

VIETNAM NATIONAL PETROLEUM GROUP

Petrolimex's vision and its actions
on New Business Strategy, HRD & Talent Management
for Responding to the Needs of the New Era

Mr. Nguyen Xuan Hung
Deputy General Director,
Vietnam National Petroleum Group

The 37th JCCP International Symposium
Tokyo, Japan





Group overview



Petroleum business environment in Vietnam



Challenges, opportunities and actions of Petrolimex



VIETNAM NATIONAL PETROLEUM GROUP

Stock symbol: **PLX on HOSE**
Chartered capital: **556,506,702 USD**
Listed shares: **1,293,878,081**
Address: No. 1 Kham Thien Str.,
Dong Da Dist., Hanoi, Vietnam
Website: www.petrolimex.com.vn

1956
ESTABLISHMENT
OIL AND GREASE
CORPORATION

1995 – 2010
M&A
EQUITIZATION
VIETNAM
NATIONAL
PETROLEUM
CORPORATION

2011
RESTRUCTURE
IPO
VIETNAM
NATIONAL
PETROLEUM
GROUP

2011- 2018
STRATEGIC PARTNER

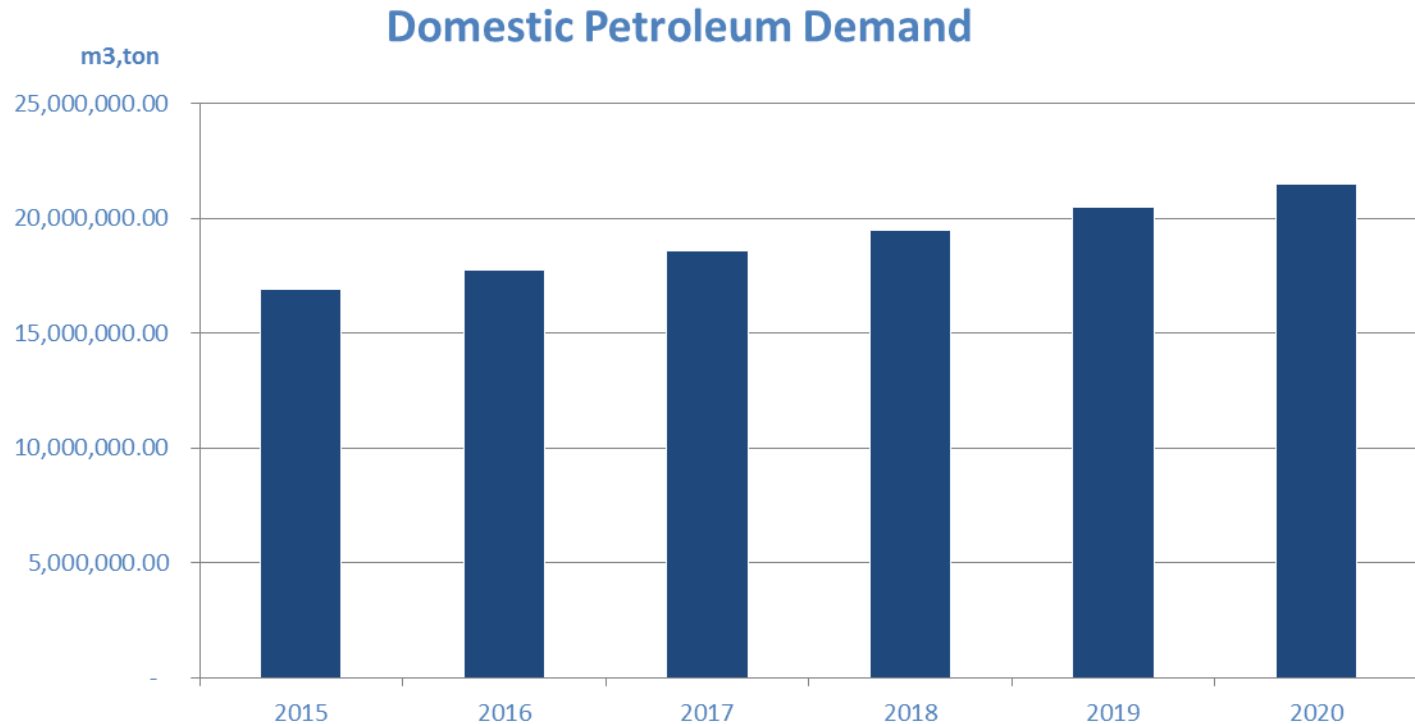
LISTING
HOSE: PLX



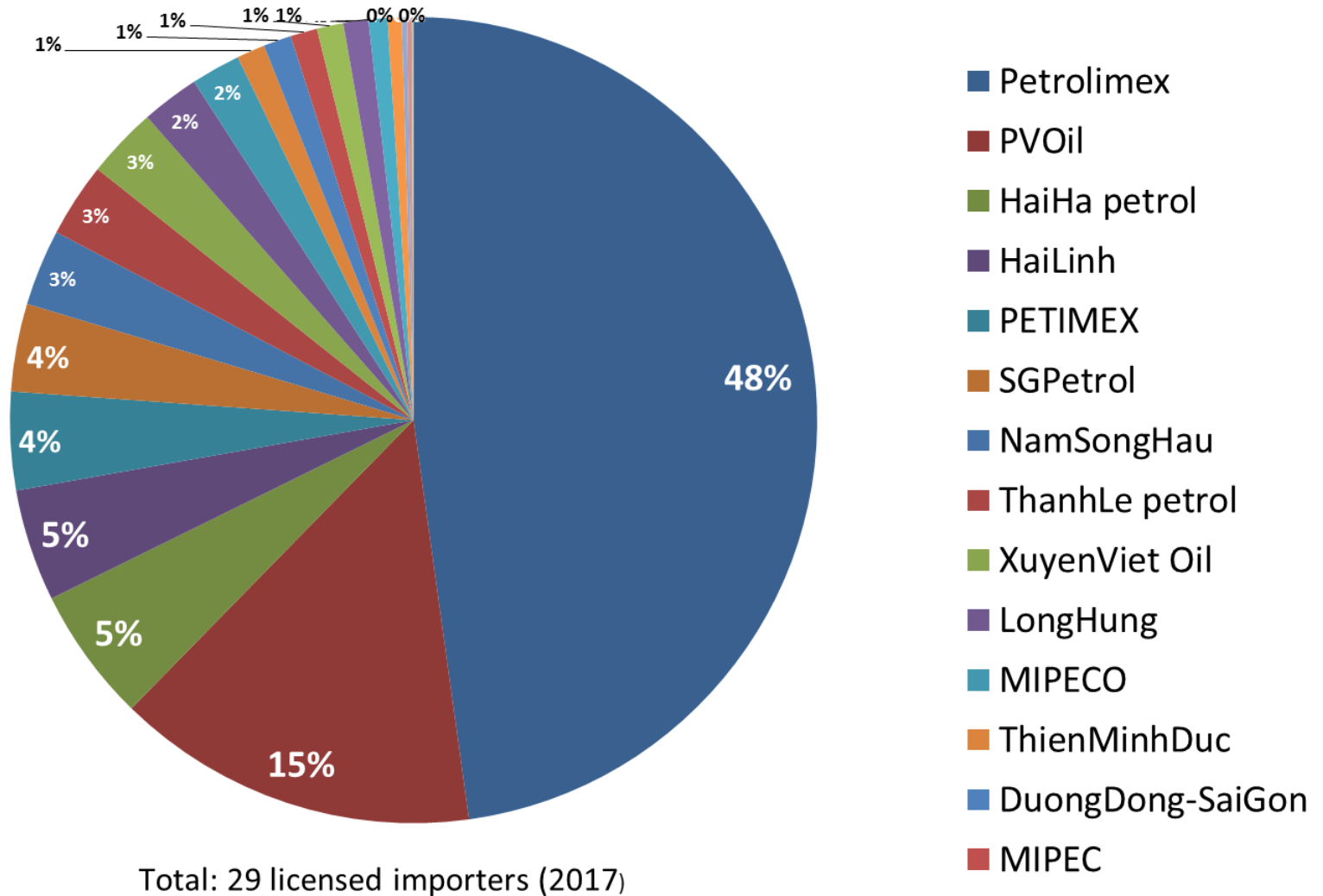
Vietnam population: 95.54 million (for 2017) and growth rate of 1%

