



HOA PHAT GROUP

SUSTAINABILITY REPORT

2025



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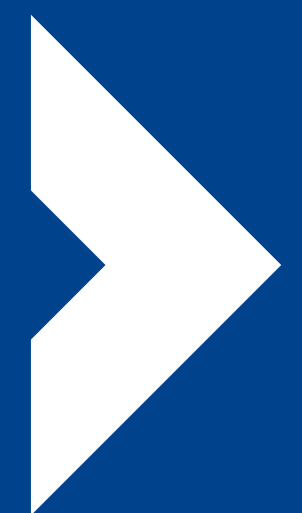
SUSTAINABILITY REPORT 2025

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ABOUT THE SUSTAINABILITY REPORT

ABOUT THE SUSTAINABILITY REPORT

REPORTING FRAMEWORK

[GRI 1]

The Hoa Phat Group Sustainability Report 2025 has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2021, for the period from 1 January 2025 to 31 December 2025, with the disclosed information referenced in the GRI content index table. The report also reflect the Sustainability Accounting Standards Board (SASB) standards for iron and steel producers. This report is published annually.

BOUNDARY AND SCOPE OF THIS REPORT

[GRI 2-2, 2-3]

The sustainability performance of Hoa Phat Group covered in this report encompasses all activities of the Group within Vietnam and pertains to the calendar year ending 31 December 2025.

The scope of this report includes the entire Group's portfolio, which comprises all subsidiaries of 04 business segments, including (1) Steel; (2) Agriculture; (3) Real Estate and (4) Home Appliances.

POINT OF CONTACT

[GRI 1]

We value and appreciate all feedback to make our report more relevant to stakeholder needs. Any questions or inquiries pertaining to our sustainability initiatives, reporting, or comments and feedback, can be directed to:

ESG Department

HOA PHAT GROUP

Head Office: No. 66 Nguyen Du Street, Cua Nam Ward, Hanoi, Vietnam.

Phone number: +84 243.974.7751 | **Email:** esg@hoaphat.com.vn

Website: www.hoaphat.com.vn





MESSAGES FROM GENERAL DIRECTOR

[GRI 2-22]

Dear Shareholders, Partners, and Hoa Phat's Employees,

At Hoa Phat, we are committed to pursuing harmony and sustainable development, continuously creating value for a more prosperous future for Vietnam and the global community. With pride in our achievements to date and a strong aspiration for further advancement, Hoa Phat Group remains steadfast in our vision "to become an industrial manufacturer with top-quality products and core area of steel." Since establishment, Hoa Phat Group has continuously expanded our steel ecosystem across both upstream and downstream segments, enhancing production capacity while maintaining a strong focus on research and product quality improvement. This has enabled the development of increasingly specialized and sophisticated steel grades, thereby meeting a broader spectrum of demand for national infrastructure development.

In 2025, Hoa Phat Group prioritized the mobilization of all corporate resources to successfully commission the Hoa Phat Dung Quat 2 Iron and Steel Integrated Complex in Quang Ngai. The operationalization of this project has established a robust foundation for the Group's growth trajectory in subsequent years. With this expansion, the Group's total steel production capacity reached 16 million tons per annum—the highest output in Southeast Asia. This milestone propelled Hoa Phat into the ranks of the Top 30 largest steel producers globally. Such an achievement has significantly bolstered Vietnam's standing as SouthEast Asia's leading and the world's 11th largest crude steel producer. Furthermore, it reinforces Hoa Phat's pioneering role within the national industrial sector and elevates the prestige of Vietnam's metallurgical industry on both regional and international scales.

The evolution of Hoa Phat is measured not merely by output volume or organizational scale. Grounded in our core philosophy, "Harmony for joint development", we maintain that economic expansion must be inextricably linked with sustainable development. It is my distinct honor to introduce our 2025 Sustainability Report, which serves as a testament to our profound commitment to understanding and addressing the priorities of our diverse stakeholders. Through comprehensive internal and external materiality assessments, we have quantified and identified pivotal sustainability issues. These have been structured into core pillars to ensure consistent and transparent disclosure in this year's report and for the foreseeable future. Accordingly, Hoa Phat has designated Green Manufacturing, Human Capital Development, and Governance & Innovation as our three primary strategic priorities. This report delineates the Group's vision and tactical roadmap as we advance on our journey ahead.



General Director of Hoa Phat Group

NGUYEN VIET THANG

GREENING MANUFACTURING

The Greening Manufacturing pillar underscores our commitment to harmonizing industrial expansion with environmental stewardship and climate change mitigation. We are deeply cognizant of our responsibility within the national decarbonization framework and are proactively implementing solutions tailored to our operational context—specifically within the steel sector—to support the Government of Vietnam’s commitment to achieving Net Zero emissions by 2050. Hoa Phat Group is strategically transitioning our production and governance models through continuous technological innovation, resource efficiency optimization, and emission reduction. At our Iron and Steel Integrated Complexes in Dung Quat (accounting for 75% of the Group’s total crude steel capacity), we have deployed an advanced Enterprise Resource Planning (ERP) system. This system enables real-time monitoring and reporting of raw materials from input to output, ensuring precise control over consumption and energy efficiency.

Furthermore, waste heat generated during the production process is recovered for captive power generation. To date, the Group’s two largest integrated complexes in Dung Quat and Hai Duong have achieved a high degree of energy self-sufficiency, significantly mitigating indirect emissions and alleviating the load on the national grid. The Group is also actively integrating renewable energy sources, such as rooftop solar photovoltaics, across our manufacturing facilities. Beyond steel production, Hoa Phat maintains stringent oversight of atmospheric emissions, waste discharge, and water resource conservation within our Agriculture, Real Estate, and Home Appliances divisions. A circular economy model has been institutionalized to maximize efficiency by repurposing waste into valuable resources. These materials are either reintegrated into the production cycle or processed into industrial by-products for other sectors, effectively addressing environmental challenges while simultaneously delivering tangible economic returns.

PEOPLE DEVELOPMENT

Hoa Phat regards the People Development pillar as a critical foundation for our sustainability journey. Hoa Phat is committed to fostering a safe, healthy, and equitable workplace where every employee is respected, heard, and empowered to reach their full potential. Occupational health and safety (OHS) is a top priority, supported by rigorous risk management, regular assessments, training programs, and on-site supervision to prevent workplace accidents and occupational diseases. In parallel, Hoa Phat invests substantially in learning and development, delivering thousands of hours of technical, managerial, and corporate culture training to employees at all levels. Our people management policies aim to build a workforce that is capable, ethical, and innovation-driven, contributing to a culture of continuous learning and improved productivity. Guided by the belief that developing people is essential to developing the organization, Hoa Phat remains steadfast in our goal of being a safe, professional, and opportunity-rich workplace for all team members.

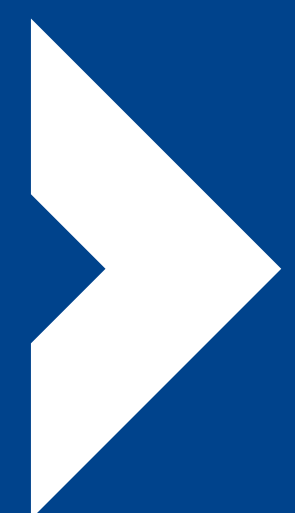
GOVERNANCE AND INNOVATION

The Governance and Innovation pillar serves as the guiding principle ensuring transparency, accountability, and efficiency across all corporate activities. Hoa Phat maintains a robust corporate governance framework coupled with a spirit of relentless innovation—a pivotal factor in continuously elevating product quality and consolidating our market leadership. We operate a dual-layered research and development strategy, where strategic research into emerging industries, cutting-edge technologies, and novel product lines is conducted at the Group level under the direct supervision of the Board of Directors. Complementing this, our in-depth operational research is executed at the subsidiary level, where respective Boards of Management and specialized departments focus on product R&D, continuous technical optimization, and the expansion of specialized steel grades to satisfy the increasingly diverse and stringent requirements of both domestic and international clientele. Beyond innovation, Hoa Phat has strategically integrated the United Nations Sustainable Development Goals (SDGs) into ours core business strategy, fully aligning with the Government of Vietnam’s green growth directives and the national commitment to carbon neutrality by 2050. We remain confident that through our spirit of creativity, determination, and responsibility, Hoa Phat will not only sustain ours pioneering position in the steel industry but also contribute substantively to the prosperous and sustainable development of the nation.

Sincerely,
General Director of Hoa Phat Group



NGUYEN VIET THANG



HOA PHAT GROUP OVERVIEW

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HOA PHAT GROUP
OVERVIEW

2025 SUSTAINABILITY
HIGHLIGHTS

AWARDS AND RECOGNITIONS
IN 2025

MEMBER OF INDUSTRY
ASSOCIATIONS

ABOUT HOA PHAT GROUP'S
BUSINESS

3.1 2025 SUSTAINABILITY HIGHLIGHTS



ENVIRONMENTAL

Completed Group-wide Greenhouse Gas (GHG) Inventory under **ISO 14064-1:2018**, with data verified and certified by BSI.

Dung Quat Steel Integrated Complex is self-sufficient for **90%** of its total electricity demand.

Over **99%** recycling and reuse rate for Steel and Agriculture waste.

Approximately **98%** of the water is recycled at Hoa Phat Dung Quat Steel Integrated Complex.



SOCIAL

Average training hours per employee at **38 hours** per year

Contributed nearly VND **13,000 billion** to the State budget.

Over **VND 120 billion** allocated for social welfare initiatives



GOVERNANCE

22% of Board of Directors are independent directors.

The representation of women at managerial levels across the Group reached **35.85%** in 2025

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3.2 AWARDS AND RECOGNITIONS IN 2025



Ranked as Vietnam's second-largest private enterprise and the 10th-largest company nationwide (VNR500).



Recognized as a National Brand.



Ranked 62nd: Top 100 Largest Companies in Southeast Asia (Fortune 500, 2025) – Up 14 places.



Among the Top 4 Largest Private Enterprises in Vietnam..



Ranked in the Top 30 largest taxpayers in Vietnam.



For 13 consecutive years, listed in Forbes Vietnam's "Top 50 Best Listed Companies."



Among the Top 50 Most Effective Business Enterprises in Vietnam.



Ranked 12th in the Top 100 Most Valuable Brands in Vietnam 2025 by Brand Finance



Listed in Vietnam's Top 10 largest private enterprises for the 11th consecutive year.

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3.3 MEMBERS AND INDUSTRY ASSOCIATIONS

Hoa Phat Group actively participates in various industry associations and professional organizations to promote responsible business practices, drive innovation, and contribute to sustainable industrial development both in Vietnam and globally. Through these memberships, the Group engages in policy advocacy, knowledge sharing, and collaboration on initiatives aimed at environmental protection, enhancing occupational safety, and fostering a circular economy within the steel industry.

➤ HOA PHAT GROUP AND ITS SUBSIDIARIES ARE ACTIVE MEMBERS OF THE FOLLOWING ORGANIZATIONS:



VIETNAM STEEL ASSOCIATION (VSA)

Supporting sustainable steel production, reducing emissions, and promoting the use of recycled and circular materials.



VIETNAM CHAMBER OF COMMERCE AND INDUSTRY (VCCI)

Advancing responsible corporate governance and integrating ESG principles into business operations.



VIETNAM ASSOCIATION OF MECHANICAL INDUSTRY (VAMI)

Fostering collaboration, technological innovation, and policy advocacy to enhance domestic mechanical engineering and manufacturing capabilities.



HO CHI MINH CITY UNION OF BUSINESS ASSOCIATIONS (HUBA)

Promoting business connectivity, policy dialogue, and sustainable economic development; supporting members through training, trade promotion, and policy advisory with regulatory authorities.



THE ANIMAL HUSBANDRY ASSOCIATION OF VIETNAM (AHAV)

Contribute to the development of legal frameworks related to the agricultural sector; promote professional activities in livestock and veterinary fields; facilitate technical exchange and the adoption of advanced livestock technologies; and develop sustainable value chain linkages.

