

# 2023 Environmental, Social & Governance

(ESG) Report



# A message from Our CEO

**At BW, we do not  
call it ESG program.  
We call it “The BW  
ESG Spirit”**



At BW, we do not call it ESG program. We call it “The BW ESG Spirit”, where every employee truly considers himself a global citizen, who cares not only about his family, his country, but also about issues affecting humanity. We believe in pursuing not only our own interests but also acting on global issues such as global warming, pollution, and energy scarcity.

We encourage all BW employees to prioritize their own well-being and work-life balance, support diversity and gender equality, and have faith in community investment through corporate social responsibility.

Together, we are stronger.

**Lance Li - CEO**

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# Agenda

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## 01.

Vietnam's ESG  
Latest Commitments

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## 02.

BW's 2022 Highlights  
and Latest Achievements

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## 03.

BW's ESG Framework and  
Targets to 2030



# National Greenhouse Gas (GHG) emission reduction – Latest commitments

Jul 22	Nov 22	Dec 22
<p><b>National Climate Change Strategy (NCCS) to 2050 was promulgated:</b></p> <ul style="list-style-type: none"> <li>• An important step towards the net zero emission commitment by 2050.</li> <li>• By 2030, total GHG emissions will decrease by 43.5% compared to the business-as-usual (BAU) scenario.</li> </ul>	<p><b>Updated Nationally Determined Contribution (NDC) to the UNFCCC was submitted</b></p> <ul style="list-style-type: none"> <li>• The NDC 2022 is in line with the NCCS targets.</li> <li>• Increased the unconditional target to 15.8% reduction below BAU in 2030 (from 9% in NDC 2020), and a 43.5% reduction with international support (from 27% in NDC 2020).</li> </ul>	<p><b>Vietnam and the International Partners Group (IPG) launched a Just Energy Transition Partnership (JETP)</b></p> <ul style="list-style-type: none"> <li>• Will mobilise an initial 15.5 billion US dollars of public and private finance over the next 3-5 years.</li> <li>• Accelerate the decarbonisation of its electricity system from the current net-zero planning at peak of 240 MtCO<sub>2</sub>e by 2035 towards a peak of no more than 170 MtCO<sub>2</sub>e by 2030.</li> <li>• Reduce the capacity peak of 37GW of coal-fired generation towards a peak of 30.2GW by 2030.</li> <li>• Increase the electricity generation of RE from 36% towards at least 47% including wind, solar and hydroelectricity power to ensure the energy security of the country by 2030.</li> </ul>

Source: VNEEC

# Roadmap for the Vietnam carbon market

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Preparation phase:</b> <ul style="list-style-type: none"> <li>Establish methodology, and regulation on management of carbon credit and emission allowance.</li> <li>MRV guidance.</li> <li>Implement a pilot carbon credit trading scheme in prospective fields of the market and provide industrial players with guidance.</li> <li>National GHGs inventory</li> <li>Registry system.</li> <li>Governance.</li> <li>Promote activities for awareness raising and capacity building on carbon market development.</li> </ul>									
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
				<b>Pilot phase:</b> <ul style="list-style-type: none"> <li>Operate a carbon credit exchange mechanism on a pilot basis from 2025.</li> </ul>					
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
							<b>Implementation phase:</b> <ul style="list-style-type: none"> <li>Officially start operation of the carbon create exchange mechanism</li> </ul>		

Source: Decree No. 06/2022/NĐ-CP issued by the Government in Jan 2022 on Mitigation of green house gas (GHG) emissions and protection of ozone layer.

# A snapshot of this Year's progress at BW

Reflecting on our ESG spirit, we have accomplished our primary objectives in 2022



## Undertaking roof-top solar for all new – existing projects

Since 2022, we have developed two pilot projects with maximum capacity of 615 kWp in My Phuoc 3 project, and 119 kWp in Tan Phu Trung 1, to be started in May 2023.

Additional 7.6 mWp will be installed in the second half of 2023 for North projects. The remaining projects will be developed in the following years up to a total capacity of ~110 mWp.



## LEED Certification Achievement

Achieved SILVER LEED Certification for BW Phu Nghia Logistics Park under the LEED V4 Building Design & Construction: Core and Shell Development rating system.

Executed LEED Application for specific under-construction projects such as Xuyen A, Vinh Loc and VSIP Bac Ninh.