GDP growth rate: around 6.8%

Domestic fuel demand estimated increases: 6%



Vietnam Fuel Market-share



Ensure the National Energy Security

- Responsible for stable fuel national reserves whenever the oil market fluctuates

Policy risks

- State owned company is governed by authorities.
- Policy changes to adapt tax cut scheme in accordance with FTAs

Domestic competitors

- Domestic Petroleum market is more competitive: Number of licensed petroleum importers has increased to 29 (2017 data)

Imports structure changes

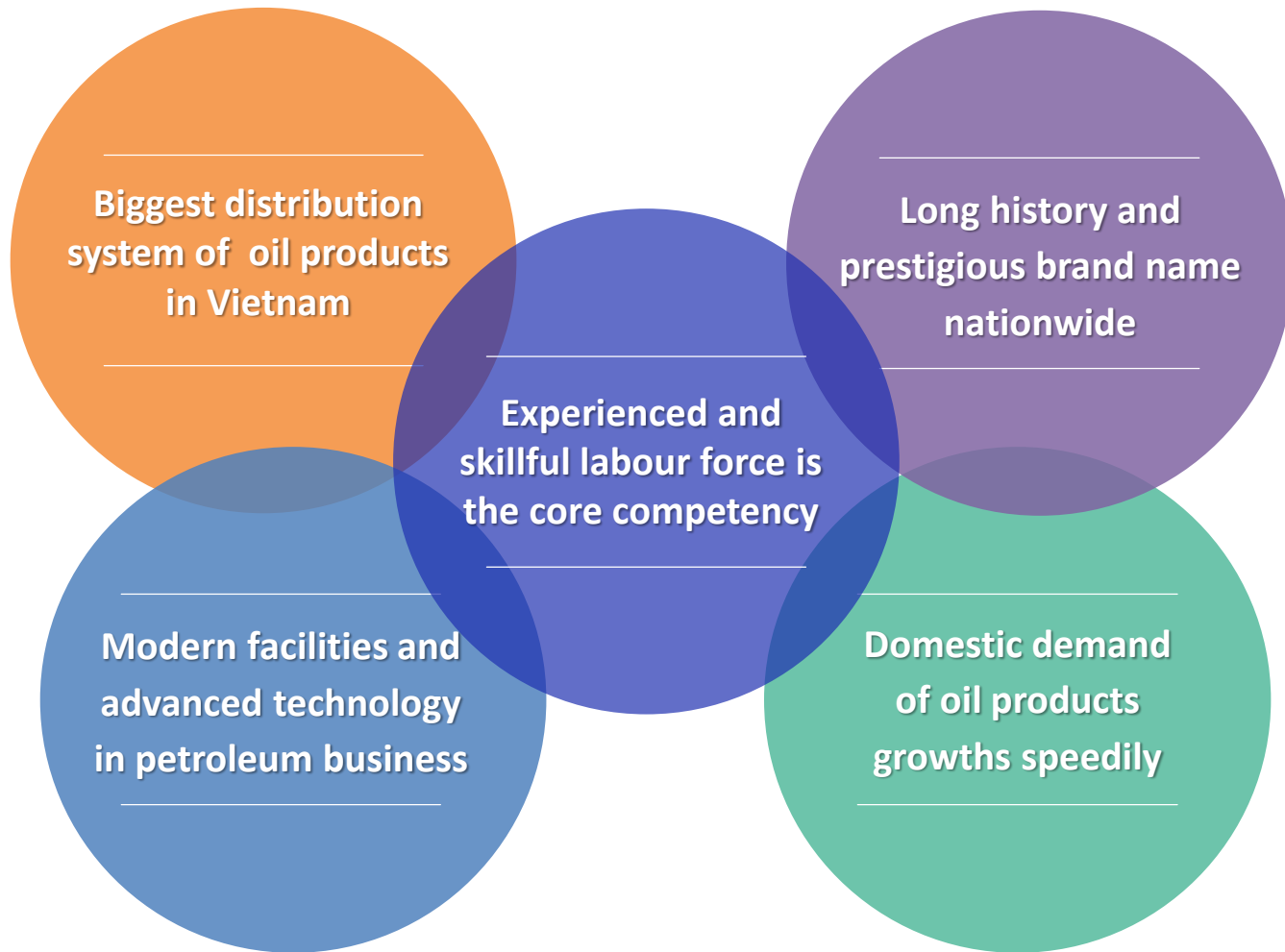
- Nghi Son refinery has been started-up in 2018
- Structure of overseas/domestic refinery import volume has changed dramatically

