YEARS**

On January 8, 2021, TRACODI was honored at the Announcement Ceremony of Vietnam's 500 largest enterprises in 2020 (VNR500). This is the fourth time in a row that TRACODI has affirmed its position when it entered this title. In the first 3 quarters of 2020, the accumulated revenue of TRACODI reached more than VND 1,600 billion. This is considered a positive business result in an unprecedentedly volatile year due to the impact of the COVID-19 pandemic.

Mr. Bui Thien Phuong Dong - Deputy General Director of Construction Management received the award



Mr. Nguyen Thanh Hung - General Director of BCG Land received the "Best Sustainable Developer Vietnam 2020" Award.

**BCG LAND (TRACODI MEMBER COMPANY) AND CASA MARINA PREMIUM PROJECT GREATLY WON AT DOT PROPERTY VIETNAM AWARDS 2020**

On July 24, 2020, in Ho Chi Minh City, within the Dot Property Vietnam Awards 2020, BCG Land Joint Stock Company, a subsidiary of Bamboo Capital Group (BCG), has passed the rigorous and competitive selection from many real estate businesses and was honored to win the award "Best Sustainable Developer Vietnam 2020" (Vietnam's Leading Sustainable Real Estate Developer 2020). At the same time, the Casa Marina Premium project developed by BCG Land also won the award "Best resort villa & tourism complex 2020".

This proves the superior and sustainable value that the Casa Marina Premium project brings, as well as the strategic vision, capacity and responsibility of BCG Land for each real estate product.







Mr. Than The Hanh – TRACODI’s Deputy CEO received the award



**30TH ANNIVERSARY CELEBRATION:  
TRACODI – GOLDEN JOURNEY**

On October 30, 2020, at InterContinental Saigon Hotel, the 30th Anniversary of the establishment of TRACODI was solemnly held. Marking the milestone of 30 years of establishment and development, TRACODI has been constantly developing through many periods from state-owned companies, equitization and divestment by the State, becoming public and stock listed company.



**“TOP 50 FAMOUS BRANDS  
VIETNAMESE COMPETITIVE BRANDS IN 2020”.**

On September 26, 2020, within the program of consulting and voting for prestigious awards in 2020, TRACODI was honored by the Vietnam Intellectual Property Association with the award “Famous Brand – Vietnamese Competitive Brands”. We are proud to be one of the outstanding brands contributing to international integration and improving the effective competitive factor of Vietnam. TRACODI - Famous brand, competitive brand has been affirming trust, developing together with quality towards consumers.



TRACODI Board of Directors







Mr. Nguyen Ho Nam - Chairman receiving the Certificate

**TRACODI WAS HONORED TO RECEIVE THE PRIME MINISTER'S CERTIFICATE OF MERIT "FOR MAKING ACHIEVEMENTS IN SERVICE BUSINESS AND SOCIAL CHARITY WORK, CONTRIBUTING TO THE CAUSE OF BUILDING SOCIALISM AND DEFENDING THE COUNTRY", ALONG WITH TRADITIONAL FLAGS OF "30 YEARS OF CONSTRUCTION AND DEVELOPMENT" FROM THE PEOPLE'S COMMITTEE OF HO CHI MINH CITY.**

After 30 years of operation, TRACODI was honored to be awarded a certificate of merit by the Prime Minister of the Social Republic of Vietnam in recognition of its contributions to service business, social charity work, and contributions to social charity, taking part in the cause of building socialism and defending the country.

With the business success, TRACODI has contributed to raising the CAGR in the private enterprise sector, while anticipating new development opportunities in the future and promoting the outstanding growth.



Mr. Nguyen Thanh Hung - Vice Chairman cum General Director of TRACODI received the traditional flag from the People's Committee of Ho Chi Minh City.

**TOP 5 BEST CORPORATE GOVERNANCE – SMALL CAP GROUP IN 2020**

On December 4, 2020, TRACODI received the award "Top 5 Best Corporate Governance – Small Cap Group 2020", by the Ho Chi Minh Stock Exchange (HOSE), Ha Noi (HNX), Securities Investment Newspaper and Dragon Capital Company cooperated to organize. Based on the goal of gradually improving the quality of corporate governance of Vietnamese listed companies towards meeting the world's progressive corporate governance standards, meeting the criteria for assessing corporate governance through the addition of supplementing standards and good governance practices from the Vietnam Code of Corporate Governance, the ASEAN region's good governance standards and practices, and the OECD Code of Corporate Governance, TRACODI is assessed in 2020 as one of the listed companies representing the Vietnamese stock market.

