



CHINA STEEL AND NIPPON STEEL VIETNAM JSC

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SPECIAL

- PICTURES OF EMPLOYEES – PICTURES OF LONGEST SERVING EMPLOYEES AT CSVC
- PROUD TO PARTNER WITH – CONTRACTOR AN PHU MY, CEVC, LUC HAI VIET
- CBAM – WHAT YOU NEED TO KNOW
- CSVC FAMILY DAY – THE STRONGER THE BACKUP, THE CLOSER THE VICTORY
- RUN FOR CHILDREN – EVERY STRIDE EVERY HEART

Index

HIGHLIGHTS

PICTURES OF EMPLOYEES



HIGHLIGHTS

PROUD TO PARTNER WITH



TRENDS – NET ZERO

HAVE YOU EVER BEEN “FOREST BATHING”?



CSVC'S SPIRITUALITY

CSVC FAMILY DAY 2023



MANAGEMENT DIVISION (M-DIV)

HAPPY VIETNAMESE WOMEN'S DAY



CELEBRATE MID-AUTUMN FESTIVAL WITH CHILDREN AFFECTED BY HIV



RUN FOR CHILDREN 2023



PRODUCTION DIVISION (P-DIV)

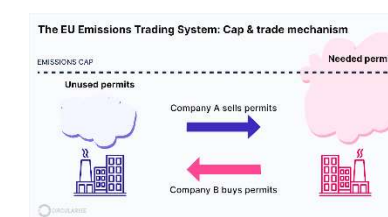
CSVC OFFICIALLY JOINS THE RACE TO NET ZERO



CSVC KICKS OFF THE PROJECT “SOLAR SYSTEM”



WHAT IS CBAM?



ENTERTAINMENT NEWS

EXCHANGE OLD SOCKS FOR NEW ONES



WHERE TO GO ON TET HOLIDAY



#ALWAYS SAFETY

SAFETY & ENVIRONMENTAL MANAGEMENT DEPARTMENT (P1)



NGUYỄN NGỌC HUY VŨ



NGUYỄN CÔNG NGUYÊN



HUỖNH VĂN HOANG



NGUYỄN MINH LÝ



NGUYỄN VĂN HUY

 **YOUR SAFETY
IS OUR HAPPINESS**

**PICTURES
OF EMPLOYEES**

**10 YEARS OF
CONTRIBUTIONS**

**PICTURES OF P-
DIV EMPLOYEES
WITH 10 YEARS OF
CONTRIBUTION
AT CSVC**



PRODUCTION CONTROL & LOGISTICS DEPARTMENT (P7)



HÀ MINH HOÀNG



TRẦN VĂN QUỐC



LÊ NGUYỄN NGỌC AN



NGUYỄN CÔNG ĐỨC



TRẦN QUANG HUY



NGUYỄN VĂN QUÝ



LÊ VĂN THÀNH



LÊ XUÂN HUY



NGUYỄN TIẾN DŨNG



TRẦN VĂN HẢI



HOÀNG ANH PHI



LẠI VIẾT HÙNG



MAI PHÚC HẬU





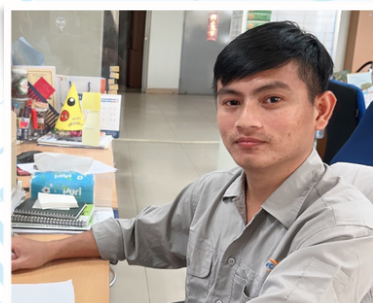
QUALITY CONTROL & QUALITY ASSURANCE DEPARTMENT (P5)



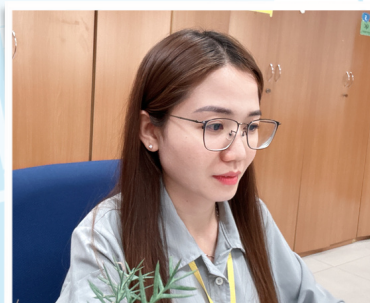
PHẠM NGỌC TRÀ GIANG



ĐINH QUỐC DŨNG



VÕ NGUYÊN MINH THỌ



NGUYỄN THỊ THÙY TRANG



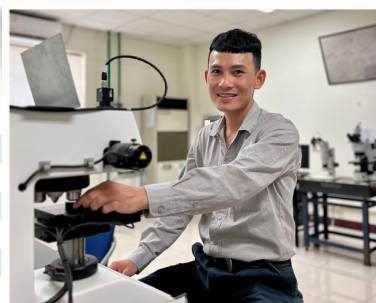
TRẦN THỊ CẨM LINH



LÊ ANH KHÔI



NGUYỄN MINH PHƯƠNG



NGUYỄN ĐỨC CƯỜNG



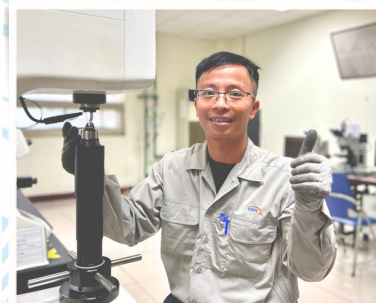
NGUYỄN VĂN ĐẠI



PHAN TUẤN ANH



LÊ BÁ CẨN



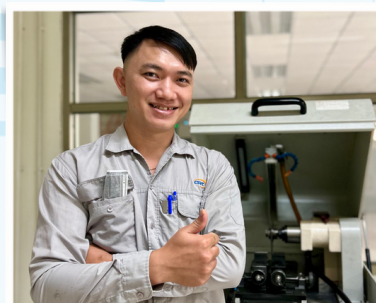
VĂN ĐỨC ĐỨC



NGUYỄN KHẮC SƠN



ĐINH XUÂN NGHĨA



PHẠM TRỊNH QUANG TRUNG



HUỖNH THANH HIỆP



DƯƠNG VĂN QUANG



NGUYỄN TẤN VINH



TRƯƠNG VĂN THÌN



ĐOÀN TẤN PHÁT



HOÀNG NGỌC BẰNG



NGUYỄN GIANG NAM



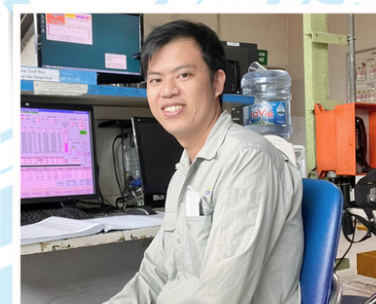
TRỊNH VĂN ĐĂNG KHOA



LÊ THÀNH TRUNG



ĐẶNG BÁ TRẦN LONG



LÊ HUY CƯỜNG



NGUYỄN NGỌC BẢO



NGUYỄN XUÂN MẠNH



NGUYỄN LỢI



HUỖNH ANH HIẾU



HUỖNH MINH QUÂN



LÊ CƯỜNG



**KEEP CALM
QA/QC GOT YOUR BACK !**

UTILITY IS LIFE



PHẠM VĂN THỨC



ĐẶNG QUỐC ĐẠT



LƯƠNG VĂN HÀ



ĐỖ CÔNG TUẤN

UTILITY DEPARTMENT (P8)