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2025 SUSTAINABILITY
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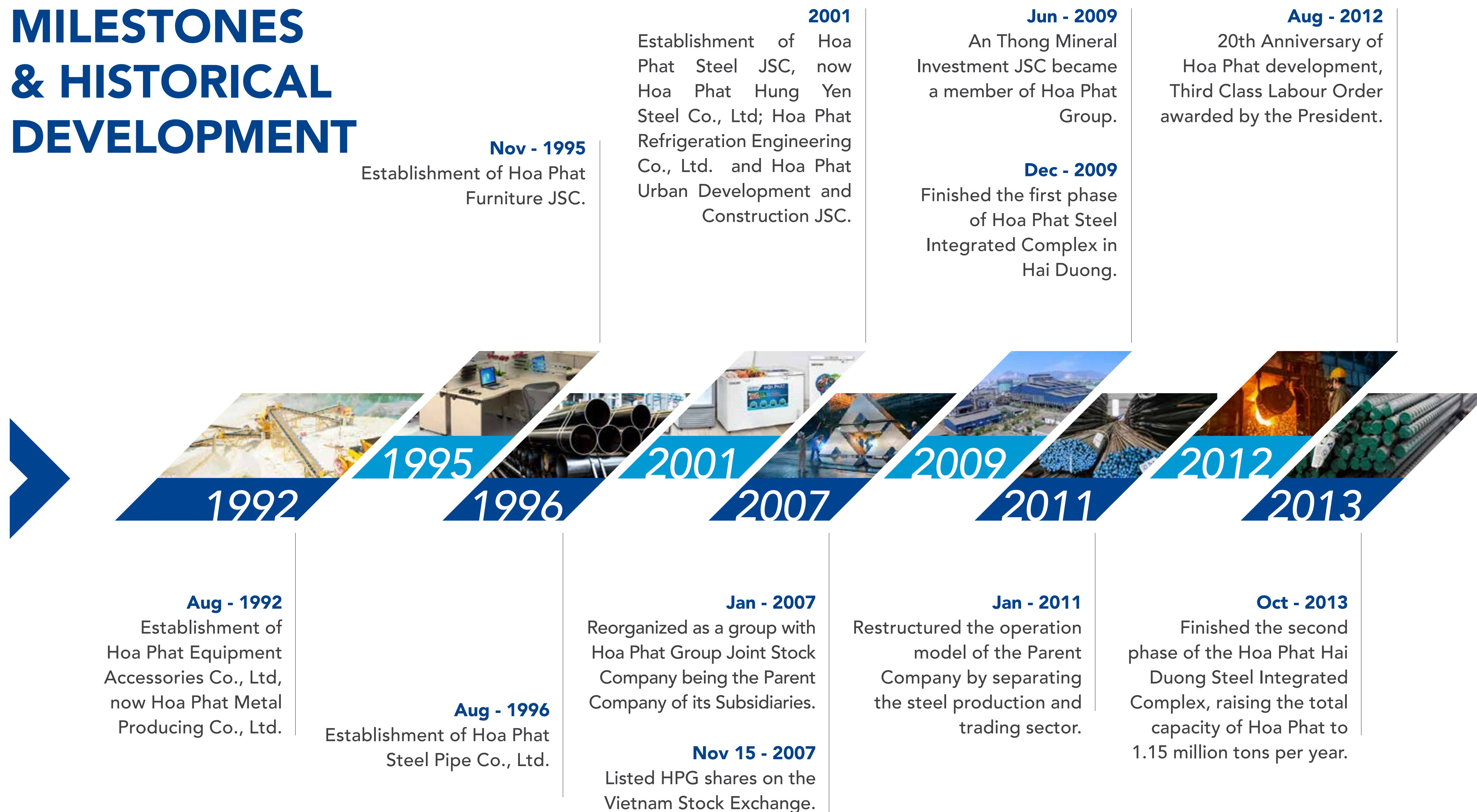
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3.4 ABOUT HOA PHAT GROUP'S BUSINESS

MILESTONES & HISTORICAL DEVELOPMENT



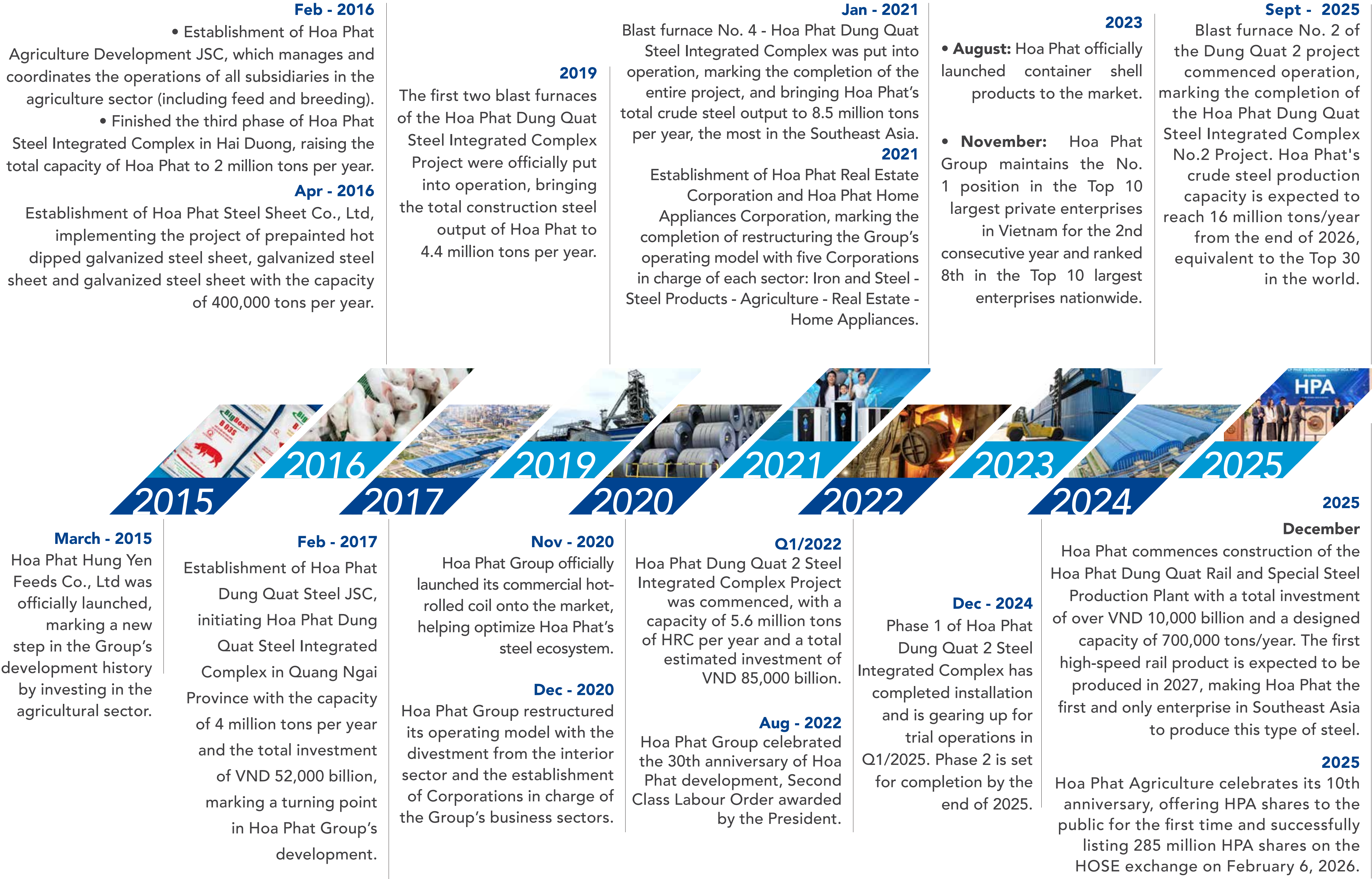
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3.4 ABOUT HOA PHAT GROUP'S BUSINESS

BUSINESS STRUCTURE

STEEL	AGRICULTURE	REAL ESTATE	HOME APPLIANCES	
 				
99.999% HOA PHAT IRON AND STEEL JSC	99.996% HOA PHAT STEEL PRODUCTS JSC	94.999% HOA PHAT AGRICULTURE DEVELOPMENT JSC	99.981% HOA PHAT REAL ESTATE DEVELOPMENT JSC	99.917% HOA PHAT HOME APPLIANCES JSC
20 Subsidiaries	16 Subsidiaries	16 Subsidiaries	21 Subsidiaries	4 Subsidiaries

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2025 SUSTAINABILITY
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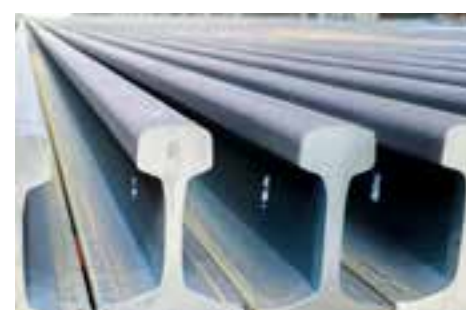
3.4 ABOUT HOA PHAT GROUP'S BUSINESS

OUR PRODUCTS

STEEL



HOT ROLLED COIL
No.1 producer in Vietnam



STEEL RAILS
The only producer in Southeast Asia



CONSTRUCTION STEEL
No.1 market share in Vietnam



STRUCTURAL STEEL



HIGH-QUALITY STEEL



SHIPPING

STEEL PRODUCTS



STEEL PIPES
No.1 market share in Vietnam



GALVANIZED STEEL



COATED STEEL SHEET



CONTAINER
The only producer in Southeast Asia



PRESTRESSED STEEL



FLOORING PANELS

AGRICULTURE



ANIMAL FEED



AUSTRALIAN BEEF



COMMERCIAL PORK



Chicken Eggs
No.1 market share in Northern Vietnam

REAL ESTATE



**INDUSTRIAL PARK
REAL ESTATE**



**RESIDENTIAL REAL
ESTATE**

HOME APPLIANCES



REFRIGERATION



HOME APPLIANCES

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OUR PRESENCE AND MEMBER COMPANIES

STEEL

Da Nang City
Hanoi City
Hai Phong City
Ho Chi Minh City
Dong Nai Province
Gia Lai Province
Ha Tinh Province
Hung Yen Province
Quang Ngai Province
Tay Ninh Province
Tuyen Quang Province
Dak Lak Province

AGRICULTURE

Hanoi City
Bac Ninh Province
Dong Nai Province
Hung Yen Province
Lao Cai Province
Phu Tho Province
Quang Tri Province

REAL - ESTATE

Hanoi City
Hai Phong City
Ho Chi Minh City
Bac Ninh Province
Hung Yen Province
Ninh Binh Province
Phu Tho Province

HOME APPLIANCE

Hanoi City
Ho Chi Minh City
Hung Yen Province
Ninh Binh Province

PART 3 HOA PHAT GROUP OVERVIEW

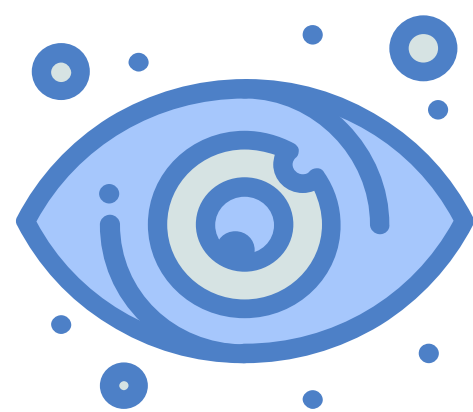
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3.4 ABOUT HOA PHAT GROUP'S BUSINESS



VISION

To become an industrial manufacturer with top-quality products and core area of steel.



MISSION

To provide leading products, contribute to improving living conditions and gain customers' trust.



CORE VALUES

The core value of Hoa Phat Group is the philosophy of Harmony for Joint Development. This is reflected in the relationship among the employees, between the Group and its partners, agents, shareholders and the community, ensuring the harmony of interests of stakeholders in the same boat, towards sustainable development. Hoa Phat Group has built a long-term, sustainable and trusting partnership with the sales agents who have been with the Group since the beginning of its establishment.



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3.4 ABOUT HOA PHAT GROUP'S BUSINESS

1. RESPONSIBLE SOURCING

We prioritize responsible sourcing, working closely with predominantly local suppliers to uphold quality and enhance sustainable practices.

2. SAFE, HEALTHY AND INCLUSIVE WORKPLACE

We foster a safe, healthy, and inclusive workplace, protecting human rights, advancing good labor practices, and ensuring employee well-being

3. RESOURCE EFFICIENCY AND STEWARDSHIP

We strive to operate efficiently, economically, and responsibly, contributing to climate change mitigation, promoting the circular economy, and conserving shared resources. We transform production waste into valuable inputs for other industries, helping to reduce the extraction of virgin resources.

4. ENGAGED COMMUNITIES

We support engaged communities by creating local employment opportunities and contributing to the social and environmental well-being of our communities.

5. CUSTOMER-LED

We continue working with customers to create and inspire innovative and enduring solutions that support sustainable development. Consequently, product quality remains the Group's foremost priority.

6. STRONG GOVERNANCE

Our strong governance practices ensure accountability, transparency, and an effective grievance mechanism.

7. PARTNERING FOR CHANGE

We collaborate with industry peers to address shared challenges, foster innovation, and accelerate collective progress toward a sustainable future.