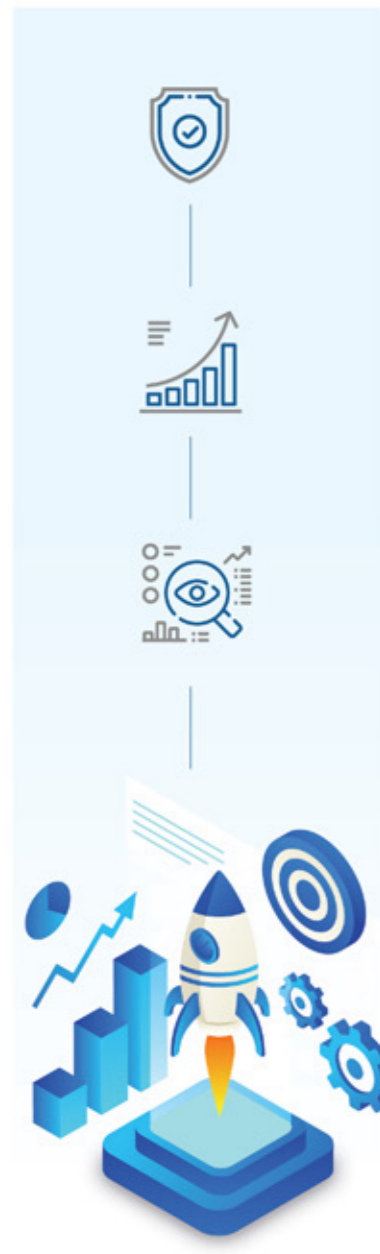
Mr. Nguyen Thanh Hung - Vice Chairman cum General Director of TRACODI received a certificate of merit from the program



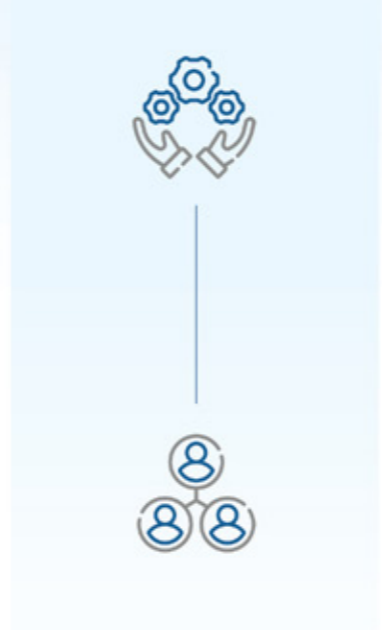


# ĐỊNH HƯỚNG PHÁT TRIỂN TRONG TƯƠNG LAI

Our overall objectives include: setting specific goals, towards sustainable TRACODI brand development, ensuring efficient business, preserving and developing capital, maximizing benefits and interests of shareholders, creating market environment and controlling the best working conditions for employees and making positive contributions to the community and society, building on a solid foundation, focusing on effective governance and minimizing potential risks.