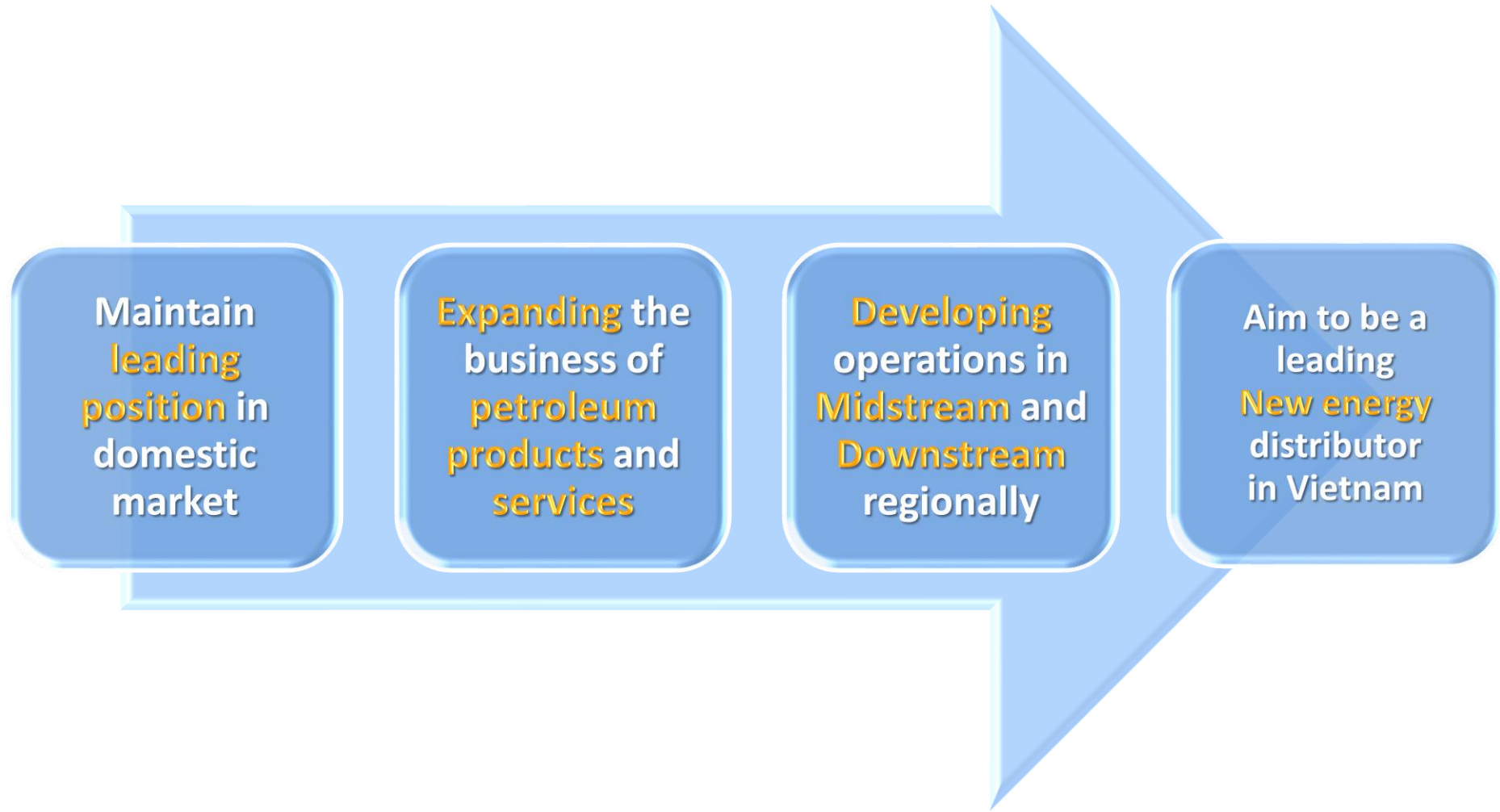
The need of diversification on energy business