VÕ MINH CẢNH



ĐẶNG HỮU BIỂN



VÕ ĐĂNG PHÚC



ĐỖ HỮU TRÍ



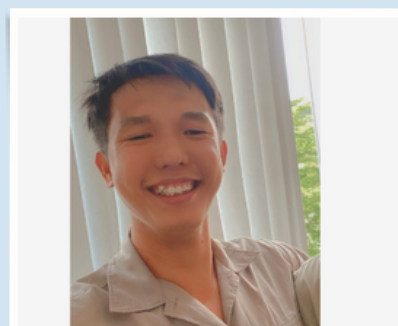
NGUYỄN HUỲNH MỸ PHONG



HỒ ĐẮC TRUNG NAM



NGUYỄN VĂN VƯƠNG



ĐÀO VĂN QUANG



NGUYỄN VĂN MẠNH



NGUYỄN TRẦN VỸ



NGUYỄN TRUNG HIẾU



NGUYỄN HÒA



NGUYỄN THANH QUANG



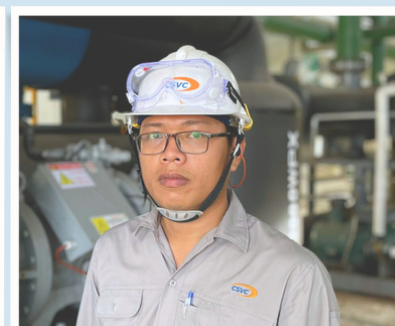
NGUYỄN VĂN GIÁP



VŨ HUY CƯỜNG



LÊ NGỌC HIẾU



BÙI ĐỨC PHƯƠNG



TRỊNH DANH DỰ



VÕ CHÍ THANH



LÊ TRỌNG DƯƠNG



NGUYỄN MINH THÁI

Thank you

10 YEARS OF PARTNERSHIP

CSVC and contractors: CEVC, Luc Hai Viet, and An Phu My have been working together for ten years during what appeared to be the most challenging conditions. We have worked side by side since the beginning of construction. Thoughts shared by the contractor personnel who have been with the company the longest will complete the picture of a decade of companionship.



“Working at CSVC allows me to spend time with my family.”

Ms. Doan Thi Hong has more than 10 years working at CSVC. The period of 2013-2014 was quite stressful because her children were young, but because working at CSVC was stable, she could spend weekends with her family. This is also the motivation for Ms. Hong to continue with her work for many years.

AN PHÚ MỸ
SERVICES COMPANY



“At work, I find joy in learning more experience and improving my foreign language skills.”

Working for CEVC since May 2012, Mr. Phong Coc Soi was only 27 years old. During his time working at CSVC, Mr. Soi shared that he had the opportunity to collaborate with many foreign experts and equipment installation partners.



ECOTEK VIỆT NAM
中宇越南責任有限公司



“My colleagues, bros from C34 at the job site are very sociable and cheerful, helping me become more enthusiastic in my work.”

In 2013, Mr. Le Tan Dung started working for Luc Hai Viet at the CSVC factory. At that time, Mr. Dung did not have many fond memories, but after many years, his colleagues and bros in C34 were very sociable and cheerful, which helped him become more enthusiastic in his work.





HAVE YOU EVER BEEN “FOREST BATHING”

*“Under forest canopy,
My ears hear the birds singing,
My eyes see flowers and leaves,
My nose inhales the scent of the forest;
My hands hug the rough yet fragrant bark”*

Do you know “Trees help us think more clearly, become creative, and make us kind and generous.” - Author Qing Li of the book “The Japanese Art of Forest Bathing”. That's when you allow yourself to immerse yourself in nature, unlock your senses, and connect with nature through your ears, eyes, nose, mouth, hands, and feet.

Hang out in Dong Nai and enjoy “forest bathing”



Picture: Nhandan

of flora and fauna that are threatened with extinction such as the wild Asian elephant with about 20 animals being protected and conserved.

According to Vietcetera, "forest bathing" is when you can try walking barefoot on the grass, feel the coolness of the spring water, admire the pattern of wood and leaves, breathe deeply to feel the freshness of the grass,... Each sensory experience brings you closer to the 6th sense – how we feel about the world around us. This is the feeling of happiness.

There are 34 national parks in Vietnam, many of which are safe and suitable for sightseeing, trekking, and forest bathing. Among them is the Dong Nai Biosphere Reserve, which was recognized by UNESCO as the 580th biosphere reserve of the world on Jun 26, 2011. There is the last remaining tropical moist rainforest in southern Vietnam with many endemic and rare species

Planting trees to show gratitude

To preserve the great value that forests bring, Gaia Nature Conservation Center is one of many organizations currently working with enterprises to plant new forests and trees.

On Oct 12, 2023, General Affairs & Public Relationship Department (M4) had the opportunity with Gaia to visit the area of enterprises and schools, where they planted native trees including Crape myrtle, Rosewood, Terminalia catappa L, Sindora siamensis, Tarrietia javanica Blume, Black Techicai Sitan, Copperpod tree, etc. in order to green areas of species-poor forests. The forest is cared for and monitored periodically by Gaia and the Management Board of Dong Nai Cultural Nature Reserve for 4 years to ensure a survival rate of 70-80% after 4 years. Forest status for 4 consecutive years will be reported even if the company cannot return to the forest.



For each tree planted, Gaia will attach a number to make it easy to manage



Pathway to Net Zero

CSVC has officially joined the race to Net Zero with a roadmap to 2050. To accomplish the target, CSVC cannot lack the companionship of each individual employee. Each action for the environment by a CSVC employee not only brings meaning to the individual and the Company but also to our future generations.

The Prime Minister has approved the project “Planting 1 billion trees in the 2021-2025 period”. The project's goal is that by the end of 2025, Vietnam will plant 690 million scattered trees in urban and rural areas, 310 million trees will be planted in protection forests, special-use forests, and new plantings of producing forests to adapt to climate change and forest degradation.

However, according to a research published by the Yale School of Environment in the United States, the current focus on tree-planting projects around the world may be diverting attention away from maintaining existing forests and reducing fossil fuel consumption. Reforestation, but also forest protection, ways for individuals to participate in forest protection, such as forest travel by respecting, supporting, and contributing to forest conservation programs and organizations, using FSC-certified wood products, recycling and reducing paper use, etc.

Nobody knows how many trees make a forest, but in order for the next generation to have the opportunity to “forest bathe”, let's plant a tree to contribute to the forest together!



Gaia is also the unit that accompanied Miss Universe Vietnam H'Hen NIE in 2023 to plant 5ha of woodland in Ben En National Park (Thanh Hoa).



Destination to Vietsopetro Ho Tram Resort

Departing from My Xuan, Saigon and Vung Tau, the destination is the resort paradise Vietsopetro Ho Tram built to 4-star international standards with the largest swimming pool system in the Ho Tram area, located along beach with an area of 5000m².



