**SPEECH OF DEEP C - 22/04/2023**

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It must be clear that Vietnam faces big challenges to reach the target to become Net Zero by 2050. Very few countries have dared so far to put such ambitious goals in terms of energy transition. We all realize that ending the use of coal will be an issue for which Vietnam needs to make great efforts and contemplate some big strategic choices. Industry and construction play as major user of energy accounts for 55.3% power output. As such it is our belief that Industrial Zones have to become a part of the solution and . Energy transition is a must-win battle of Deep C in its sustainability strategy. We plan to convert our zones from an energy consumer into an energy generator.

Since its early years of operation, DEEP C has positioned itself as a leading developer and operator of an industrial zone and port complex in and around the new port cluster of Lach Huyen. During 25 years of development, our Belgian company has proven its long-term dedication to sustainable economic growth and is committed to join Vietnam on the path towards net-zero by 2050.

DEEP C claims to be more than an industrial zone. We believe that we should not only talk about sustainability and energy transition but prove we walk the talk. Over the past 5 years we have set up a range of pioneering projects and initiatives that are part of ESG program

As a result DEEP C was honored to be selected 3 years aga as a pilot Industrial Zone in Vietnam's "Eco-Industrial Park Intervention" project, aimed at implementing the **Global Eco-Industrial Park Program** (GEIPP) in three industrial zones across Vietnam. This project focuses on the environment, economy, society, and industrial zone management, emphasizing efficient resource use, cleaner production, circular economy, and industrial symbiosis. All these aspects are incorporated in DEEP C’s core values and daily operations.

We better give some examples of what we achieved so far

1. IIn cooperation with MPI, UNIDO and its selected partner, Vietnam Cleaner Production Center (VNCPC), DEEP C conducted in 2022, eighteen Resource Efficiency and Cleaner Production (RECP) audits amongst its highest (energy and water) consuming tenants. These audits resulted in 131 improvement solutions and a potential saving of almost 40,000 tons CO2 per year. Audits however have no value without execution and follow up. During the first quarter of this year, we monitored implementation and results of the proposed improvements. Our tenants had realized or planned 85 solutions, resulting in an actual reduction of almost 30,000 tons of CO2. This clearly shows the need for Industrial Parks to guide and involve their tenants on their journey towards net-zero. In the coming years, DEEP C will keep supporting its tenants in realizing sustainable projects that will contribute to the goal of becoming net-zero by 2050.
2. DEEP C's commitment to sustainability is further demonstrated by **DEEP C Farm. This organic farm is** offering organic food baskets to the lowest paid employees to supplement their wages but also acths as a a welfare and charity project for the local small scale farmer community. The project is backed by DEEP C Entities.
3. We are taking proactive measures in our designs to mitigate the potential effects of **climate change** on our industrial zones, including flood risk analyses, decreasing its carbon footprint via the installation of solar panels and energy-efficient lighting systems and **reuses its treated wastewater** to water its green zones and nursery. Deep C **treats and reuses channel dredged waste material** to save sand for land reclamation purpose and we have been developing Wetland Parks and Nature Conservation areas inside our zones aiming to increase **biodiversity**
4. Last but not least I would like to introduce to you our own energy transition program called **Project 2030**. It has the goal of creating a self-sufficient eco-industrial park powered by at least 30% renewable energy sources by 2030. In case battery storage can be integrated, the goal is to achieve 50% renewable energy and if there would be an opportunity to hook up to an off-shore wind project, a biomass generator or LNG-plant, the target would be 100% renewable energy generation. In line with this target, DEEP C aims to install 100MW of solar power by 2030, which is equivalent to the energy needs of 90,000 households and a substantial CO2 reduction. DEEP C is also exploring renewable energy certificates and is ready to step in on the market of carbon credits.

Over years of development, DEEP C is known as reputation Brand of Industrial Zones in Viet Nam, featuring modern and comprehensive infrastructure systems and high-quality utility services, engaging over 160sub-investment projects with a total investment of over 5 billion USD including many high-quality foreign direct investment projects, positively contributing to the industrial and economic development of the city. We have a clear sustainability strategy, and have issued for the first time an ESG year report. Deep C believes that this is the ultimate path to keep our position as the go to destination for many big potential investors, mostly in high-tech industries.

To promote energy transition for Net Zero by 2050, Deep C would like to give some recommendations to Vietnamese government as follows:

1. Mobilize a variety of resources, including promoting the strong participation of the private sector and creating an adequate and transparent legal and regulatory framework to realize the objectives. Especially, the guidelines and policies facilitating industrial parks to smoothly implement renewable energy development initiatives, gradually replacing traditional energy sources. Today a lot of provinces still oppose industrial zones to set up their own energy distribution companies and a clearer guidance on this matter would be much appreciated

In addition to the rooftop solar power, wind energy projects that Deep C is implementing, Deep C is also actively exchanging with partners about the possibility of cooperation in connection from ocean wind power projects, power storage, biomass, LNG, and solar power generation on closed landfills.

DEEP C would like to seek for the central and local government’s support for these effort, starting now with approval to survey, study, prepare Feasibility Study Report of the solar energy project on the current Dinh Vu landfill to supplement power to the production and operation activities in the industrial zones, including comprehensive treatment solutions for the polluting landfill, including emission and leachate treatment, at the same time, optimize the renewable energy and sustainable development.

1. To harmonize energy conversion goals with other goals in the sustainable development strategy. In particular, the eco-industrial park development model needs more attention with full support on the legal framework to realize initiatives, flexibly remove obstacles in the implementation process; more practical support policies and incentives for the eco-industrial park model should also be considered, to create motivation for more industrial parks to participate in this revolution.

The 2 examples that Deep C is facing are lack of formal procedures for the use of plastic waste for road asphalt construction in industrial parks and the reuse of treated wastewater is not yet recognized as a commercial water source.

Building the future is our tagline at DEEP C. We believe that future needs and will be sustainable. But one should not be mistaken: Sustainability is not only about environmental care, or carbon credits, but stands for an adjusted sustainable economic growth model aiming for long-term profit in combination with the well-being of our planet and our people. DEEP C is determined to continue following this path towards net-zero and will make sure to get our tenants walking along with us. Because only together we will be able to achieve these goals. We thank you for the opportunity to express our views and hope they can be helpful to attract more investors and adjust the legal framework to enable faster achievement of the net zero target of Vietnam