SUSTAINABLE VALUE CHAIN IN OUR BUSINESS

PART 3 HOA PHAT GROUP OVERVIEW

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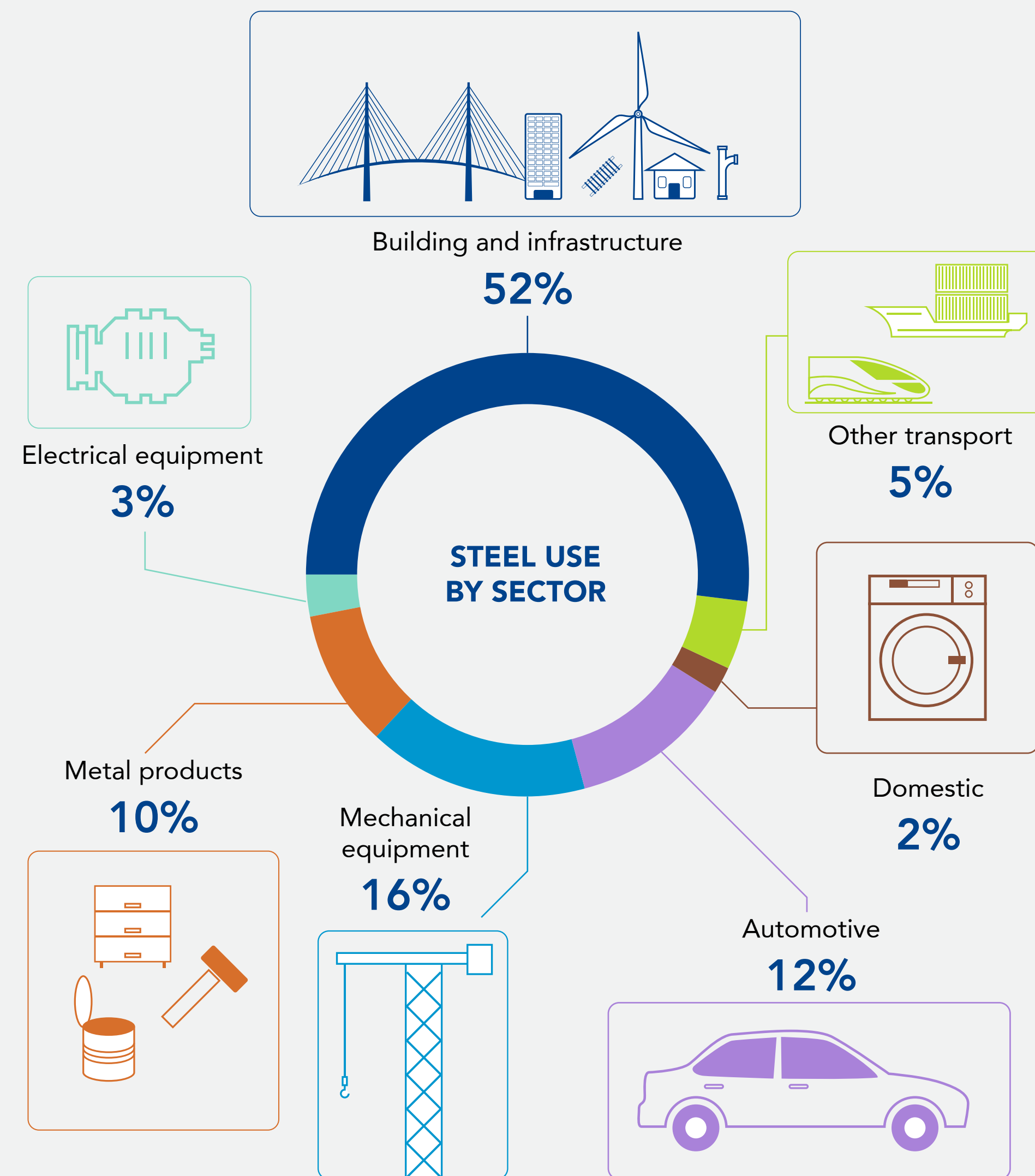
► OUR FUTURE OF STEEL

As we develop and expand our businesses across various sectors, including iron and steel, steel products, agriculture, appliances, and real estate, steel forms an essential part of Hoa Phat Group.

► IMPORTANCE OF STEEL

The role of steel in modern life is both essential and irreplaceable. With its characteristics of sustainability, high strength, and infinite recyclability, steel serves as the backbone of every economy and the architect of our living environment. Steel is not merely a material; it is the physical foundation that shapes every aspect of civilized society.

- **Infrastructure Backbone:** As a core material for bridges, roads, seaports, railways, and high-rise buildings, steel ensures the safety and longevity of urbanization.
- **Industrial Driving Force:** An essential raw material in the manufacturing of automobiles, ships, agricultural machinery, and home appliances, helping to boost labor productivity.
- **Enhancing Quality of Life:** From convenient home appliances to healthcare infrastructure and modern technology, steel directly raises living standards and human safety.
- **Energy Transition:** A critical material for the renewable energy transition (wind turbines, solar power), electrification, public transport, and the hydrogen economy.



Data adapted from 2025 World Steel in Figures. World Steel Association

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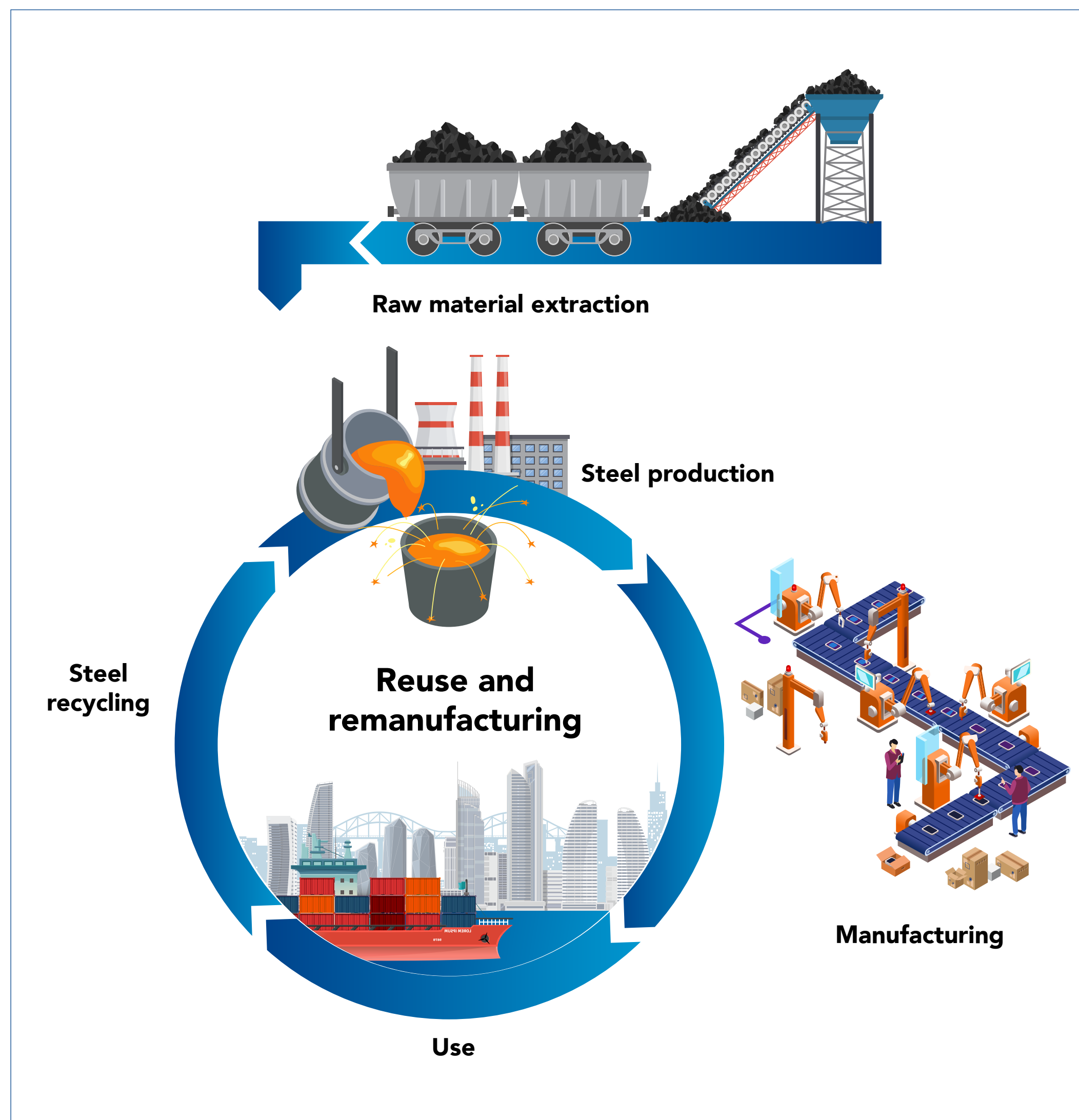
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3.4 ABOUT HOA PHAT GROUP'S BUSINESS

THE LIFE CYCLE OF STEEL

Distinguished from other materials, steel offers infinite recyclability with zero degradation in quality. It maximizes resource efficiency through a continuous loop of reuse, recycling, and remanufacturing. The steel lifecycle consists of two key phases:



• Primary Production Stage (Iron Ore Reduction): From Ore to Steel

The primary life cycle of steel begins with the extraction of natural resources—iron ore, coal, and limestone—to initiate the production of virgin material. This stage is typically associated with Blast Furnace-Basic Oxygen Furnace (BF-BOF) technology. In industrial blast furnaces, iron ore is reduced and melted at extremely high temperatures to produce liquid pig iron. This molten iron is then refined in an oxygen furnace to remove impurities and adjust carbon content, resulting in finished steel. While this stage is foundational for providing high-quality steel for infrastructure and machinery, it is energy-intensive and releases significant CO₂ emissions due to the combustion of fossil fuels.

• Recycling Stage (Scrap-based Production): From Steel to Steel

The secondary (recycling) life cycle demonstrates the eternal recoverability of steel. When steel products—such as car bodies, building frames, or electronic devices—reach the end of their useful life, they do not become waste. Instead, they are collected, magnetically separated, and processed in Electric Arc Furnaces (EAF) to be remelted into liquid steel, with no loss in original quality. This process creates an infinite closed-loop system that saves energy and drastically reduces the need for new ore extraction. This circularity establishes steel as a core material for the circular economy and sustainable development.

Steel is a champion of the circular economy, offering a low environmental impact through endless reuse and recycling. The intensity of its carbon emissions shifts across its lifecycle—peaking at the primary ore reduction stage and dropping sharply during scrap recycling. A nation's choice between production methods is ultimately a matter of logistics and access to raw materials. Currently, the global landscape is split between traditional Blast Furnaces (70%) and cleaner Electric Arc Furnaces (30%).

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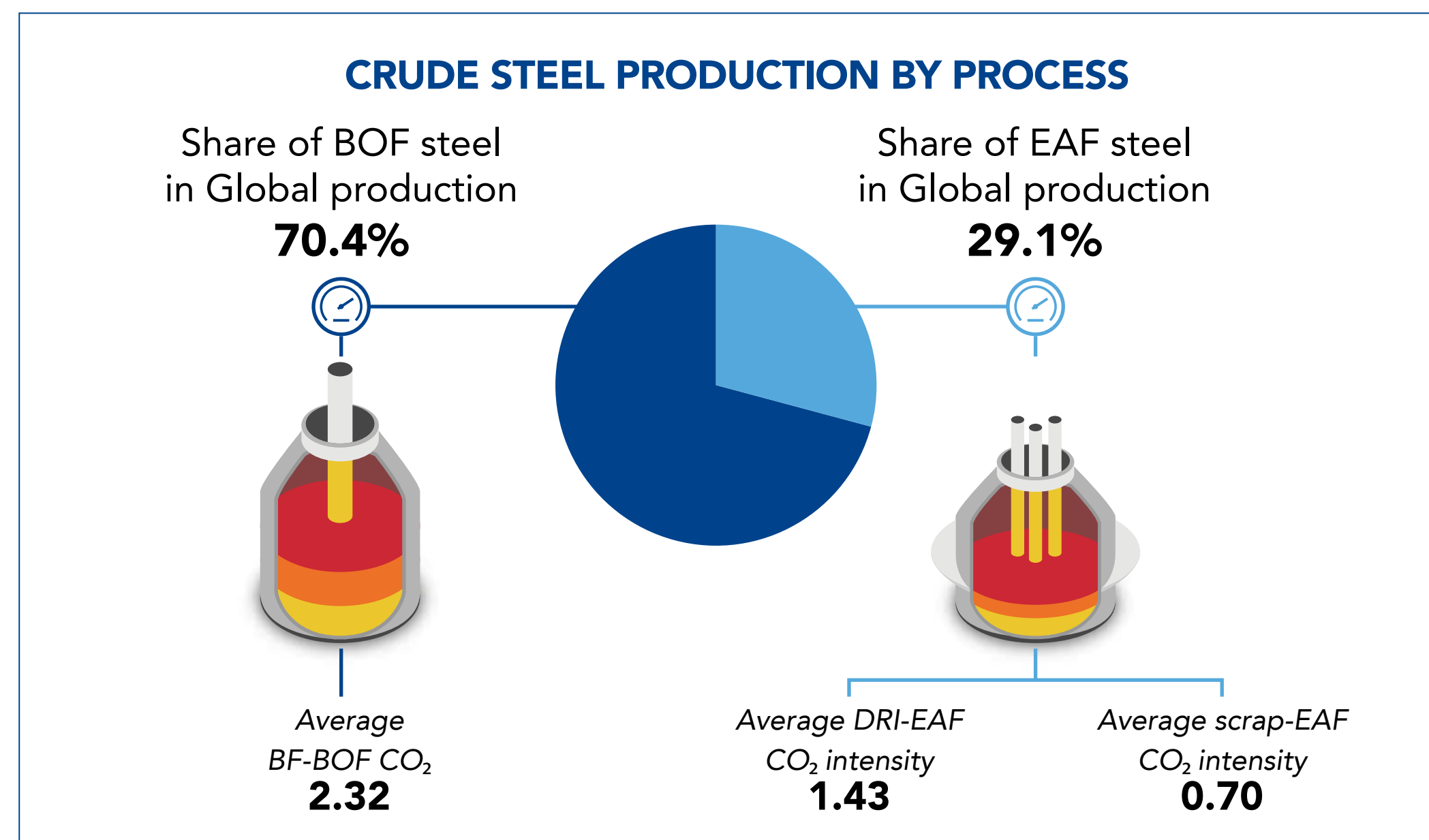
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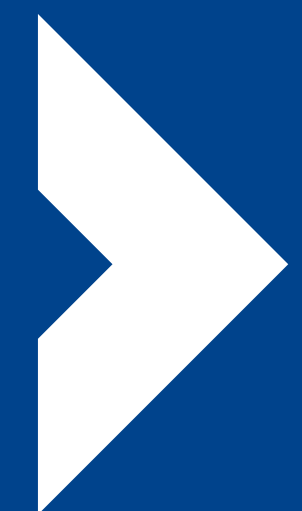


At Hoa Phat, the majority of crude steel is produced using blast furnace technology (at the Hai Duong and Dung Quat Steel Integrated Complex), while the remainder is produced using electric arc furnace technology (at the Hung Yen Steel Plant).