FAMILY DAY

*The stronger the backup,
the closer the victory!*

Ho Tram in Xuyen Moc district, Ba Ria - Vung Tau province, brings the wild beauty of the clear blue sea and sky with white sand, a paradise on earth that any tourist wants to experience a perfect and meaningful vacation. **China Steel and Nippon Steel Vietnam JSC organized Family Day 2023 for two days (Nov 18 and 23) to connect small families with CSVC as a bigger family.**



Like boss,
Like employees

Team building
gathering



With the message “The stronger the backup, the closer the victory”, the purpose is not only to create opportunities for CSVC employees to keep fond memories with their families but also to strengthen the relationships among employees through activities to spread resilience, unite and inspire towards sustainable and long-term values.

CSVC Family Day 2023 includes a variety of activities such as teambuilding games, swimming, a gala lunch, and music performance. Along with entertainment activities, parents and children can enjoy free swimming pool services at the Ho Tram, which is located along the beach.

Through 2023 Family Day, The company's Board of Directors aims to pay more attention to physical and mental health through welfare programs that benefit not just employees but also their children. The event provided CSVC employees with an additional opportunity to interact with one another about topics besides work, which resulted in members understanding one another better, being more united, and bringing efficiency at work.

The event provides CSVC with an excellent opportunity to reward its hardworking employees with a day of fun and relaxation with colleagues and family. This is also how CSVC brings people together to make significant and unforgettable moments!



The game “Passing the hoop” makes everyone can’t stop laughing because no matter how much they tried, they barely moved the hoop.



Wear inflatable shoes with teammates





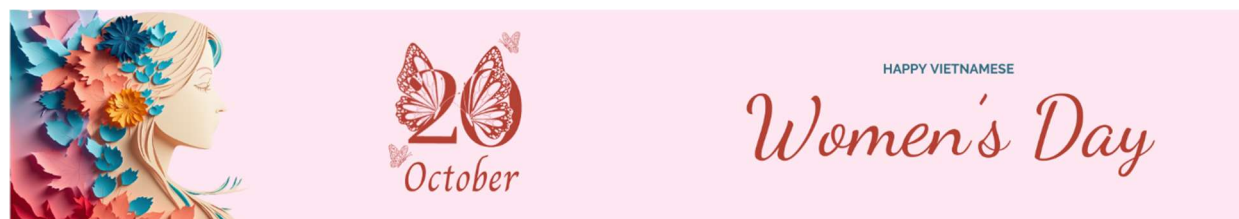
APPRECIATION GIFTS FROM TRADE UNION TO FEMALE EMPLOYEE ON VIETNAM WOMEN'S DAY OCT 10

On the occasion of the 93rd anniversary of the founding of the Vietnamese Women's Association (Oct 20, 1930 ~ Oct 20, 2023), Vietnamese Women's Day Oct 20, CSVC Trade Union gave gifts to all female employees. Gifts are more than just simply material items, they also demonstrate care and concern for women's hard work in both contributing to the company's success and also their personal lives. These gifts will offer women greater encouragement and excitement, as well as allow us to recognize the excellent values that women provide to society.



Meaningful gift sets for female employees

According to Zen Master Thich Nhat Hanh, “A woman's weapon is her freshness, gentleness without blame”. Tenderness is another priceless gift that women give to their loved ones to keep their homes full of love and pleasure.



CELEBRATE MID-AUTUMN FESTIVAL WITH CHILDREN AFFECTED BY HIV AND CHILDREN UNDERGOING OUTPATIENT TREATMENT AT BA RIA HOSPITAL



The Mid-Autumn Festival is a Children's Festival, where children can hear stories about Uncle Cuoi and Hang Nga sister, walk in a lantern procession, and witness lion dancing and drumming. This Mid-Autumn Festival, CSVC has the opportunity to visit and give gifts to 33 children with HIV/AIDS getting outpatient therapy at Ba Ria Hospital with a simple wish that we can accompany the locality “adore” children in special circumstances. On this occasion, CSVC gave 33 gifts of cash (1 million VND each) as well as chocolates, milk, lanterns, and moon cakes.

Make It An Annual Tradition

For many years, this has been one of the activities that CSVC has tried to keep going in order to help spreading love and developing hope, particularly

children with serious illness. Each gift represents a desire from CSVC, offering them hope and resilience to overcome illness and live a better life!

Protect Children Affected By HIV/AIDS!

HIV can be transmitted to children in three ways: from mother to child, through blood, and through the sharing of needles. Children's Hospital 2 in Ho Chi Minh City issued the following statement to garner more community attention: “Children are the most vulnerable group in society, children affected by HIV are even more vulnerable. Stigma and prejudice against HIV/AIDS-affected children are social ills. Changing the community’s outlook will allow HIV-affected children to live their lives more fully.”

CSVC WAS HONORED TO RECEIVE CERTIFICATE OF MERIT FROM THE PRESIDENT OF VCCI

Recently, Vietnam Chamber of Commerce and Industry Ba Ria Vung Tau branch (VCCI BRVT) organized a gathering on the occasion of the 19th anniversary of Vietnam Entrepreneurs Day (Oct 13, 2004 – Oct 13, 2023).

At the gathering, VCCI BRVT presented the certificates of merit to enterprises and China Steel and Nippon Steel JSC is honored to receive the certificate for its contributions to the business community and the local socio-economic development in 2022.

Specifically, CSVC has consistently innovated in management put innovation and research into practice to achieve high economic efficiency. Receiving the Certificate of Merit, CSVC was honored to be recognized and encouraged by the President of VCCI for its efforts to effectively implement the Party's guidelines and policies, Vietnamese laws, and obligations to the Government.



GENDER EQUALITY COURSE

On Oct 11, 2023, China Steel and Nippon Steel Vietnam JSC ran a gender equality course on the topic “Maintaining connections - Nurturing love” for all employees presented by PhD in psychology Ms. To Nhi A.

According to Ho Chi Minh City University of Medicine and Pharmacy Hospital: “The rate of women suffering from depression is 1.5-1.7 times higher than men. This rate is always higher in women regardless of country, race, culture, eating habits, education or other economic and social factors. Therefore, differences in biological sex are the primary factor leading to women being more susceptible to depression than men.”



From a business perspective, CSVC recognizes that women in general as well as the company's female employees currently need more attention and help in managing work pressure and life stress. Therefore, CSVC encourages women to express their concerns openly and to receive guidance from experts in the field of psychology through periodic gender equality classes. Furthermore, the course gives deeper and more practical psychological understanding not only for women but also for men, allowing them to better apply this knowledge to their mental health as well as work and personal life.



CSVC WAS ACKNOWLEDGED AS THE “ENTERPRISE MEETING VIETNAMESE BUSINESS CULTURE STANDARDS” 2023

China Steel and Nippon Steel Vietnam JSC is honored to be named among the 20 firms that have achieved the award of “Enterprise meeting Vietnamese business culture standards”. CSVC has been successful in developing and implementing business culture while adhering to Vietnamese business culture standards and requirements.