Organize periodical technical training by USGBC-GBCI to all BW Staffs to raise the awareness towards global green standards.



## Scholarship Give-away

Awarded scholarships for underprivileged students with excellent academic performances at Foreign Trade University in December 2022.

# A snapshot of this Year's progress at BW

Reflecting on our ESG spirit, we have accomplished our primary objectives in 2022

## Support School Renovation in Ha Giang



Successfully raised 130 million VND from our Summer Flea Market – donated by our generous BW staffs, for School Renovation in Ha Giang.

Our team together with Thuong Project made it to Meo Vac, Ha Giang province in September 2022 to meet teachers and students at Nà Poong and Nà Pau and to hand over the donation to the school representatives.

Thankfully, the renovation was quickly implemented and completed within September 2022. Our cheerful students now have better and newer playgrounds, libraries, pantries, kitchens...

## Physical exercise every week for BW staff



At BW, our management team understand that life is not all about work and KPI. Instead, employees are expected to find joy, satisfaction, and purposes in our work, and importantly, balance in our lives.

The company therefore offers various team activities for employees to stay active and united: tennis, football, yoga, etc.

## Nurturing a learning and sharing culture



Organize monthly training sessions for different departments to share their knowledge and expertise with the rest of the team. This has built a harmonious, understanding, and supportive working culture.

With the belief that the best way to broaden our knowledge and sharpen our skills is by sharing our knowledge with others and learning from them, we have successfully built a BW library where all staff can donate and borrow books.

# As a continuation of our year-long ESG efforts



## Undertaking Environmental Due Diligence for all new projects

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Environmental due diligence is the process of assessing real estate for any potential risk of environmental contamination and hidden environmental liabilities. This is an essential first step in our decision-making process, whether for land acquisition or building purchase.



## Undertaking Environmental Impact Assessment for all new greenfield development projects

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Environmental Impact Assessment (EIA) is to ensure that the proposed project development plan is environmentally sound and sustainable. EIA evaluates a project's potential environmental risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts.



## Decarbonization Application Solar LED streetlights for all new projects

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We install solar LED streetlights for all new projects - weather-proof, water resistant, and with a longer life, this approach yields proven financial and environmental savings.

# As a continuation of our year-long ESG efforts



## HSE Execution Plan in place for all construction-in-progress sites

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BW's HSE Management System is in place to protect employees and visitors against all on-site injuries and incidents for under-construction projects.

ZERO INCIDENT IS THE GOAL.



## BW Core Value and Code of Conduct & Internal Compliance

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Our policies and training reflect the Foreign Corrupt Practices Act (FCPA), Anti-Bribery Compliance Policy, Code of Ethics, and Whistleblower Policy.

BW's internal Compliance Officer ensures the company's activities reinforce the integrity of our company culture. All of our staff are subject to compliance training and e-learning programs.



## BW Work Environment

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BW has a 40:60 male and female ratio. The company is continually dedicated itself to create a diversified and equal working environment while create opportunities for every staff having self-development.

BW has set up an independent SOS committee to address any kind of sexual harassment, gender, or physical appearance offensive gestures and to promote healthy, safe, and productive workplaces through periodic training.

# BW's ESG Framework

## People and Culture

As we strive to create a positive and supportive environment for our employees, customers, suppliers and communities, the idea of people and culture is integral to our business. Basic human needs are universal, and meeting those needs today while ensuring they can be met in the future is the cornerstone of sustainable development.

### Focus Areas

- Safety, Health & Wellbeing
- Diversity & Inclusion
- Community Investment
- Talent Attraction, Retention & Training

## Property

We aim to develop and manage modern, state-of-the-art logistics facilities for the new economy. We see ourselves playing a clear role in modern-day commerce, driving the region beyond doing less harm and seizing opportunities to create a positive impact – doing good for the planet, people and business.

### Focus Areas:

- Sustainable & Efficient Operations
- Sustainable Building Certifications
- Flexible & Adaptable Properties

## Corporate commitment

We believe a culture and practice of strong year-on-year corporate performance cements the foundation for sustained and balanced growth, resulting in stable and dependable returns.

### Focus Areas:

- Corporate Governance
- Risk Management

# People and Culture

We are committed to enhancing the workplace environment as we chart our way forward for continuous engagement with our employees and stakeholders.