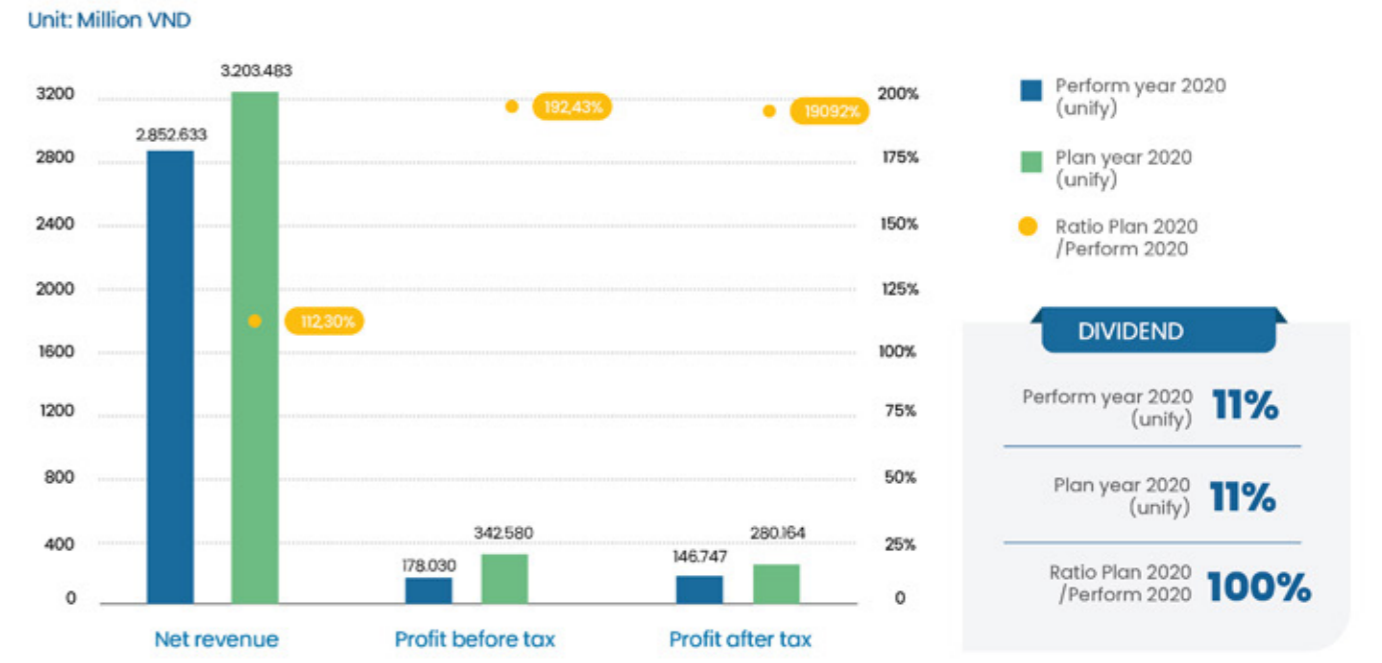


- While preventing the Covid-19 epidemic, we successfully complete the set goals and tasks, complied with all epidemic prevention measures recommended by the Ministry of Health, and take serious responsibility for disease prevention. We also actively supported all employees of the company to get Covid-19 vaccination, contributing to creating community immunity to repel the pandemic across the country.
- TRACODI raised personal awareness to proactively complete well, strived and made 200% efforts to successfully implement business objectives and tasks. Along with that, our future goal is gradually bringing TRACODI brand to develop as one of the leading construction companies in Vietnam, perfecting the organizational structure with core activities of construction, and implementation of big projects.
- TRACODI heads towards a vision that expands across all investment fields, continues to maintain the growth rate and company brand, affirms the leading position in the business and contributes to improving the competitive position international market. We also promote activities to contribute to society, join hands for the community, implement plans to coordinate with parent companies, subsidiaries, affiliated companies and localities to support and solve poverty issues, inequality and environment, create a green business environment when ensuring compliance with environmental and socio-economic regulations, improving quality in every aspect of operations, and reducing risks of harm to the environment and stakeholders.



- The Company is focusing on training, coaching, improving corporate management competence for the management team at the Company, continuing to apply advanced management tools to qualify t the requirements of international integration; striving to bring the TRACODI brand to participate in the Sustainable Development Report according to GRI 2020 Standards; taking care of the material, cultural and spiritual life of the Company's employees, bringing a favorable working environment and team spirit.
  - In addition to focusing on brand development, TRACODI continues to develop social relationships, shares community responsibilities, associates business activities with localities where the Company's projects are developed and pay attention to social security work in the locality and consider it not only the responsibility of enterprises but also a long-term survival factor.
- We are organizing emulation activities, setting up achievements to celebrate the 30th Anniversary of TRACODI's establishment (30 October, 1990 – 30 October 2020, simultaneously promoting the achievements of 2019, all potentials and internal resources, ready to seize new opportunities to achieve more results in the journey to conquer the peak of TRACODI's 30-year career.

## INDICATORS ON PRODUCTION AND BUSINESS IN 2020





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//  
TECTONIC CONSTRUCTIONS  
**SUSTAINABLE FUTURE**

SUSTAINABILITY  
REPORT **2020** //







**TRANSPORT AND INDUSTRY DEVELOPMENT INVESTMENT  
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