Vietnam Association of Corporate Culture Development (VNABC) with the principle of TRANSPARENCY-FAIRNESS-FAIRNESS searched and selected enterprises that fully meet Vietnam's ethical standards and corporate culture at the annual National Forum “Culture with Businesses” for the third time in 2023, which took place last Nov 25.

By achieving the title of “Enterprise meeting Vietnamese business culture standards” right from the first time participating, CSVC is extremely proud of the acknowledgment from the Government, Ministries, Departments, Sectors, business community, organizations, etc. This is not only an award but also a recognition of CSVC’s efforts and commitment to preserving and promoting its good business cultural values.



CSVC SPONSORED THE ORGANIZATION OF THE PROGRAM “VIETNAM-JAPAN CULTURAL FESTIVAL DAY”

On Sep 30 evening, at Revolutionary Traditional House, No.1 Ba Cu Street, Vung Tau City, Ba Ria – Vung Tau Union of Friendship Organizations organized “Vietnam-Japan Cultural Festival Day” on the occasion of the 50th anniversary of diplomatic ties between the two



countries (Sep 21, 1973 - Sep 21, 2023).

At the festival, CSVC Deputy General Director Mr. Murayama Hiroki received an appreciation glass trophy from the Union representative for contributing to the success of the Vietnam-Japan Cultural Festival.

The festival, which takes place in one day, offers several interesting activities that draw thousands of people to attend: 34 booths are set up to introduce traditional Vietnamese and Japanese culture, with traditional dances performed. According to the Ba Ria - Vung Tau newspaper, there are Japanese speech contests, “cosplay” costume performances, Japanese Kendo performances, etc.





This year's race impressed runners with its exceptionally poetic natural landscape, which included rows of trees on both sides of the road, which is located in village 2, Suoi Rao commune, Chau Duc district, Ba Ria - Vung Tau province. Runners can enjoy the tranquility of nature in the early sunlight while running in the cool and fresh air.



Children are from families who made great contributions to the revolution, as well as ethnic minorities including Cho Ro, Tay, Hoa, and Khmer people, who are living in difficult conditions. This is a donation of all the participants of the program.



On morning Dec 9, CSVC in partnership with the People's Committee of Chau Duc District organized **“Run for Children 2023”**, a marathon to raise fund for scholarships for dedicated students from under-resourced backgrounds, in Suoi Rao commune, Ba Ria – Vung Tau province.

There are 165 runners who are CSVC's employees and especially contractors who have been with the company for more than ten years of business operations.

At the event, representatives from CSVC and sponsors gave 48 scholarships, totaling more than 100 million VND to primary and secondary students in the commune who are from low-income families and want to further their education. There are children from families who made great contributions to the revolution, as well as ethnic minorities including Cho Ro, Tay, Hoa, Khmer people, who are living in difficult conditions. This is a donation of all the participants of the program.

In an effort to put initiatives into practice for a sustainable society, Run for Children is a community activity to raise scholarship fund to support dedicated children in locality from under-resourced backgrounds, the program also encourages the spirit of advocacy and community connection, thereby continuing to affirm the company's commitment to working together for a good and loving life.

“The exhaustion is worth it when the happiness is genuine.” - Quotes



At the program, representatives of the Board of Directors of CSVC, Vice President of Chau Duc district and sponsors awarded 48 scholarships with a total value of more than 100 million VND to disadvantaged primary and secondary students to excel in learning in the locality.

SHOCKING MOMENT RARE PYTHON “GETTING LOST” IN CSVC



Around 4 am on Dec 7, a stunned Security M43 employee found an internal driver of Contractor Thien An catch a rare 4-meter-long python while on patrol at the wastewater treatment intersection area of Dept. Utilities P8.



After receiving instructions from management, M43 promptly reported and carried out a handover procedure to transfer the reticulated python to the Forest Protection Department of Ba Ria - Vung Tau province, with the wish that the python could be released into wild. The rangers shortly arrived at CSVC company after receiving the call.

At the meeting, the Forest Service said that the python weighed nearly 20kg, about 4 meters long. This is a reticulated python belonging to group IIB in the Vietnam Red Book - a group of species banned from exploitation and use. Although reticulated pythons are very strong, they are not considered dangerous to humans.



According to authorities, it is important to find a suitable habitat for this python. Reticulated pythons live in sparse forests, near rivers and streams. Nui Dinh is large in area and has forests suitable for pythons to live, so the forest rangers transported pythons to Mount Dinh at about 11 am on the same day.

Mr. Dinh, Assistant Section Manager of Security department M43 said: “This reptile had previously been spotted in the company area, but it was only a quick glimpse, and the specific python or snake was unidentified.”

RETICULATED PYTHON – AMAZING FACTS YOU DON'T KNOW

Reticulated Python is one of the world's longest pythons, with the longest measured at 9.8 meters. They are a native species found in South East Asia that was first scientifically documented in 1801. Despite being the world's longest species, its body is quite small. They typically weigh between 157kg and 180kg, which is significantly heavier than an anconda.

Reticulated pythons, like other pythons, lack venom and must kill their prey by wrapping their bodies around and squeezing them to death. Although this python is capable of killing humans, it is not considered a hazardous animal that causes harm. Reticulated python attacks on people are relatively uncommon.

This reptile is typically found in woodlands, meadows, and rainforests. They are highly adaptable to a variety of conditions. According to expert Kalai, reticulated pythons are a popular animal in Singapore. They hunt rats and frequently migrate via underground sewer networks.

Source: <https://dantri.com.vn/doi-song/>



Becoming widespread, young people in Saigon are eager to join in exchange for socks made from plastic. And you, look around to see if there are any unwanted pairs because the program “Exchange torn socks for new ones” by Re.socks Vietnam partnering with REshare platform is calling for collection to recycle!

Do you know, fashion waste is a major issue that hurts the environment? The contrast between a wasteful lifestyle and a life in zero waste has been demonstrated by the Zero Waste organization in Europe. In Vietnam as well as around the world, numerous initiatives to reduce fashion waste have gained popularity recently.

A newly founded company called Re.socks turns recycled plastic bottles into socks. According to the company, every box containing three pairs of socks in three different colors black, dark gray, and light gray will recycle three plastic bottles for each pair of socks.

This plastic recycling initiative not only reduces the number of plastic bottles destined for landfills but also gets rid of the greenhouse gas emissions that are frequently produced during the processing of polyester.



Reshare platform is a shared online warehouse that can be accessed through the website Reshare.vn. It is an online wardrobe campaign. Reshare enables people to shop for and donate “Re” clothing (Reduce – Reuse – Recycle).

Resocks stated that through this collaboration, the campaign gathered and processed 600 pairs of old socks using established techniques, to decrease fashion waste to the environment. Simultaneously, 350 pairs of Eco socks created from plastic bottles were given to clients after only one month of operation.