In line with its sustainable development goals and commitment to reducing its carbon footprint, Hoa Phat is gradually increasing the proportion of scrap steel used in both production processes. In the long term, as scrap steel supply becomes more abundant and accessible, the Group aims to further increase the share of recycled steel in its production mix to optimize the secondary lifecycle of materials. This transition requires significant investment in technology as well as stable availability of input materials.

At present, iron ore-based production technology continues to play a critical role in controlling impurities and ensuring the highest levels of steel purity and quality. In addition to conventional steel products, Hoa Phat is actively expanding its portfolio of high-quality, technically advanced steel products, including steel for screws and fasteners, tire bead wire, tire cord, container shells, and high-speed railway rails. These efforts not only enhance product value but also contribute to the development of Vietnam's manufacturing industry.





SUSTAINABILITY AT HOA PHAT GROUP

PART 4 SUSTAINABILITY AT HOA PHAT GROUP

SUSTAINABILITY GOVERNANCE

MATERIALITY ASSESSMENT

SUSTAINABILITY STRATEGY

STAKEHOLDER ENGAGEMENT

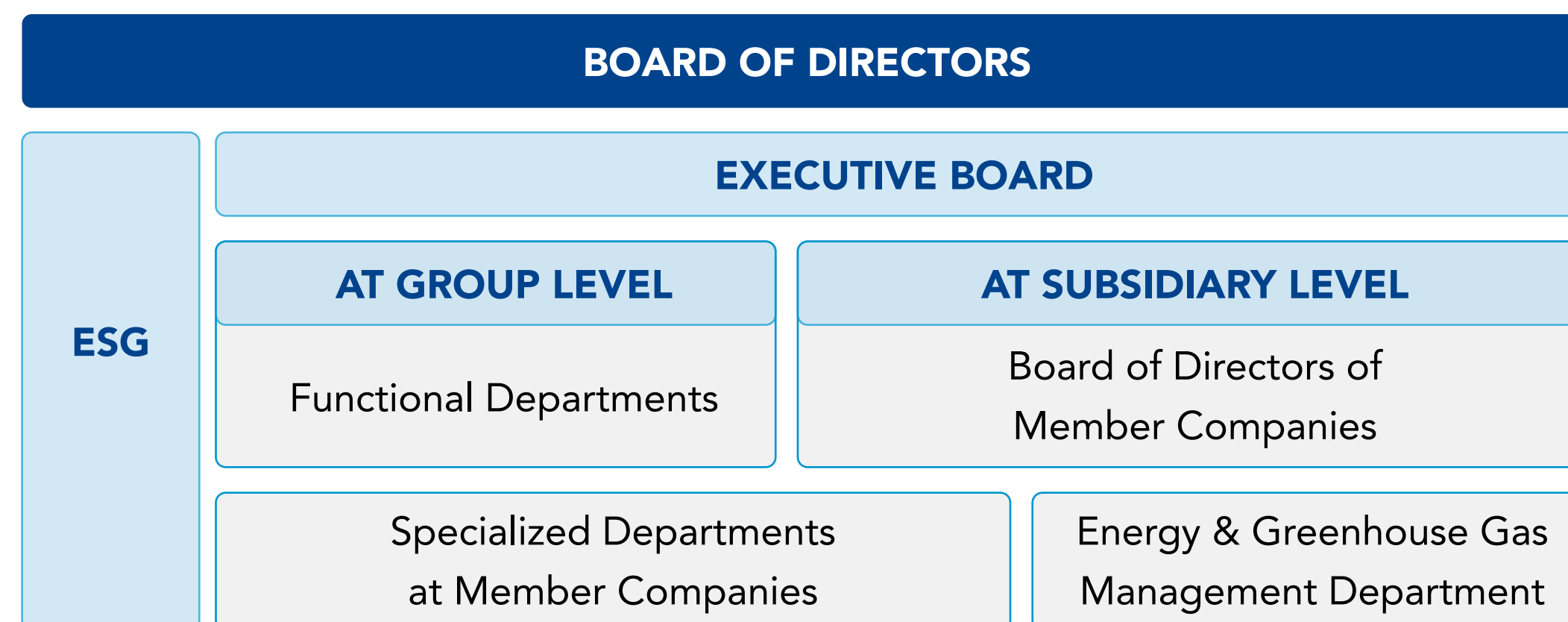
4.1 SUSTAINABILITY GOVERNANCE

SUSTAINABILITY GOVERNANCE

The Group is committed to establishing a robust sustainability governance framework to ensure long-term growth, transparency, and accountability to all stakeholders. A governance structure has been formalized, in which the Board of Directors holds primary responsibility for the strategic oversight of sustainability initiatives, encompassing Environmental, Social, and Governance (ESG) criteria. The day-to-day implementation and accountability are managed by the Group's Management Board and the leadership teams of its subsidiaries.

Sustainability factors are seamlessly integrated into the Group's strategic discussions, investment decision-making, and risk management oversight across all levels. The ESG Committee is tasked with monitoring ESG-related issues, including ESG risks. This Committee comprises members of the Management Board, senior leadership from subsidiaries, and key functional departments—such as Finance, Legal, Human Resources, and Communications—to coordinate ESG activities and embed sustainability goals into the Group's daily operations.

The Group's sustainability governance framework is illustrated as follows:



BOARD OF DIRECTORS: STRATEGIC DIRECTION

- Provide strategic direction for sustainable development.
- Approve policies, objectives, and sustainability-related statements.

CHIEF EXECUTIVE OFFICER & BOARDS OF DIRECTORS OF MEMBER COMPANIES: MANAGEMENT

- Receive and implement strategic directions and action programs.
- Integrate sustainable development into business and production activities.
- Review and evaluate sustainability initiatives.
- Monitor sustainability performance to ensure effectiveness and continuous improvement.
- Ensure sustainability-related reporting is complete, accurate, and timely.

GROUP FUNCTIONAL DEPARTMENTS: COORDINATION

- Serve as the focal point for consolidating sustainability reports.
- Coordinate overall sustainability activities across the Group.

FUNCTIONAL DEPARTMENTS AT MEMBER COMPANIES: EXECUTION

- Research and implement sustainability initiatives in business and operations.
- Ensure sustainability-related information is reported fully, accurately, and on time.

ENERGY & GREENHOUSE GAS MANAGEMENT DEPARTMENT

- Advise, propose, and implement activities related to energy and greenhouse gas management.

PART 4 SUSTAINABILITY AT HOA PHAT GROUP

SUSTAINABILITY GOVERNANCE

MATERIALITY ASSESSMENT

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4.2 MATERIALITY ASSESSMENT

[GRI 3-1, 3-2, 3-3, 2-2, 2-23]

In 2025, Hoa Phat Group conducted a Materiality Assessment in accordance with the GRI Standards 2021. The assessment aimed to identify and prioritize the ESG (environmental, social, and governance) topics most relevant to the Company, its stakeholders, and the broader societal and ecological landscape. Each topic was assessed based on its significance to stakeholders and its potential impact on the Company's operations, finances, and reputation. Stakeholder importance was evaluated by considering both their level of concern and the Company's broader positive or negative contributions to society and the environment. This prioritization enables Hoa Phat to focus its sustainability initiatives on the most critical areas.

THE PROCESS TO DETERMINE MATERIAL TOPICS
IS BROKEN DOWN INTO FIVE KEY STEPS:

STEP 1

UNDERSTAND ORGANIZATIONAL CONTEXT AND PEER BENCHMARK:

Through an analysis of the Group's operational context and a benchmarking exercise against ESG practices of 15 leading global peers in the same industry, key sustainability concerns have been identified. This process referenced five premier international sustainability frameworks, including the updated GRI Universal Standards, the S&P Global Corporate Sustainability Assessment (CSA), and the Sustainability Accounting Standards Board (SASB), alongside material issues prevalent in the global steel and agriculture sectors. The research team categorized these ESG concerns into 12 themes relevant to the Group's operations, which will be further prioritized through stakeholder engagement.

STEP 2

STAKEHOLDER ENGAGEMENT:

We mapped out relevant internal and external stakeholders, considering stakeholders that play an important role in the operations of Hoa Phat Group as well as those who are most impacted by the business's operations, both positively and negatively. Our internal stakeholders consist of board-level and management-level executives. External stakeholders include customers, suppliers, and investors. The stakeholders were engaged through interviews and surveys to obtain their opinion on the priorities of shortlisted ESG topics. They also provided information on Hoa Phat Group's strengths, challenges, and areas for improvement.

STEP 3

ANALYSIS OF RESPONSES:

Based on the interviews, stakeholder responses are scored, collated and analyzed. Interviews were conducted with internal stakeholders to obtain their feedback on the importance of material sustainability topics to business operations, while interviews with external stakeholders were used to obtain their feedback on the relative importance of material ESG topics to stakeholders' concerns. Stakeholder feedback was then weighted and ranked through a scoring system based on their selection of material sustainability topics.

STEP 4

TOPIC PRIORITIZATION: The 12 short-listed topics were categorized into priority topics (high significance), focus topics (medium significance), and foundation topics (low significance) based on the results above. Material topics with different priority levels are recommended to have different implications for the Company's approach to its management.

STEP 5

MATERIALITY ENDORSEMENT: The materiality matrix is then presented to Hoa Phat Group's Board of Management for review and approval before reporting to the Board of Directors for acknowledgement and approval before disclosure.

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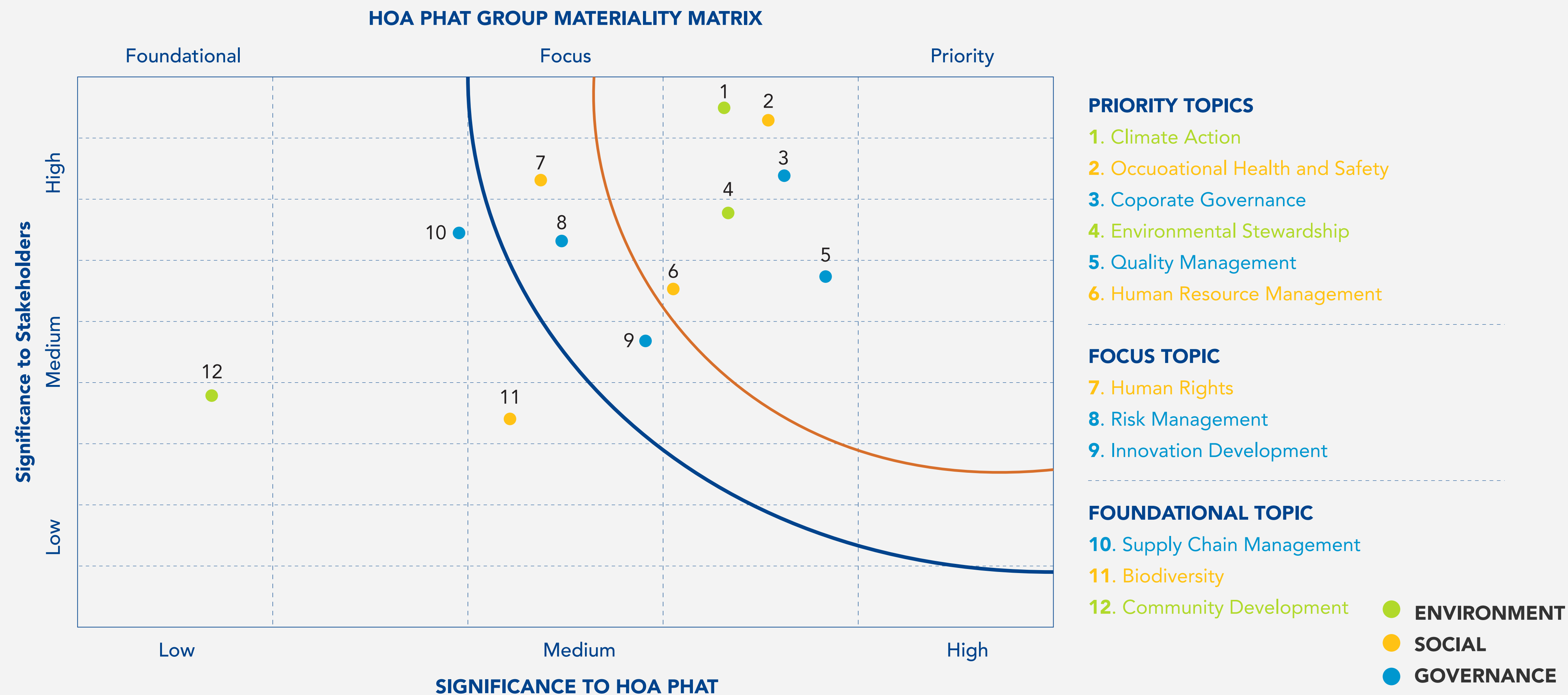
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4.2 MATERIALITY ASSESSMENT



MATERIALITY MATRIX – MATERIAL TOPIC PRIORITIZATION

Based on the outcomes of our Materiality Assessment process, we identified the following 6 material topics:

- Climate change mitigation and adaptation actions
- Occupational Health and Safety
- Corporate Governance
- Environmental Stewardship
- Quality Management
- Human Resource Management

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4.3 SUSTAINABILITY STRATEGY

[GRI 2-12, 2-24, 3-1, 3-2, 3-3]



SUSTAINABLE DEVELOPMENT STRATEGY FRAMEWORK

Our vision is to become an industrial manufacturer with a leading product quality, with its steel production being its core business activity.