- Global trend of cleaner fuel to reduce emission and pollution
- Petroleum business will be narrowed for the long-term according to case study of Japan and the other developed economies

Personal working abilities

- The need to increase the expertise of the labor force when Petrolimex improves technology, retail selling systems, R&D activities and new energy business in context of international integration





**Enhancing the core business:
Applying new technology on operations**

- Improving abilities of corporate to integrate with new technology on managing and controlling in petroleum facilities likes SAP-ERP, quality control, petroleum terminal automation ect
- Setting up DOC (Distribution Operation Center) to improve effectiveness of petroleum logistics

**Enhancing the core business:
Promoting potential products**

- The pioneer in domestic market on supply cleaner grade diesel which is equivalent to Euro 5 emissions standard
- Promoting business of potential product as Jet A1. Cooperating with airlines partners as Vietjet Air, Bamboo Airlines, ect

Expanding extra products and services in Service Station

- Cooperation with various partners to develop convenience store, car service, etc
- Kaizen activities with strategic partner – JXTG to study new products and services in Petrolimex Service Station

Diversifying energy business following the cleaner fuel trend

- Signing MOU with EVN to study LNG terminal project for gas-fired power plant
- Study of electric charges/battery charges station for on-road vehicle, etc

Increasing R&D activities in entire corporate

- Building up talent and competence of labour force by R&D activities on new products & services, new technology solutions, new working styles, new energy business, ect

Encourage Kaizen activities

- Cooperation with strategic partner – JXTG to exchange experiences and knowledge
- Study and execution of new management solutions to promote competencies and abilities of employees

Setting up cross-team on studying new projects

- **Extending personal knowledge and improving team-work skills**
- **Preparing human resources for new business sectors**

Organizing training courses to enhance working abilities of Employees

- **Arranging training class nationwide to operate new systems such as ERP-SAP, quality control, petroleum terminal automation, ect**
- **Cooperating with JCCP for overseas training courses annually**



Thank You

hungnx@petrolimex.com.vn

www.petrolimex.com.vn

Headquarters

Vietnam National Petroleum Group
No.1 Khamthien street,
Hanoi,
Vietnam

Singapore

Petrolimex Singapore Pte Ltd
200 Cantonment Road
02-02 Southpoint
Singapore, 089163

Laos

Petrolimex Laos
13 Nort Street,
Sykhaithong
Sykhotabong District
Vientiane, Lao PDR

Cambodia

Petrolimex Cambodia
No.37, Sheet 240,
Chak Tomuk
DaunPenh,
Phnompenh, Cambodia