By accessing the link: <https://reshare.vn/> and following the instructions, you have greatly contributed to the environment by recycling socks that are no longer in demand (except for too old ones) that become meaningful when donated to the

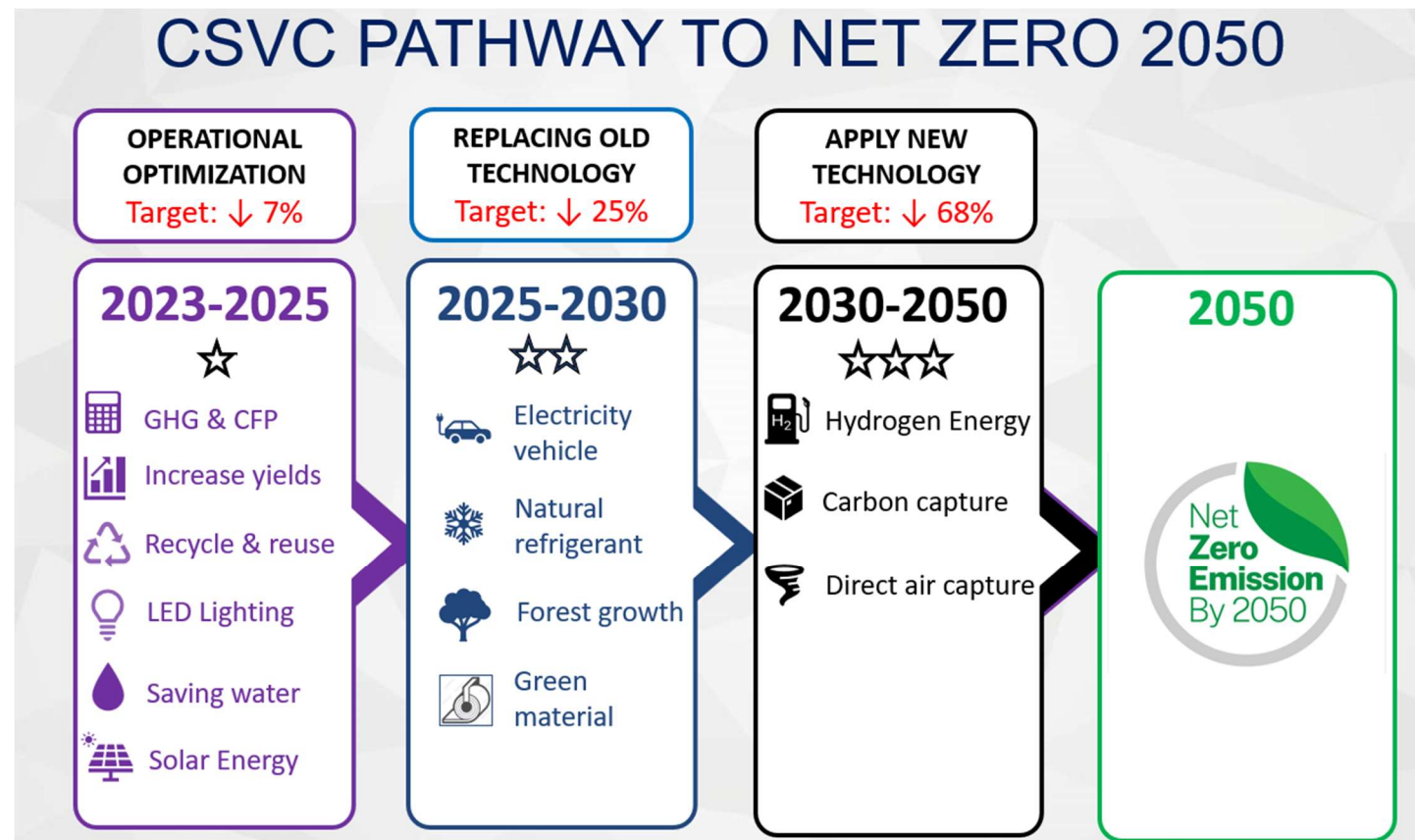
right people and preventing them from being buried in landfills by zero-emission treatment.

Currently, this is not the only circular fashion project in Vietnam, you can refer to many other similar campaigns on REshare.vn to join everyone!

Souce: Resocks/ REshare

CSVC OFFICIALLY JOINS THE RACE TO NET ZERO

Source: *Safety & Environment Management Department*



CSVC roadmap proposal to reach net-zero emissions by 2050

Last August, China Steel and Nippon Steel Vietnam JSC officially took the first steps on the roadmap to “carbon neutrality”, in response to Vietnam's commitment to achieving net zero emissions by 2050 (Net Zero 2050), according to the Prime Minister's statement at the COP26 climate change conference taking place in the UK in 2021.

CSVC getting to Carbon Neutrality

12 suggested actions



Accordingly, CSVC will decrease 7% of internal greenhouse gas emissions by 2025, cut and neutralize greenhouse gas emissions by 25% by 2030 and reach the goal of carbon neutrality by 2050.

KEY TASKS

More than a decade of striving to become the leading steel manufacturer in Vietnam, with a system of high-tech factories, CSVC has built a program towards net zero emissions focusing on 3 key tasks: Optimizing production activities, replacing old technology, and applying new technology.

To fulfill its commitment, from 2022 CSVC seriously implements reporting and quantification of greenhouse gas (GHG) emissions, including emissions from both direct and indirect sources. The GHG Report 2022 has been verified by BSI Vietnam (British Standards Institute) with a material rating of 5% according to ISO 14064.

CSVC FACES CARBON BORDER ADJUSTMENT (CBAM): OPPORTUNITIES OR CHALLENGES?

According to the government online newspaper “baochinhphu.vn”, CBAM will aim to apply carbon tax on all goods imported into EU markets, based on the intensity of

greenhouse gas emissions in the host country's production process. Four groups including iron and steel, aluminum, cement and fertilizer of Vietnam exported to the EU will be affected by this mechanism. In particular, iron and steel products account for 96% of the value of these four export items.”

In the current conditions, CSVC has taken serious considerations to adapt to the “new rules of the game” by using the potential opportunities CSVC can implement decarbonization and achieve its goal of achieving carbon neutrality by 2050.

CSVC KICKS OFF THE PROJECT “SOLAR SYSTEM”

After the evaluation and survey process, the “Solar Energy System” project of China Steel and Nippon Steel Vietnam JSC was officially completed with Implementation Roadmaps and directly in charge by the Utility Department (P8).

Solar power system is not only a solution to optimize electricity costs, improve business efficiency, but also a practical action of CSVC for applying

“Godsend” energy at the plant to protect the environment in the context of how CSVC has taken the first steps to its commitment towards net zero emissions “0”.

In the coming time, CSVC will go into the selection stage to find the most suitable supplier to conduct further processes such as surveys and pilots.



CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

– HOW THE STEEL INDUSTRY ADAPTS?

From Oct 1, 2023, the European Union (EU) will begin piloting Carbon Border Adjustment Mechanism (CBAM) transition period.

So, how will energy-intensive and high-emitting industries, including steel, be affected?

WHAT IS CBAM?