To achieve our vision, we are proactively identifying and mitigating ESG risk factors inherent in across our steel and diverse business operations. We are committed to securing sustainable market competitiveness throughout the carbon neutrality transition, while upholding our commitment to delivering high-quality products.

Furthermore, we aim to unlock the future-oriented value of steel by integrating stakeholder ESG feedback, which serves as a powerful catalyst for sustainable competitiveness. From a management perspective, we are focusing on establishing a fair and transparent governance structure, strengthening our compliance systems,

and advancing ethical management practices to meet global benchmarks, thereby fostering a management system that earns the trust of all our stakeholders.

Moreover, to enhance employee creativity and job engagement, Hoa Phat considers human capital the cornerstone of its success and consistently prioritizes training programs to improve employees' technical expertise and skill sets.

In 2025, Hoa Phat Group has developed a sustainability strategy to align our business with long-term global trends in climate action, responsible production, and circular economy, while enhancing our competitiveness and resilience in the evolving steel industry. Our priorities are given to three main ESG pillars: Greening Our Production, Caring for People, Governance, and Innovation.

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4.3 SUSTAINABILITY STRATEGY

MATERIAL TOPICS

MATERIAL TOPICS	STRATEGIC TARGETS	CONTRIBUTION TO UN SDGS
CLIMATE ACTION	We aim to reduce greenhouse gas (GHG) emissions across our production processes, contributing to the Vietnamese Government’s goal of achieving net-zero emissions by 2050. This will be pursued through increasing the share of low-emission raw materials, closely monitoring fossil fuel consumption, improving energy efficiency, advancing the energy transition and developing low-carbon steel products.	7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
ENVIRONMENTAL STEWARDSHIP	We are committed to minimizing our broader environmental footprint through responsible resource use, circular economy practices, and ecosystem protection by: • Maximizing scrap utilization, enhancing by-product valorization (e.g., slag, mill scale, dust), and exploring opportunities to reduce raw material consumption and waste generation. • Adopting efficient water usage, with a strong focus on closed-loop systems, water recycling, and robust treatment processes to ensure compliance with discharge limits. • Continuously monitoring air emissions to ensure that all emissions remain within regulatory limits.	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS
OCCUPATIONAL HEALTH AND SAFETY	The Group is committed to ensuring a secure working environment for all employees across our operations. Through robust risk management, continuous training, and investment in safe technologies, we strive to create a workplace where every individual returns home safely every day	3 GOOD HEALTH AND WELL-BEING

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MATERIAL TOPICS

MATERIAL TOPICS	STRATEGIC TARGETS	CONTRIBUTION TO UN SDGS
HUMAN RESOURCE MANAGEMENT	Our commitment is to maintain a workplace where safety, respect, and inclusion are at the core. We support the growth of creative talent to adapt to change and aspire to make our company a place where every employee feels valued and inspired.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH
CORPORATE GOVERNANCE	We are committed to upholding the highest standards of corporate governance, ensuring transparency, accountability, and ethical conduct across all levels of the organization. Our governance framework supports sustainable long-term growth and builds stakeholder trust	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
QUALITY MANAGEMENT	We are continuously striving to integrate quality excellence with sustainable innovation by continuously improving our production processes to enhance product performance while reducing environmental footprint. Our goal is to manufacture products that are both high-quality and low-impact.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

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[GRI 2-29, 2-30]

Hoa Phat Group always emphasizes building and developing cooperative relationships, sharing and aligning interests with relevant stakeholders. Therefore, we consistently maintain effective dialogue and interaction channels through various forms to promptly grasp the aspirations and concerns of stakeholders. Consultation is implemented regularly, playing a crucial role in the Group's strategic planning and decision-making process.

To ensure that material issues are addressed with the right focus, Hoa Phat assigns specific responsibilities to each unit, corresponding to different stakeholder groups. The Group maintains many forms of direct and indirect exchange, including: surveys of customers and suppliers, credit institutions, associations, organizing labor conferences, production – business briefings, investor conferences, occupational safety dialogues, as well as working sessions and field visits to projects and factories. The feedback received is an important basis to help Hoa Phat adjust operational plans, consolidate cooperative relationships and determine appropriate sustainable development goals in each period.

STAKEHOLDER IDENTIFICATION

Based on the practical experience of its subsidiary companies, Hoa Phat Group has identified key stakeholders by analyzing characteristics such as: the level of dependency on the business's activities, relevant responsibilities, the level of influence on strategic decisions, diversity in perspectives, and the potential for conflict arising during the interaction process. This identification complies with the AA1000 Stakeholder Engagement Standard (AA1000SES) – an international guidance framework aimed at ensuring the consultation process is conducted systematically, transparently, and effectively.

Key stakeholders primarily include: Shareholders - Investors, Customers, Consumers, Suppliers, Employees, Credit institutions, Government & State management agencies, and Local communities.



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SHAREHOLDER/INVESTORS

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Sustainable business growth and profits. • Good governance. • Transparency in management. • Efficient risk management. • Transparent and accurate disclosure.	• As a public company, ensuring business efficiency and the legal rights of shareholders and investors is the Group's top priority. • The Group upholds the principles of transparency and fairness in information disclosure, ensuring full, accurate, and timely compliance with legal regulations. All information regarding production, business operations, key projects, and corporate governance is regularly updated on the Group's official website.	• Annual General Meeting of Shareholders • Official website for disclosing legal, financial, operational, and social activity information. • The Investor Relations (IR) department maintains daily interaction with shareholders, analysts, and institutional investors through face-to-face meetings, online discussions, emails, and phone calls. • Social media platforms facilitate information dissemination and engagement.

CUSTOMERS / DISTRIBUTORS / BUSINESS PARTNERS

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Good quality products and services that are certified by standards. • Product innovation. • Diverse product portfolio in terms of types and pricing. • Punctual delivery of products and services with a specific timeframe. • Deliver a good after-sale services. • Personal data protection.	• Build and maintain sustainable, long-term partnerships based on high levels of trust with customers and the distribution network. Many partners have accompanied the Group since its earliest days • Constantly innovate, develop products, and continuously improve quality to meet stringent international standards. • Diversify the product portfolio to satisfy a wide range of customer and market demands. • Ensure on-time delivery of the correct product types at prices aligned with market supply and demand, supported by excellent after-sales services.	• Update product information and programs, and provide prompt feedback via the website and social media. • The sales and customer care departments engage through face-to-face meetings, online conferences, phone calls, and emails. • The Customer Service Hotline receives information and product complaints, while interacting with and gathering feedback from customers regarding their needs and expectations. • Organize customer conferences and events

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CONSUMERS

ISSUES OF CONCERN	HOA PHAT GROUP’S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Good quality products and services that are certified by standards. • Consumer health & safety (nutrition product). • Fair and reasonable product pricing. • Environment-friendly packaging. • Transparent product information through product labelling.	• Product quality is the top priority. The Group is meticulous in researching and manufacturing all product lines across all industries: - Steel and Steel Products: Meet domestic and international standards; feature high durability, superior mechanical properties, weather resistance, and high processability for industrial applications; packaging specifications ensure safety during transport and use. - Agriculture: Clean and nutritious products with the core principle of protecting consumer health and safety. - Real Estate: Ensure solid and sustainable construction quality, strong legal status, and high-quality infrastructure and services. - Home Appliances: Features focused on health protection, energy efficiency, and dedicated after-sales support. • Pricing: The Group’s product prices are reasonably set according to market supply and demand, ensuring accessibility for a wide range of consumers.	• Provide prompt updates on product information, programs, and feedback via the website and social media. • The Sales and Customer Care departments engage through face-to-face meetings, online conferences, phone calls, and emails. • The Customer Service Hotline handles inquiries and product complaints.

EMPLOYEE

ISSUES OF CONCERN	HOA PHAT GROUP’S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Good compensation and benefits. • Job security and career development plan. • Develop expertise and capabilities. • Safe and healthy work environment. • Engage with the Company via expressing opinions and feedback.	• Focus on training and professional skills development through diverse coaching and training programs. • Strictly comply with labor laws, ensure social and medical insurance coverage, and collaborate with labor unions to implement welfare programs, such as financial support and organizing transportation during holidays and Lunar New Year. • Implement a tiered performance evaluation system to ensure fair and transparent remuneration, including salaries, year-end bonuses, and additional incentives for individuals with outstanding achievements.	• Training via 5 methods: classroom-based training, on-the-job training, e-learning, professional workshops, and job rotation. • Meetings and discussions with the Labor Union

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SUPPLIERS / BUSINESS PARTNERS

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
- Adhere to transaction terms and ensure on-time payment. - Fair and equal business practices. - Transparency in business operation. - Fair and robust procurement system. - Social and environmental responsibility. - Business ethics, anti-bribery and anti-corruption. - Cooperation between the Group, Business units, and their suppliers in managing risks throughout the supply chain. - Development of the supplier's business potential.	- Respect and strictly adhere to contractual terms, maintain credibility, and ensure on-time payments. - Ensure fairness and transparency in supplier selection based on capacity, experience, and reputation.	- Conduct face-to-face meetings and discussions. - Exchange information via website, online meetings, phone, email, and social media - Communicate through regulations and provisions related to the procurement of products and services. - Engage through bidding processes and supplier selection activities. - Establish agreements within the cooperation contracts between the two parties.

FINANCIAL INSTITUTIONS

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
- Financial capacity and solvency. - Measures for managing and mitigating potential risks (Environmental, Social, and Governance - ESG risks). - Ensuring the fulfillment of agreed obligations. - Compliance with contractual commitments and terms. - Timely, accurate, and transparent information disclosure.	- Strictly maintain financial discipline and ensure solvency; strictly adhere to payment deadlines. - Disclose financial and operational information transparently on a periodic basis. - Disclose ESG reporting indicators and management solutions for ESG-related risks concerning the environment (emissions, energy consumption, water and waste management), society (labor issues), and governance (board structure, internal control, risk assessment). - Establish periodic information exchange mechanisms with credit institutions.	- Engage in dialogue through face-to-face or online meetings, emails, and phone calls. - Provide financial statements and relevant information regarding business performance.

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GOVERNMENTS & REGULATORS

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Good corporate governance • Compliance with national regulations on the Environment Protection Law, Labor Law, and Occupational Health and Safety Law (Fair Labor practice, safety at work) • Contribute to the national roadmap and commitment to greenhouse gas emission reduction.	• Hoa Phat significantly contributes to the national budget (nearly VND 13 trillion in 2025), ranking among the top private enterprises for tax contributions. • Hoa Phat ensures compliance with stringent international and domestic regulations, including quality certifications for exports and mandatory greenhouse gas (GHG) inventory reporting in accordance with ISO 14064-1:2018 standards.	• Cooperate and coordinate with local authorities. • Work directly with state management agencies and organizations. • Submit comprehensive annual reports to regulatory bodies regarding taxes, the environment, health, and occupational safety. • Participate in industry associations, such as the Vietnam Steel Association. • Attend specialized conferences and workshops organized by Ministries, Departments, and Sectors.

COMMUNITY

ISSUES OF CONCERN	HOA PHAT GROUP'S RESPONSES & 2025 RESULTS	ENGAGEMENT METHODS
• Social and Environmental Responsibility • Job opportunities for locals • Contribution to local economic growth • Community event to promote good health and quality of life	• Hoa Phat allocates an annual budget for community development programs nationwide. • The Group's CSR (Corporate Social Responsibility) activities focus on five key pillars: healthcare, education, infrastructure, community development, and disaster prevention and recovery. • Create job opportunities and stable income for local residents.	• Recruit local laborers. • Provide charity and sponsorships through programs organized by local management authorities and social organizations. • Directly organize the Group's own charity and sponsorship programs. • Directly support the development of local community infrastructure.



5

SUSTAINABILITY MATERIAL AREAS

GREENING OUR PRODUCTION

5.1 CLIMATE CHANGE MITIGATION AND ADAPTATION MEASURES

5.2 ENVIRONMENTAL MANAGEMENT

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SUSTAINABILITY MATERIAL AREAS – GREENING OUR PRODUCTION

CLIMATE CHANGE MITIGATION AND ADAPTATION MEASURES

ENVIRONMENTAL MANAGEMENT

5.1 CLIMATE CHANGE MITIGATION AND ADAPTATION MEASURES

[GRI 302-1, 302-2, 305-1, 305-2, 305-4]

Recognizing that Climate Change is a global challenge and in response to Vietnam's Net Zero 2050 commitment at COP26, Hoa Phat Group identifies "Climate Change Mitigation and Adaptation" as a vital sustainable development priority.

The Group is implementing synchronized initiatives and actions, particularly in steel production, aimed at energy efficiency and greenhouse gas emission reduction in alignment with business conditions. We are committed to accompanying the Government of Vietnam in the journey toward the Net Zero goal.

MANAGEMENT APPROACH

Hoa Phat Group identifies climate change mitigation as one of its strategic priorities and has built a comprehensive greenhouse gas (GHG) management system. This system focuses on sectors with the highest emission intensity—particularly the iron and steel industry, which accounts for over 99% of the Group's total GHG emissions. Within this sector, the Hoa Phat Hai Duong and Hoa Phat Dung Quat Steel Integrated Complexes—which represent approximately 94% of the Group's total crude steel capacity—are the focal points for emission management, research, and the implementation of decarbonization initiatives.