	Safety, Health and Well-being	Diversity & Inclusion	Community Investment	Talent Attraction, Retention & Training
FOCUS AREAS	<p>We commit to providing safe workplaces and promoting the holistic wellbeing of our people with due consideration for the importance of healthy work-life balance.</p> <p>We work closely with our supply chain to ensure that employees of our contractors enjoy the same standards of protection as we expect for our own people. Our Supplier Code of Conduct is available <a href="#">here</a>.</p>	<p>We are in the process of consolidating and strengthening our network as BW continues its growth trajectory. We are committed to fostering workplaces that embrace diversity and are free from any and all discrimination.</p>	<p>An important element of our corporate culture is giving back to the communities in which we operate.</p>	<p>We sponsor programs to invest in tomorrow's leaders. BW aspires to be an Employer of Choice:</p> <ul style="list-style-type: none"> <li>• Fostering a culture of active learning</li> <li>• Delineating a clear path and process for career progression</li> <li>• Ensuring total rewards and life insurance or contributions to retirement and social security schemes</li> <li>• Seeking employee engagement and feedback</li> </ul>
TARGETS	<ul style="list-style-type: none"> <li>• Achieve zero workforce fatalities</li> </ul>	<ul style="list-style-type: none"> <li>• BW currently employ a roughly 40:60 ratio of men and women of various strengths and abilities. Our commitment to fostering an inclusive and dynamic work environment remains unwavering as we strive towards achieving gender equality and promoting work-life balance.</li> </ul>	<ul style="list-style-type: none"> <li>• Sponsor construction industry charities</li> <li>• Annual tree planting activity in a selected BW project.</li> <li>• Grant BW Talent Award to underprivileged students, including annual financial support to cover tuition fees and book allowances</li> </ul>	<ul style="list-style-type: none"> <li>• Train employees annually in ESG-related stuffs (Energy, Water, Waste, Transportation, and Human Experience)</li> <li>• Provide relevant training courses for all BW staff</li> </ul>

# Property

BW demonstrates environmental stewardship by developing and maintaining sustainable and efficient facilities.

	Sustainable & Efficient Operations	Sustainable Building Certifications	Flexible and Adaptable Properties
FOCUS AREAS	<p>Across our operations, we focus on continuous improvement by always striving to do more with less.</p>	<p>We aim to take compliance one step further by obtaining globally recognized certifications for our buildings.</p>	<p>Our sites are designed with occupants in mind.</p> <ul style="list-style-type: none"> <li>• Optimal space utilization with high ceilings and wide column spacing</li> <li>• Highly efficient loading and parking areas</li> <li>• Customizable features</li> </ul>
TARGETS	<ul style="list-style-type: none"> <li>• All projects that have been operating by the end of 2023 will be fitted with solar system by 2024.</li> <li>• The remaining projects will be installed once they reach stabilized occupancy, which is 2 years from their operation start.</li> <li>• Projects in the South will be prioritized due to much better solar irradiance that ensures stable electricity generation from solar panels.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtain green-certified project on an annual basis</li> </ul>	<ul style="list-style-type: none"> <li>• To limit material degradation through efficient design, construction, and maintenance</li> </ul>

# Corporate commitment

We live in a world where the rules governing business conduct are complex and becoming more demanding over time. To safeguard for the future, we put in place stringent measures to protect the reputation of the company and everyone who works with us.

	Corporate Governance	Risk Management
FOCUS AREAS	<p>Our policies and training reflect the Foreign Corrupt Practices Act (FCPA), Anti-Bribery Compliance Policy, Code of Ethics, and Whistleblower Policy. BW's internal Compliance Officer ensures the company's activities reinforce the integrity of our company culture.</p> <p>All of our staff are subject to compliance training and e-learning programs.</p>	<p>With the support of governance officers, BW's management team annually seek to identify, verify, and assess various risk levels. Our team integrates an E&amp;S system into related risks and governance practices, including climate change impact mitigation and adaptation, environmental management practices and duty of care, work and safety conditions, respect for human rights, anti-bribery and corruption practices, and compliance to relevant laws and regulations.</p>
TARGETS	<ul style="list-style-type: none"> <li>Foster a company culture that is agile, alert, inclusive, and supportive.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain ESG due diligence as a prerequisite for all investment decisions.</li> <li>Update strategies as more information and technology becomes available.</li> <li>Mandatory incident reporting.</li> <li>Regular and consistent engagement with business parties, especially on ESG matters.</li> </ul>

# THANK YOU

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