Carbon border adjustment mechanism is expected to be a tool to counter carbon leakage – a situation when industries with high greenhouse gas emissions shift production outside of the EU to jurisdictions with lower climate policy standards than those of the EU.

THE AIM OF CBAM?

1. Prevents carbon leakage to ensure effectiveness of EU climate policy.
2. Complements and reinforces the EU ETS (EU Emission Trading System – EU ETS).
3. Contributes to decarbonization globally and to reaching EU climate neutrality by 2050.

SECTORS WILL BE COVERED?

CBAM will impose CO₂ emissions tariffs on imported based on the intensity of greenhouse gas emissions of the production process. CBAM will initially apply to imports of *electricity, aluminum, iron and steel, cement, fertilizers, and hydrogen*.

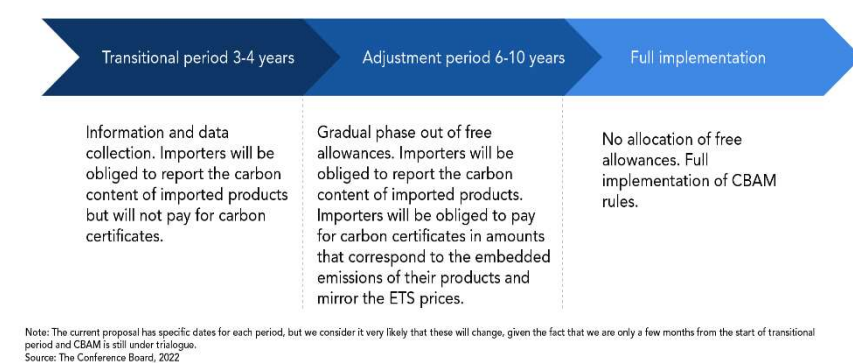
TIMELINE OF CBAM

According to the Vietnam Trade Office in Belgium and the EU, the CBAM entered into application in its transitional phase officially on Oct 1, 2023, with the first pilot period for importers to adapt in 3 years. Therefore, during this period goods exported to the EU must submit emissions reports. After the transitional phase, CBAM will officially take effect

from Jan 1, 2026 and be fully operational by 2034.

During this period, CBAM will gradually take place in parallel with the phasing out of the free allowances of the EU ETS. Therefore, CBAM will only apply to the proportion of emissions that do not benefit from ETS allowances between 2026 and 2034.

EU Carbon Border Adjustment Mechanism timeline



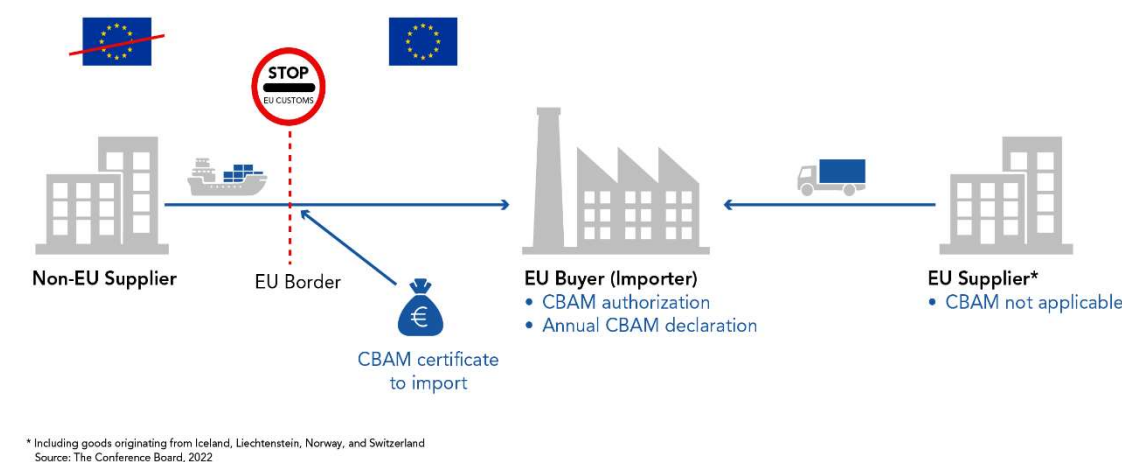
HOW WILL CBAM WORK?

According to the Conference Board, an independent research organization, companies wishing to import goods manufactured outside the EU will have to purchase certificates corresponding to the carbon emissions produced during the production of such goods.

The European Commission (EC) will calculate the price of CBAM certificates to reflect the average weekly price of ETS auctions. This means that CBAM certificates will be tied to ETS, ensuring that CBAM certificate prices are as close as possible to ETS subsidy prices, while also ensuring that the system remains manageable for administrations.

“THE TRANSITION OF PRODUCTION FROM GRAY STEEL TO GREEN STEEL”

EU Carbon Border Adjustment Mechanism simplified illustration



Vietnam's iron and steel products exported to the EU will officially be taxed on carbon from Jan 1, 2026. Therefore, reducing greenhouse gas emissions is both a trend and a requirement that businesses must fulfill if they want to participate in the

global “game”.

According to the ESG Report 2022, EU is CSVC’s largest export market (accounting for 45%). Thus, when CBAM comes into effect, it will directly affect the export of steel products of CSVC to the EU.

For other steel corporates, the representative of POSCO said that this will be a trade barrier to the steel industry, requiring businesses in the steel industry to join hands to cope with the CBAM mechanism.

According to a Hoa Phat Group representative, reducing emissions will have an influence on the company's production costs. That cost affects all steel manufacturing companies. This is difficult, but it is also a motivation for enterprises toward increased market exports.

Experts estimate that the steel industry accounts for 7% of total national emissions and 46% of industrial processes. Despite the fact that Vietnam's steel sector is gradually converting and optimizing technology, using energy efficiently, and harnessing excess heat in the manufacturing process to create electricity, etc. However, reality demonstrates that the steel industry continues to emit enormous amounts of greenhouse gases and has a negative influence on the environment.

Concern raised by experts is that steel enterprises need millions of tons of coke to produce, in the coming time to replace from which clean energy source, how much it costs, at what rate, it has not been assessed yet.

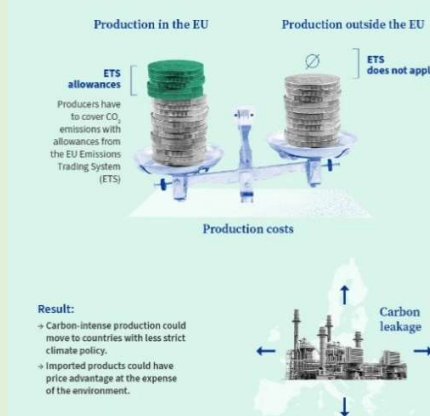
Mr. Nghiem Xuan Da – Chairman of Vietnam Steel Association, “*the transition of production from “gray steel” to “green steel” is an unstoppable trend and is not out of the policy of developing Vietnam’s industry and this is an opportunity for businesses to have an overall view of the world’s green development trend and responsibility for product implementation green export to meet the requirements of domestic regulatory agencies and international markets*”.