To effectively manage energy consumption and greenhouse gas emissions, Hoa Phat Group has applied the following management methods:

ESTABLISHMENT OF ENERGY AND GHG MANAGEMENT COMMITTEE

Most of subsidiaries have established an Energy and Greenhouse Gas (GHG) Management Board, responsible for monitoring energy efficiency, tracking emissions inventories, and promoting emission reduction initiatives. The Board convenes on a quarterly basis to review progress against targets, share updates on energy-saving projects, communicate key topics, and advise the Board of Directors on planning and proposing optimal solutions for energy management.

In addition, the Board is responsible for managing greenhouse gas emissions and quantifying product carbon footprints, including the collection, verification, and reporting of data in accordance with regulations issued by the Ministry of Industry and Trade and the Ministry of Agriculture and Environment, as well as requirements from customers and partners. On an annual basis, the Board develops emission reduction plans, monitors implementation progress, and proposes strategic solutions to enhance energy efficiency and minimize environmental impacts.

GREENHOUSE GAS (GHG) INVENTORY

Since 2023, the Group has maintained greenhouse gas (GHG) inventories across most of its subsidiaries, in compliance with international standards such as ISO 14064 and ISO 14607. The GHG inventory activities are carried out with three primary objectives:

- **LEGAL COMPLIANCE:** All subsidiaries subject to mandatory reporting under Decree No. 06/2022/ND-CP have conducted GHG inventories in accordance with ISO 14064 standards. The results have been verified and certified by BSI, and complete inventory reports have been submitted to the relevant authorities since 2024.
- **INTERNAL MANAGEMENT SUPPORT:** Beyond meeting legal requirements, subsidiaries not officially mandated by Decree 06/2022/ND-CP have also been trained by BSI to proactively perform inventories, serving the Group's overall emission management needs.
- **MEETING INTERNATIONAL REQUIREMENTS (CBAM):** For export products such as Hot Rolled Coil (HRC), galvanized steel, steel billets, and containers, Hoa Phat Group has proactively conducted product carbon footprint inventories according to the ISO 14067 standard. These have been verified by a third party—CARE (a UK-based certification body)—to support declarations under the EU's Carbon Border Adjustment Mechanism (CBAM), which officially took effect on October 1, 2023.

In 2025, Hoa Phat Group reached a milestone by establishing its first-ever Group-wide GHG Emission Report. This report has been independently audited and certified by the British Standards Institution (BSI).

This Report has been prepared in accordance with the requirements of ISO 14064-1, following the guidelines of the Intergovernmental Panel on Climate Change (IPCC), and in compliance with regulatory requirements on GHG emissions reduction as stipulated in Decree 06/2022/ND-CP and Decree 119/2024/ND-CP.

The data consolidation approach applied in this Report follows the equity share approach. Accordingly, the Group considers all investee companies in which it holds equity interests for GHG data collection and inclusion in this Report. Total GHG emissions are aggregated based on emissions from these investees, proportionate to the Group's ownership interest.

To ensure a fair and accurate representation of climate-related impacts arising from its business operations, as well as to transparently disclose achievements and future response strategies, this Report primarily focuses on emission sources under the Group's control or ownership (direct emissions). In addition, emissions associated with

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externally generated energy (indirect emissions from imported energy) used in the Group's production processes are also accounted for and disclosed. These emissions provide a comprehensive view of the Group's performance and planned initiatives in improving energy efficiency and reducing environmental impact.

As 2025 marks the first year in which the Group has prepared a consolidated GHG emissions report at the Group level, the reporting period from 01 January 2025 to 31 December 2025 has been selected as the base year, representing the initial reporting cycle

MANAGEMENT ASPECTS

Key GHG Emission Management Aspects: Energy, Materials, and Technology

ENERGY:

OPTIMIZING ENERGY USE AND TRANSITIONING TO CLEANER ENERGY SOURCES

The Group strictly manages coal consumption and energy use across its entire production chain, while implementing various measures to enhance energy efficiency. These include waste heat recovery for power generation, increasing internal power self-sufficiency, and studying rooftop solar power investments at production facilities.

In addition, Hoa Phat Dung Quat Steel Joint Stock Company has issued an Energy Management Handbook, clearly defining policies, objectives, and commitments related to energy efficiency, carbon emission reduction, and continuous improvement. The Company has also established an energy monitoring system to optimize consumption, reduce energy intensity, and gradually transition toward renewable energy sources.

Hoa Phat's integrated steel complexes have implemented key energy-saving solutions throughout the steel production process to improve operational efficiency and reduce emissions. These solutions include:

- Recovering heat and off-gases from coke ovens, blast furnaces, and basic oxygen furnaces for power generation and improved production efficiency.

- Applying dry coke quenching (CDQ) technology to utilize thermal energy for electricity generation while minimizing environmental impacts.
- Installing blast furnace top gas pressure recovery turbines (TRT), which harness high-pressure furnace gas energy and reduce electricity consumption by up to 50% compared to conventional methods.
- Recovering waste heat from the sintering process for power generation, enhancing overall energy efficiency.
- Utilizing continuous casting and rolling technology, which allows direct charging of hot billets (750–900°C) into rolling lines, reducing reheating requirements, saving energy, and lowering CO₂ emissions per ton of steel.
- Recovering steam from blast furnace cooling systems and billet reheating furnaces for power generation.

These innovations have significantly improved energy efficiency, reduced dependence on external electricity sources, and contributed positively to the Group's long-term decarbonization goals.

In 2025, Hoa Phat Dung Quat Steel Joint Stock Company achieved ISO 50001:2018 certification for its Energy Management System. This milestone demonstrates the Company's strong commitment to systematic energy management, continuous improvement, and carbon emission reduction. Building on this achievement, the Group plans to expand the application of ISO 50001 across its steel production subsidiaries to standardize energy management practices, optimize resource utilization, and further reduce emissions.

In parallel, Hoa Phat Group is exploring the deployment of rooftop solar power systems to supply part of the electricity demand at its manufacturing facilities. This green energy source will be integrated into the internal power system, partially replacing grid electricity. As a clean, on-site emission-free solution, it plays a significant role in supporting the Group's long-term carbon neutrality ambitions.

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MATERIALS:



TRANSITIONING TOWARD LOW-CARBON INPUT MATERIALS

Currently, global emission reduction measures in primary steel production (from iron ore) are primarily focused on the use of low-carbon input materials as reducing agents. These include natural gas or green hydrogen (produced from renewable energy) to produce Direct Reduced Iron (DRI) and Hot Briquetted Iron (HBI), replacing traditional fossil fuels such as coal.

However, the large-scale adoption of these solutions remains constrained by the limited availability of high-grade iron ore (Fe content >65%), as well as the scarcity of natural gas and green hydrogen supply.

Another key approach is the use of steel scrap for recycling (secondary steel production). This method enables the regeneration of steel from end-of-life materials without the need for reduction processes, thereby significantly reducing coal consumption and emissions. According to a study by the World Steel Association (2021), recycling one ton of scrap steel can reduce approximately 1.5 tons of CO₂ emissions.

The Group is actively increasing the proportion of scrap steel and HBI used in basic oxygen furnaces. This approach significantly reduces the need for iron ore reduction, lowers coke consumption, enhances heat utilization, and reduces greenhouse gas emissions across the production chain, while also improving steelmaking capacity. By 2030, Hoa Phat Group's steel subsidiaries target increasing scrap usage to approximately 30%.

In parallel, the Group continues to research and secure cleaner sources of raw materials and fuels, aiming to gradually transition from traditional coke and iron ore toward lower-emission alternatives such as DRI, HBI, and, in the long term, hydrogen-based technologies in blast furnaces.

This transition forms a critical foundation for the Group's roadmap toward green steel production in the future. However, its implementation is highly dependent on the availability of raw material supply as well as support from the Government and relevant stakeholders in developing a sustainable ecosystem for low-carbon materials and clean energy.

TECHNOLOGY:



ADVANCING TOWARD GREEN STEEL PRODUCTION TECHNOLOGIES

Electric Arc Furnace (EAF) steelmaking is a technology that primarily utilizes scrap steel as its main input material. The EAF process has significantly lower CO₂ emission intensity compared to the traditional blast furnace route, particularly when combined with clean energy sources such as solar or wind power.

However, the transition toward EAF-based production is highly dependent on the availability of suitable raw materials. Due to constraints in the supply of low-carbon inputs, more than 70% of global steel production is still based on the conventional blast furnace–basic oxygen furnace (BF–BOF) route (World Bank).

The BF–BOF technology enables the production of high-purity, high-quality steel from virgin iron ore, but it is also associated with significantly higher CO₂ emissions compared to EAF. In contrast, while EAF offers lower emissions, it relies heavily on inputs such as scrap steel and pre-reduced iron (e.g., DRI/HBI), which are relatively costly and limited in supply. This makes EAF more suitable for developed economies, where the steel industry has undergone multiple recycling cycles and scrap availability is more abundant.

GHG EMISSION REDUCTION AND ENERGY OPTIMIZATION INITIATIVES

INCREASING THE USE OF SCRAP STEEL



Implementing units: Hoa Phat Hai Duong and Dung Quat Integrated Steel Complexes
The Group has developed plans to increase the use of scrap steel in combination with hot metal in basic oxygen furnaces, thereby raising the share of low-emission input materials. Increased scrap utilization not only enhances production output but also reduces the proportion of high-emission raw materials, lowers coke and fuel consumption per ton of steel, and improves energy efficiency across the entire production chain.

In 2025, the scrap-to-hot metal ratio at the Hoa Phat Hai Duong Integrated Steel Complex increased from 16% to 22%, while at the Hoa Phat Dung Quat 1 Integrated Steel Complex, it rose from 19% to 21%.

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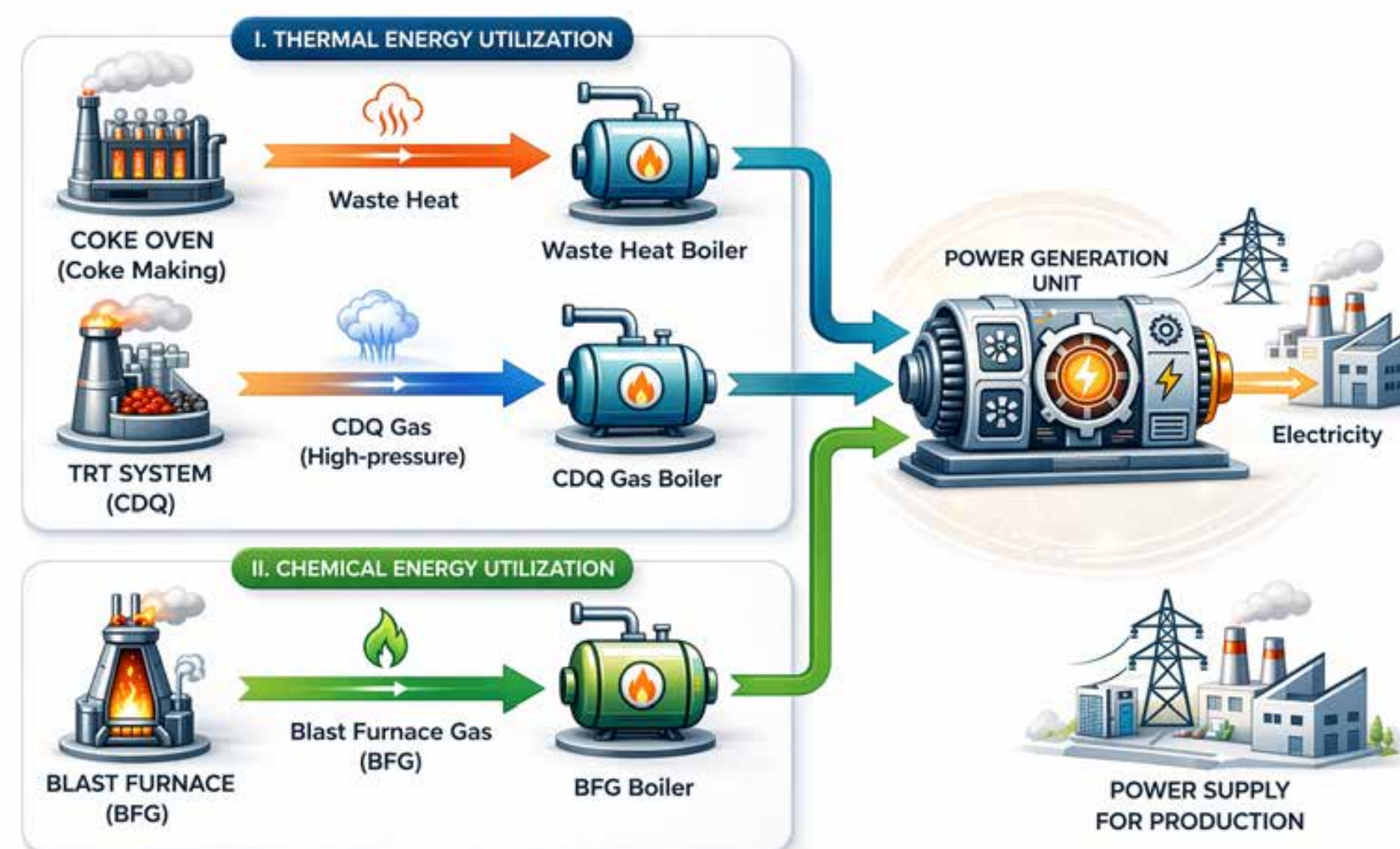
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REDUCING COKE CONSUMPTION IN BLAST FURNACES

Implementing units: Hoa Phat Hai Duong and Dung Quat Integrated Steel Complexes
This solution includes a range of operational optimization measures such as improving burden quality, controlling coke size, enhancing material distribution, and optimizing hot blast velocity and furnace pressure. These measures aim to reduce coke consumption per ton of hot metal produced. As a result, CO₂ emissions generated during combustion and reduction processes are correspondingly reduced. This is a core measure for reducing direct emissions in blast furnace operations while improving ironmaking efficiency.

WASTE HEAT RECOVERY FOR POWER GENERATION

Implementing units: Hoa Phat Hai Duong and Dung Quat Integrated Steel Complexes
The Group's energy recovery system is implemented through two primary pathways: thermal energy recovery and chemical energy recovery. In the coke production stage and dry coke quenching (CDQ) system, surplus heat and high-pressure CDQ steam are directed into dedicated boilers. In parallel, within the blast furnace area, chemical energy from blast furnace gas (BFG) is recovered and utilized as fuel in gas-fired boilers.



All generated steam is integrated into a centralized energy management system to drive high-capacity power generators. This closed-loop process enables the conversion of by-products into clean electricity, which is directly used to support production activities.

The reuse of these resources not only enhances the Group's energy self-sufficiency and optimizes operating costs but also significantly reduces heat loss and emissions to the environment. This solution represents a key component of the circular economy model, contributing to the Group's goals of green and sustainable steel production.

DEPLOYMENT OF ROOFTOP SOLAR POWER SYSTEMS ACROSS MANUFACTURING FACILITIES

Starting from 2025, Hoa Phat Group has accelerated its "green transition" roadmap by deploying rooftop solar power systems across its integrated complexes and manufacturing facilities nationwide, targeting over 130 MWp. The initiative covers key subsidiaries, including the Dung Quat and Hai Duong Integrated Steel Complexes, steel pipe and galvanized steel plants, animal feed factories, refrigeration facilities, and livestock farming systems.

Millions of high-efficiency photovoltaic (PV) panels are being installed on factory rooftops, utilizing large surface areas and strong solar exposure. These panels convert solar energy into direct current (DC), which is then transformed into alternating current (AC) via smart inverters and integrated into internal power systems.

Installation is being implemented in phases from 2025 to 2027 then, depends on the readiness of each factory. By 2025, nearly 20 MWp had been installed, with significant expansion planned for 2026–2027. Once fully operational, the system is expected to generate around 170 million kWh annually, meeting about 13% of the Group's externally purchased electricity demand.

This on-site generation model reduces transmission losses, improves energy efficiency, and lowers cooling demand through rooftop thermal shielding. By optimizing rooftop space, the Group enhances energy self-sufficiency, eases pressure on the national grid, and reinforces its commitment to sustainable development while reducing carbon intensity and strengthening competitiveness in international markets.

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ADAPTATION TO CLIMATE CHANGE IN THE AGRICULTURE BUSINESS

Among Hoa Phat Group’s business segments, climate change has the most pronounced impact on the agriculture sector—particularly livestock farming. Rising temperatures and more frequent extreme weather events cause heat stress in cattle and poultry, leading to slower growth rates, reduced fertility, and lower productivity. In addition, natural disasters, floods, and disease outbreaks, which are occurring with greater frequency, further increase risks across the livestock production chain. According to a joint report by the World Bank Group and the Asian Development Bank, Vietnam’s agriculture sector could incur losses equivalent to approximately 5.6–6.2% of GDP by 2030 and 7.6–10.6% of GDP by 2050 if effective adaptation measures are not implemented.

To proactively respond to climate change, Hoa Phat’s agriculture companies have implemented a range of advanced technological solutions to adapt to changing climate conditions. Closed-house systems with automated controls are widely applied across company-owned and managed farms, enabling precise regulation of temperature, humidity, and airflow. This ensures a stable living environment and minimizes the impact of weather fluctuations on animal health and behavior. Specialized cooled hatchery systems are operated to maintain optimal temperature and humidity for embryo development, thereby improving hatch rates and breeding quality. Nutritional programs are tailored to each species, growth stage, and season to enhance animal health, reduce climate-induced stress, improve digestion efficiency, and minimize nitrogen residue in waste.

The Group also invests in and operates effective waste treatment systems (both solid and liquid), including biogas recovery for electricity generation and cooking purposes. These solutions not only mitigate the adverse impacts of climate change but also enhance animal welfare, improve farming efficiency, and ensure long-term biosecurity—demonstrating Hoa Phat’s commitment to sustainable and climate-resilient agriculture.

2025 PERFORMANCE

GHG EMISSION INVENTORY 2025

1.Total Group-wide Greenhouse Gas emissions inventoried according to ISO 14064 for 2025	
SCOPE	THE GROUP-WIDE TOTAL GHG EMISSION 2025 (tCO _{2e})
Scope 1	22,540,603
Scope 2	933,876
Total	23,474,480

2. The Group-wide GHG emissions by business sectors 2025:

BUSINESS SECTOR	THE GROUP-WIDE TOTAL GHG EMISSION 2025 (tCO _{2e})	WEIGHT
Steel	23,369,500	99,55%
Agriculture	90,846	0,39%
Real Estate	2,836	0,01%
Home Appliances	9,666	0,04%
Office Building	1,631	0,01%
Total	23,474,480	100%

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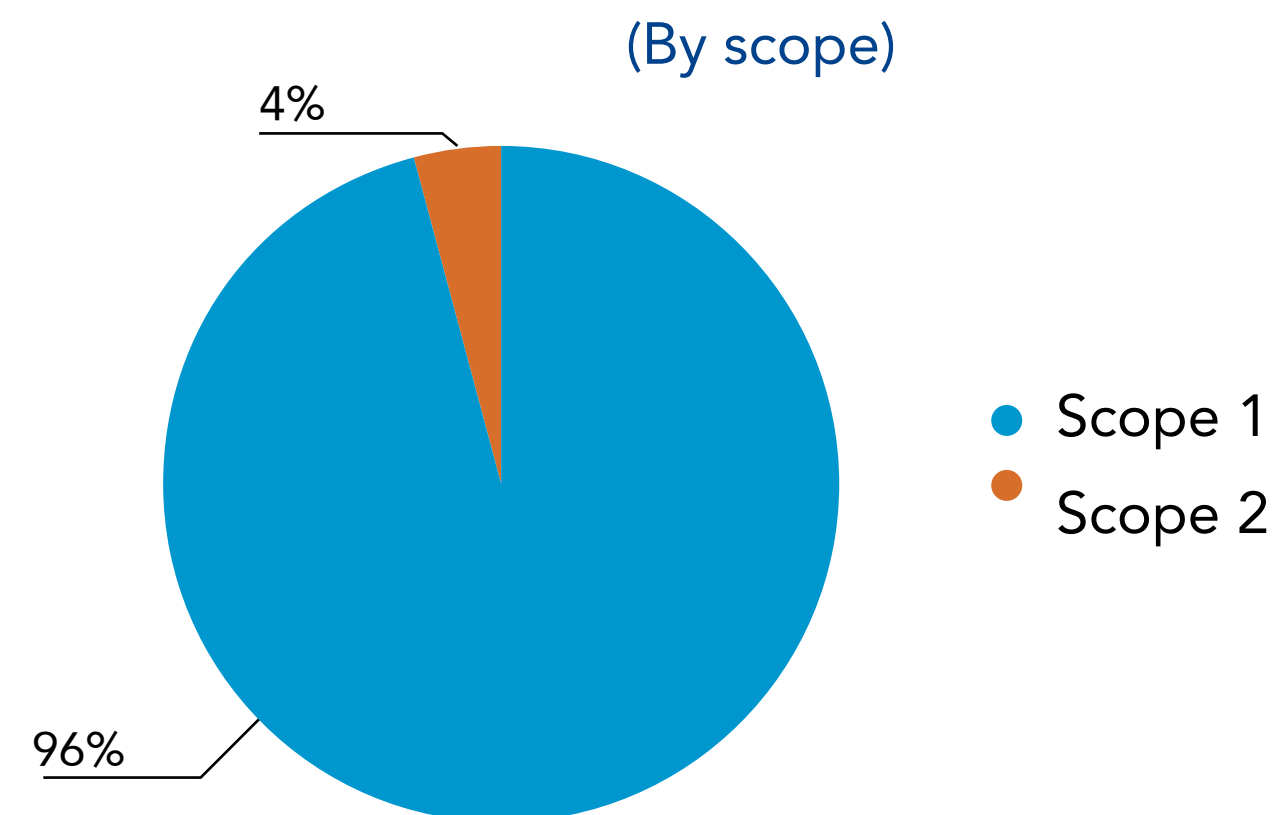
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CLIMATE CHANGE MITIGATION AND ADAPTATION MEASURES

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TOTAL GHG EMISSIONS OF THE ENTIRE GROUP IN 2025



In 2025, Hoa Phat Group's total greenhouse gas (GHG) emissions amounted to 23,474,480 tCO₂e, including both direct emissions and indirect emissions from imported energy. Direct emissions—primarily arising from industrial production processes, livestock activities, transportation operations, and internal equipment usage—accounted for the largest share. Meanwhile, indirect emissions mainly originated from purchased electricity and externally sourced steam.

By business segment, the steel production sector remains the dominant source of emissions. This is followed by steel product manufacturing, agriculture, real estate, and service sectors, all of which recorded significantly lower emission levels. Overall, the GHG inventory results indicate that emissions are highly concentrated in the Group's core industrial activities, particularly direct emissions from production processes, reflecting the nature and scale of Hoa Phat's operations.

The iron and steel production segment continues to be the largest contributor, accounting for more than 99% of total Group emissions. The sector's inherent characteristics—requiring intensive energy consumption and substantial raw material inputs—result in significant CO₂ emissions. In addition, direct emissions from fuel combustion, as well as operations of blast furnaces, basic oxygen furnaces, and auxiliary systems, further contribute to the overall emissions profile.

From September 2025, the commissioning of Hoa Phat Dung Quat 2 has led to a 24% increase in crude steel output, corresponding to a proportional rise in the Group's total emissions.

The agriculture and livestock segment recorded relatively low GHG emissions

compared to the Group's total, at 90,846 tCO₂e, accounting for approximately 0.39%. Key emission sources in this segment include livestock activities, use of chemical fertilizers, waste management, and operation of agricultural equipment. Although this segment plays an important role in the Group's diversified business structure, its emission share remains minimal compared to the core steel production sector.

Nevertheless, in pursuit of sustainable development, emission management in this segment remains essential. This includes implementing measures to reduce methane emissions, optimize production processes, and promote the adoption of green technologies. Such efforts align with broader environmental protection trends and enhance the Group's corporate social responsibility.

In conclusion, effective GHG emission control and reduction efforts should primarily focus on direct emissions from industrial production, particularly within the steel sector, which serves as the core driver of Hoa Phat Group's operations. This provides a critical foundation for developing targeted management solutions, improving energy efficiency, and advancing the adoption of green technologies in the years ahead.



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2025 ENERGY CONSUMPTION

1. GROUP-WIDE ENERGY CONSUMPTION & CONSUMPTION STRUCTURE:

CATEGORY	2025
Total Group-wide energy consumption (thousand GJ)	193,404
Total energy consumption of Crude steel production (thousand GJ)	190,788
Crude Steel Production (thousand tonne)	10,916
Energy consumption intensity per ton of crude steel (GJ/ton) – Hoa Phat	17.48
Energy consumption intensity per ton of crude steel (GJ/ton) – World average 2024	20.95*

For steel production activities, the average energy consumption intensity reached 17.48 GJ per ton of crude steel, significantly lower than the global benchmark of 20.95 GJ/ton of crude steel (according to the World Steel Association).

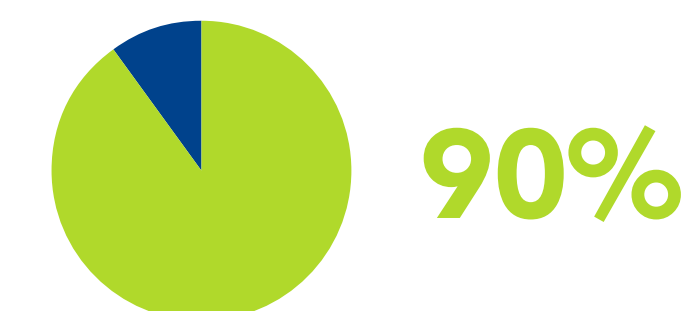
2. GROUP-WIDE ENERGY CONSUMPTION & CONSUMPTION STRUCTURE

BUSINESS SECTOR	GROUP-WIDE ENERGY CONSUMPTION (THOUSAND GJ)	WEIGHT
Steel	193,078	99.9%
Agriculture	230.74	0.1%
Real Estate	15.93	0%
Home Appliances	78.18	0%
Total	193,404	100%

3. ELECTRICITY SELF-SUFFICIENCY RATE

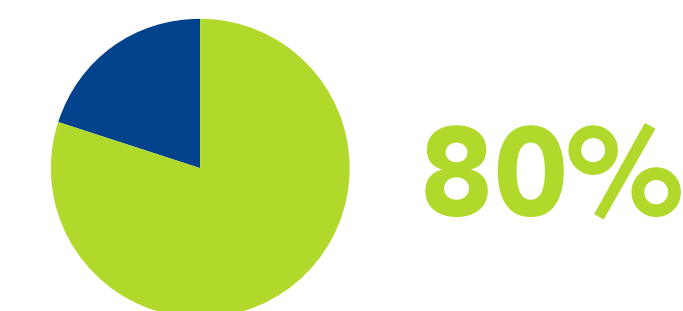
At the Hoa Phat Hai Duong and Hoa Phat Dung Quat iron and steel complexes, all waste heat generated from coke production and surplus blast-furnace gas from ironmaking and steelmaking processes is recovered and used as fuel for boilers to generate electricity. This in-house power-generation technology enhances product competitiveness while supporting environmental protection by reducing greenhouse gas emissions. In 2025, the total electricity generated by the Hoa Phat Dung Quat and Hoa Phat Hai Duong Steel Integrated Complexes met 90% and 80% of their respective total consumption needs.