Source: TTXVN/VSA/VCCI/WTO/
The Conference Board/EC

Carbon Border Adjustment Mechanism explained

Carbon border adjustment mechanism is expected to be a tool to counter carbon leakage – a situation when industries with high greenhouse gas emissions shift production outside of the EU to jurisdictions with lower climate policy standards than those of the EU. It will help to reduce emissions globally while providing level playing field for businesses.

How does carbon leakage occur?



How will CBAM work?

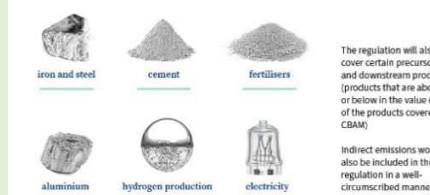


How would CBAM contribute to the goal of climate neutrality?

CBAM is designed to function in parallel with the EU's Emissions Trading System (EU ETS) which encourages high-emission industries in the EU to reduce emissions. CBAM would mirror the EU ETS effects for non-EU producers. Moreover, it would encourage other countries to establish carbon pricing policies.

What products will be covered?

In the first phase CBAM would cover sectors with high carbon emissions and high risk of carbon leakage:



In the future the scope of CBAM is expected to extend to more sectors.

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For reference



While it used to be customary for Vietnamese people to spend the Lunar New Year at home or in the countryside, travelling on Tet is now slowly becoming popular. Many families have taken short vacations to explore the distinct Tet culture, which includes the varied customs and traditions of Vietnamese people living in various regions, over the festival that spans six to seven days. In order to help readers get ready for their family's spring travel plans in 2024, Newsletter Vol.11 has handed out some travel recommendations from North to South!

WHERE TO GO ON TET HOLIDAY ?



EXPERIENCE H'MONG PEOPLE GET THEIR BUTT SLAPPED TO SPEAK THEIR LOVE LANGUAGE IN HA GIANG

In the northernmost place of the country, Meo Vac district, Ha Giang province, on the Traditional New Year holiday, you will have the opportunity to see H'mong men and women in groups visiting and celebrating Tet. In the sound of flutes and dances echoing throughout the mountains and forests, boys and girls will look for their loved ones.

As a cultural beauty of the H'mong people for a long time, "butt slap" is the way boys and girls show love to find a partner, which Ha Giang newspaper describes as shy and full of love.

"When two people see eye to eye, the girl will shyly separate from the crowd. The boy immediately approached and slap the girl's butt with his hand and confess his love to her. If the woman agreed, she turned around and slap the men's butt in response. Just like that, men and women take a stroll, slap each other butt and confess love until they slap enough "nine times". When two people agree to be together, they will wait for the matchmaker to help them become husband and wife. Eventhough they do not have the chance to slap 9 times, they will comeback for next time to complete the ritual. If 9 times butt slaps is not completed, two people are destined not to be together. And so, each person continues to look for someone else who is suitable for them. Regardless of age, even older, unmarried people also participate in the gathering." – Kim Tien, Hà Giang newspaper

According to statistics, Ha Giang province currently has 131 tangible cultural heritages, 446 intangible cultural heritages with unique and attractive cultural values.



EXPERIENCE TAY PEOPLE NUNG PEOPLE "COLLECT WATER" IN THE BEGINNING OF NEW YEAR

Immersing yourself in new cultures is one of the most meaningful experiences when traveling. **If you have the opportunity to go to Cao Bang on the first days of the New Year, you can join the Tay people and Nung people to perform the custom of collecting water on New Year's Eve, an ancient tradition that is still maintained and preserved to this day.**

In Cao Bang the Tay and Nung people value the watershed water that is associated with their spirituality and is considered an asset, the source of life of the village. When the clock strikes the turn of the new year, each family sends a member to collect new water at the village's watershed stream for the purpose of praying for a warm new year, favorable rain, harmonious wind, and good harvest.

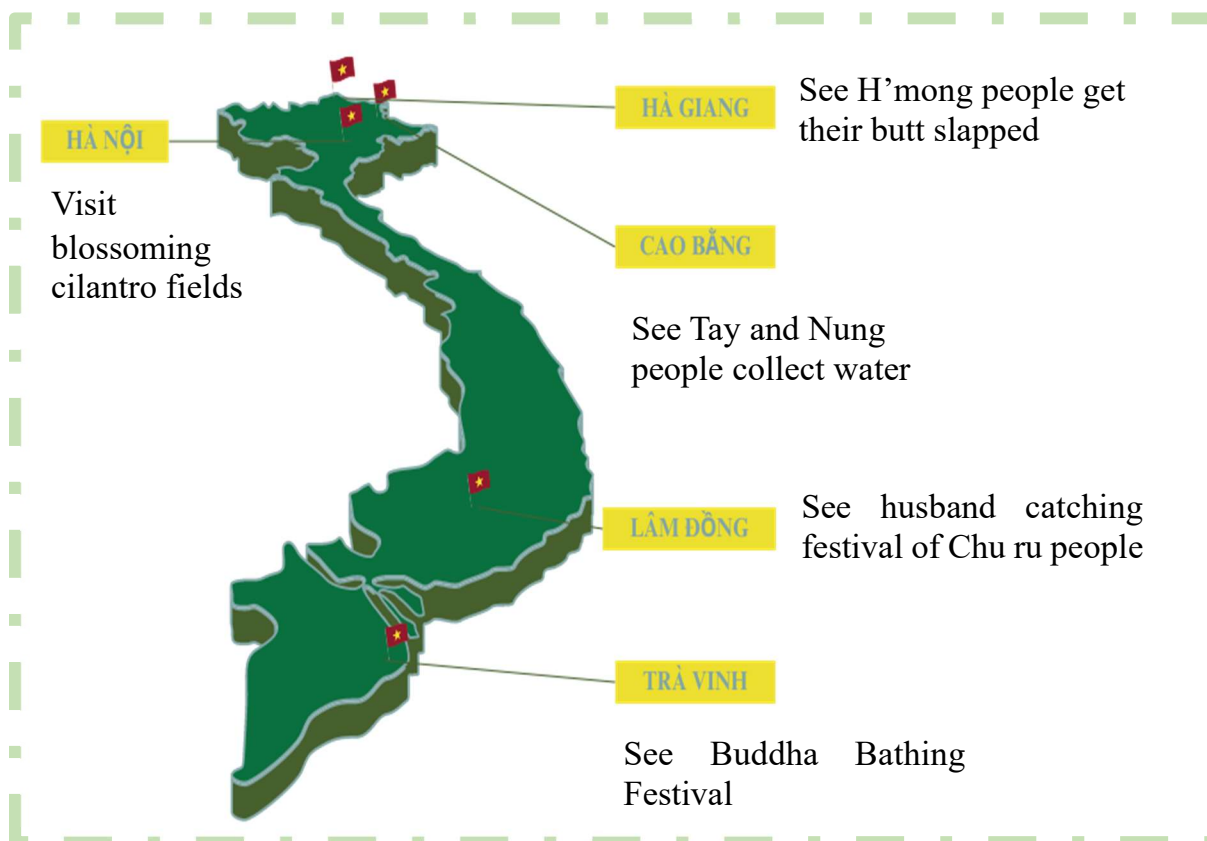
Before going to collect water, the homeowner will light incense on the ancestor asking for permission to send a representative member to collect water to welcome the beginning of the year. Those who go to fetch water only need to be family members, regardless of old, young, girls and boys. The Tay and Nung people think that those who take water as early as New Year's Eve will receive more luck, so many people go very early. Things to bring are 3 compresses of incense that are already lit at home (if the house is far away, you can bring incense to the water mine and then light) and bamboo tubes to store new water.

"Chúc mừng pi mầu" (Happy New Year)

"Bươn chiêng pi mầu chúc pi noọng mì rềng" (January of New Year wish you good health)

Arriving at the place, people will light incense at the high place on the shore. Usually the village leader or reputable person in the village will be the guide to the water source to pray for blessings for the village, after the bridge is completed, everyone will go down to collect water.

Especially, if you come to Pac Bo Special National Relic, there will be a water collection ceremony. This is a ritual originating from the custom of collecting new water at the beginning of the year of the Tay and Nung people – 2 ethnic groups mainly living in Ha Quang district, Cao Bang province. You can book a homestay at Truong Ha commune, Ha Quang district, Cao Bang province, about 4km from Pac Bo historical site that will be more convenient for you to participate in the festival.



EXPERIENCE BLOSSOMING CILANTRO FIELDS IN HA NOI

On the suburb of Hanoi, there is a village named Hoach An (Kim An commune, Thanh Oai district, Hanoi). **The village is famous because it still preserves the traditional beauty of Vietnam, the only village in Hanoi with 30 years of growing old cilantro for sale during the Lunar New Year.**

Cilantro - also known as: Coriander, Chinese parsley, dhania, is an annual herb in the family Apiaceae.

Hanoians still have the custom of boiling cilantro water on the last day of the year to bathe as a way to wash away the dirt of the whole year and welcome a coming new year. To prepare bath water, cilantro must be wash before boiling. The scent of cilantro stay around for so long . After bathing, the smell can linger for days. And the custom of bathing cilantro water called “year-end bath”. Therefore, every morning market of the last days of the year, cilantro harvested folow the farmer from the suburbs into the city so that each small street is filled with fragrance, a unique culture you will hardly find elsewhere. Bundles of blossoming cilantro are always a characteristic feature of Hanoi tet market, housewives believe the scent of cilantro is the scent of tet.

Blossoming cilantro is harvested from 25 to 30 Tet. When the family is busy shopping and cleaning to prepare for the Lunar New Year, people in Hoach An village rush to harvest cilantro, the crop only lasts the last 5 days of the year. The village streets are filled with the scent of cilantro. People are busy harvesting coriander leaves to sell before tet. If you visit Hoach An village these days, you will feel the village road filled with fragrance, pictures of farmers picking up grass, shaking off the soil, tying the cilantro into small bundles to deliver to the market in Ha Dong. A village image with white colors of serene and rustic smelling flowers.



SEE HUSBAND CATCHING FESTIVAL OF CHU RU PEOPLE IN LAM DONG

If men of Kinh people will go to the woman’s house to ask for the bride, in the Central Highlands, women from many matrilineal tribes go around to “catch husband”. **The custom of catching husband is a unique culture that is still preserved in many villages in the Central Highlands, especially the Chu Ru people.**

The husband-catching festival usually takes place at night from the first day of the Lunar New Year until the end of March which is also the wedding season of Chu Ru people.

For Chu Ru people, marriage must be faithful to one wife and one husband. According to Dr. Hoang Son, author of the book “The Chu Ru People in Lam Dong”, unlike Kinh people, the day of *anhủ sanoai* (roughly translated as a *proposal for the bride* – Ngoc Ly Hien) is the day when the matchmaker with the women and some members of her family go to the man’s house to bring offerings that the man’s family requests. Normally, the woman does not appear immediately but waits at the house that is near the man’s house. When the man agrees, the women will be present to perform the Sri ceremony (silver ring or gold ring). When wearing a ring, the female gives it to the male first, then the male gives it to the female. The boy's family will bring wine with the girl’s family after the ring ceremony is over.



Explaining why “husband catching” must take place during the night, at Pró Ngóh village (Don Duong district), the village old man named Ya Ngon said, “you have to go at night, because if lucky enough, you have the approval of the man’s family, otherwise in the dark, nobody knows you are embarrassing”.

After the asking ceremony, if the woman comes from a properous family, the wedding will be held, otherwise, the groom will go to his wife's house to live and the young couple officially become husband and wife. During this time, couple’s families often celebrate, play the drums and blow happy trumpets for young couples.

Chu Ru people live in Don Duong district and Duc Trong district, so if you have the opportunity to come here, it is suggested that you can easily book accommodation services at homestays. Besides learning about the culture of the Chu Ru people, you can sign up for cycling, walking and climbing tours, explore beautiful roads among the mountains and forests of the Central Highlands such as Ma Bo – Ma Noi and Ta Nang – Phan Dung trails.





EXPERIENCE BUDDHA BATHING FESTIVAL IN TRA VINH

The Buddha bathing ceremony is an important ritual that takes place during the Khmer New Year Festival Chôl Chnam Thmay (or Chaul Chnam Thmay). The festival is celebrated according to the traditional calendar of the Khmer, which takes place in the middle of April. This is the intersection of seasons between rain and dry seasons, when the harvest season is over, it is the end of the old year and the beginning of the new year.

Tet usually lasts for three days. The third day of Tet is called Thngay Llon-săk (one year older). After offering breakfast to the monks at the temple, people bathe the Buddha statue with fragrant water. The ritual aims to express remembrance and gratitude to the Buddha, then congratulate parents and grandparents, offer fruit cakes for thanksgiving, and also to wash away the bad luck of the old year and welcome the new year with all kinds of things. After finishing the ceremony of bathing the Buddha statue and bathing monks, people with the monks called Acha gathered at the stupa area containing the remains to pray for the souls of the dead monks and their relatives to be freed. The Requiem Mass is the last ritual to end the Khmer Tet Chôl Chnam Thmay.

During the three days of Tet Chôl Chnam Thcloud, people also visit each other, wish each other health, a peaceful and prosperous life. In the evening, many activities such as flying kites and spinning fire, old men tell myths and fairy tales to their children and grandchildren. Young boys and girls participate in Aday reciprocal singing, duke singing, romxaravan, xadam drum dance, etc.

In Tra Vinh Province, there is Âng Pagoda, which is considered one of the largest and most unique pagodas in the system of Khmer temples in the province, an ancient Khmer temple thousands of years old. On the occasion of Chôl Chnam Thcloud, you can visit Âng Pagoda, or Kom Pong Pagoda (Ong Met), Châm Ka Pagoda to participate in the Buddha bathing ceremony as well as immerse yourself in the bustling atmosphere of Tet in Khmer temples.