ELECTRICITY SELF-SUFFICIENCY RATE OF THE HOA PHAT DUNG QUAT STEEL INTEGRATED COMPLEX



ITEMS	2025
Energy Consumption (GWh)	3,543
Energy Production (GWh)	3,207
Rate of self-sufficiency power (%)	90%

ELECTRICITY SELF-SUFFICIENCY RATE OF THE HOA PHAT HAI DUONG STEEL INTEGRATED COMPLEX



ITEMS	2025
Energy Consumption (GWh)	1,282
Energy Production (GWh)	777
Rate of self-sufficiency power (%)	80%

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[GRI 301-1, 301-2, 303-4, 303-5, 306-1, 306-2, 306-3, 306-4, 306-5, 306-6]

Environmental management is a high priority sustainability topic integrated throughout Hoa Phat’s production and business operations. The Group is committed to efficient resource use, pollution prevention, and the advancement of circular production models. Our environmental management efforts focus on key areas, including water management and use, waste and wastewater treatment, and air quality control, with the aim of minimizing environmental impacts, ensuring regulatory compliance, and supporting green growth.

COMPLIANCE WITH ENVIRONMENTAL LAWS

Hoa Phat Group is committed to full compliance with Vietnam’s environmental regulations—including the 2020 Law on Environmental Protection and all related Decrees and Circulars—through the implementation of an effective environmental management system that includes:

SYSTEMS: Investing in Modern Technology

Hoa Phat applies advanced technologies to minimize adverse environmental impacts. The Group allocates a significant portion of its investment budget across integrated complexes, manufacturing plants, and farms to environmental protection measures—including air emission treatment, wastewater treatment, and solid waste management—integrated directly into machinery, equipment, and production lines.

PEOPLE: Strengthening Awareness and Capability

The Group regularly conducts training programs on environmental regulations for both management and specialized staff. These efforts ensure that all operational levels clearly understand their responsibilities and compliance requirements, translating legal awareness into concrete action.

PROCESSES: Rigorous Monitoring and Internal Control

Legal compliance monitoring is carried out regularly through periodic supervision and evaluation. Each subsidiary has dedicated personnel who routinely inspect the operation of machinery and equipment at the facilities, ensuring that all emission sources comply with permitted thresholds.

In 2025, Hoa Phat’s subsidiaries recorded no violations related to environmental protection



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MANAGEMENT APPROACH

ENVIRONMENTAL, HEALTH AND SAFETY (EHS) MANAGEMENT SYSTEM



The EHS management system is implemented in alignment with the operating models of the Group's subsidiaries, reflecting our commitment to responsible and sustainable development based on transparency and continuous improvement. The system is guided by the following core principles:

- **SAFETY FIRST:** Identify and eliminate all potential risks before incidents occur, ensuring a safe and secure working environment for all employees.
- **COMPLIANCE AND ETHICS:** Strictly adhere to laws, internal regulations, and the Company's code of business ethics, upholding corporate responsibility and social accountability.
- **PREMIUM QUALITY:** Deliver high-quality, reliable products that meet customer expectations while continuously improving quality and competitiveness.
- **GREEN ENVIRONMENT AND ENERGY EFFICIENCY:** Reduce emissions, save energy, and promote recycling and reuse through the adoption of clean and green technologies in all operations.
- **PEOPLE DEVELOPMENT:** Build a disciplined, professional, and innovative workforce through continuous training and empowerment.
- **TALENT ATTRACTION AND RETENTION:** Create a competitive and inspiring workplace, providing career growth and advancement opportunities.
- **ACCOUNTABILITY:** Encourage proactive, responsible decision-making and strengthen internal control and risk management systems.
- **TECHNOLOGICAL INNOVATION:** Drive digitalization, automation, and AI adoption to enhance productivity and sustainable competitiveness.

• **INTERNATIONAL STANDARD MANAGEMENT:** Maintain and continuously improve integrated management systems certified to ISO 9001, ISO 14001, ISO 45001, and ISO 50001, with regular leadership reviews and continuous improvement actions

The Company also emphasizes employee participation and consultation as part of practical environmental and safety management. Structured processes are in place for workers at all levels to provide feedback, contribute ideas, and engage in EHS initiatives. Designated employee representatives regularly communicate workforce needs and expectations to management, ensuring alignment with operational requirements and legal obligations.



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CONTROL OF AIR QUALITY

In accordance with the ISO 14001 environmental management system, Hòa Phát Group aims to minimize air impacts through the application of advanced emission control technologies. At its steel plants, fully integrated closed-loop exhaust gas treatment systems are deployed to control air quality throughout the entire production process, ensuring strict monitoring of dust, SO_x, NO_x, and CO emissions before discharge into the environment.

Treated emissions are continuously monitored using a Continuous Emission Monitoring Systems (CEMS), with data transmitted directly to the Department of Agriculture and Environment in compliance with regulatory requirements. Dust generated during steelmaking is comprehensively collected and recycled back into the production process.

Notably, the integrated steel complexes apply multiple dust filtration systems tailored to specific emission sources, installed at each stage of production, including sintering plants, blast furnaces, refining furnaces, waste heat boilers, and rolling lines. These systems achieve removal efficiencies of over 99% at the source, preventing dispersion into the atmosphere while enabling dust recovery as a reusable resource.

As a result of these measures, concentrations of dust and air pollutants in exhaust emissions consistently meet or remain below the permissible limits set by QCVN 51:2017/BTNMT (Table 3 – A2, K_p = 0.9, K_v = 1.0), the National Technical Regulation on Industrial Emissions for the Steel Industry.

AIR QUALITY CONTROL IN STEEL PRODUCTION

BAGHOUSE DUST FILTRATION SYSTEM

Treatment target:

Highest efficiency among dry dust filtration technologies, suitable for various types of dust (including fine particulates) and a wide range of concentrations.

Operating principle:

The baghouse filtration system uses mechanical filtration via a series of specialized fabric bags. Dust laden exhaust gas is drawn into the filtration chamber and passes through the fabric bags. Dust particles are trapped on the outer or inner surface of the bags through mechanisms such as sieving, inertial impaction, and diffusion. Over time, a thin layer of dust forms on the fabric surface, creating a “filter cake” that further enhances the capture efficiency for fine particles. When the dust layer becomes too thick, a strong pulse of compressed air is injected into the bags—or a shaking mechanism is activated—to clean the bags, causing the accumulated dust to fall into the collection hopper below.



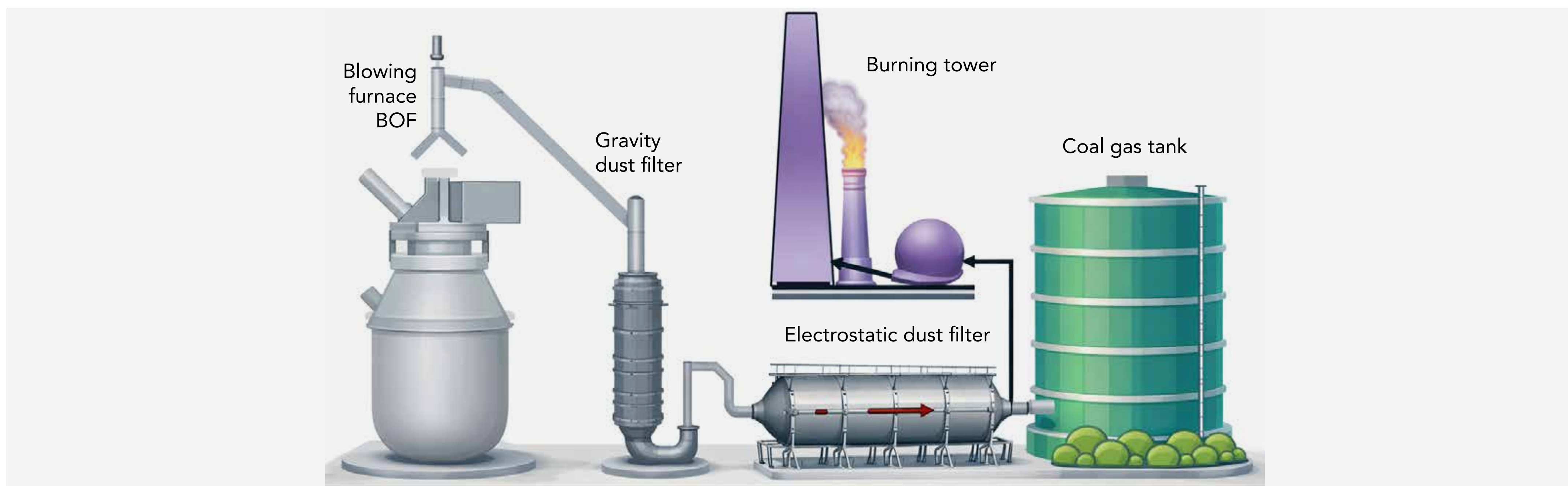
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ELECTROSTATIC PRECIPITATOR (ESP)

Treatment target:

Dust and fumes (including fine particulates < 1 µm).

Operating principle:

The Electrostatic Precipitator (ESP) is a high-efficiency air pollution control device that removes dust particles from exhaust gas using electrostatic forces. The process begins with corona discharge generated by high-voltage electrodes, which ionizes gas molecules and gives dust particles a negative charge. These charged particles are then attracted to and captured on positively charged or grounded collecting plates. Periodically, a mechanical rapping system shakes the collecting plates, causing the accumulated dust layer to detach and fall into a collection hopper below. This technology effectively removes more than 99% of fine particulates, making it particularly suitable for facilities with large exhaust gas volumes and high temperature emissions.

DESULFURIZATION ABSORPTION TOWER

Treatment target:

Dust and sulfur-containing gases.

Operating principle:

The absorption tower removes gaseous pollutants - primarily SO₂ - through chemical reactions. Sulfur-containing exhaust gas enters the tower from the bottom while an absorbent solution is sprayed from the top. The gas and liquid phases come into contact within the packed bed, where SO₂ is dissolved and absorbed, then reacts chemically with the absorbent. The SO₂ is neutralized and converted into solid compounds, which settle at the bottom of the tower for collection. The cleaned gas is then released to the atmosphere.

FLOOR DUST EXTRACTION SYSTEM

Treatment target:

Dust generated during raw material handling and slag removal operations.

Operating principle:

Dust produced during the transportation of raw materials before entering the furnace is captured by localized extraction fans installed at emission points. The collected dust is then transferred to storage bins and subsequently conveyed to the iron ore sintering line for reuse, ensuring effective dust control and resource circularity.

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AIR QUALITY CONTROL IN LIVESTOCK



At pig farming facilities, air quality is controlled through a combination of measures:

ENCLOSED HOUSING SYSTEM

Hoa Phat applies high-biosecurity, closed-house farming technology in its pig and poultry operations. This model represents a concentrated farming system that integrates information technology and digital solutions into livestock management while ensuring environmental sustainability.

The farms are fully enclosed and equipped with water-cooling systems, ventilation fans, automatic feeding and drinking systems, and floor-based housing. Livestock are segregated by type and growth stage to ensure optimal care. Temperature is automatically maintained within a stable range of 18–25°C, reducing animal fatigue and heat stress, improving digestion efficiency, and minimizing ammonia emissions from waste.

Air emissions within the barns are treated using microbial solutions rather than being released uncontrolled as in open housing systems. The system also enables efficient and comprehensive daily waste collection, significantly improving over small-scale or open farming models. Regular cleaning and waste management ensure stable operations, maintaining a clean and environmentally friendly farming environment.

LIVESTOCK HOUSING CLEANING, DISINFECTION, AND DISEASE CONTAINMENT CONTROL

The “All In, All Out” (AIAO) livestock management technique is one of the most advanced global practices in modern pig farming. Under this system, pigs are grouped by age, weight, health condition, reproductive cycle, and nutritional needs. Each weekly batch is moved through different production stages together, enabling synchronized herd management.

This approach mandates a rest period for each livestock house, allowing thorough washing, disinfection, and complete drying before the next group enters. The process eliminates most pathogens remaining in the environment, breaks potential infection chains for incoming herds, and effectively controls the spread of airborne diseases.

CONSTRUCTION OF BIOGAS DIGESTERS FOR MANURE AND WASTEWATER COLLECTION

The construction of biogas digesters is a circular economy solution for managing farm waste. These systems collect all farm manure and wastewater and create an anaerobic environment that allows microorganisms to break down organic matter. This process significantly reduces pollutant loads and eliminates odors before discharge into the environment. More importantly, the biogas generated - primarily methane (CH₄) - can be used as a renewable energy source for cooking or electricity generation, helping lower operating costs while reducing the release of high impact greenhouse gases.

CONTROLLING LIVESTOCK FEED PORTIONS

Feed portion management is a proactive measure that addresses pollution at its source. This approach focuses on providing animals with precisely the amount of protein needed for their actual growth requirements. By avoiding excessive protein intake, the amount of nitrogen excreted as urea is significantly reduced. This, in turn, minimizes the conversion of urea into ammonia— a harmful gas that contributes to air pollution and adversely affects respiratory health. Effective ration control not only improves environmental quality within the housing system but also reduces feed costs and enhances overall farm efficiency.



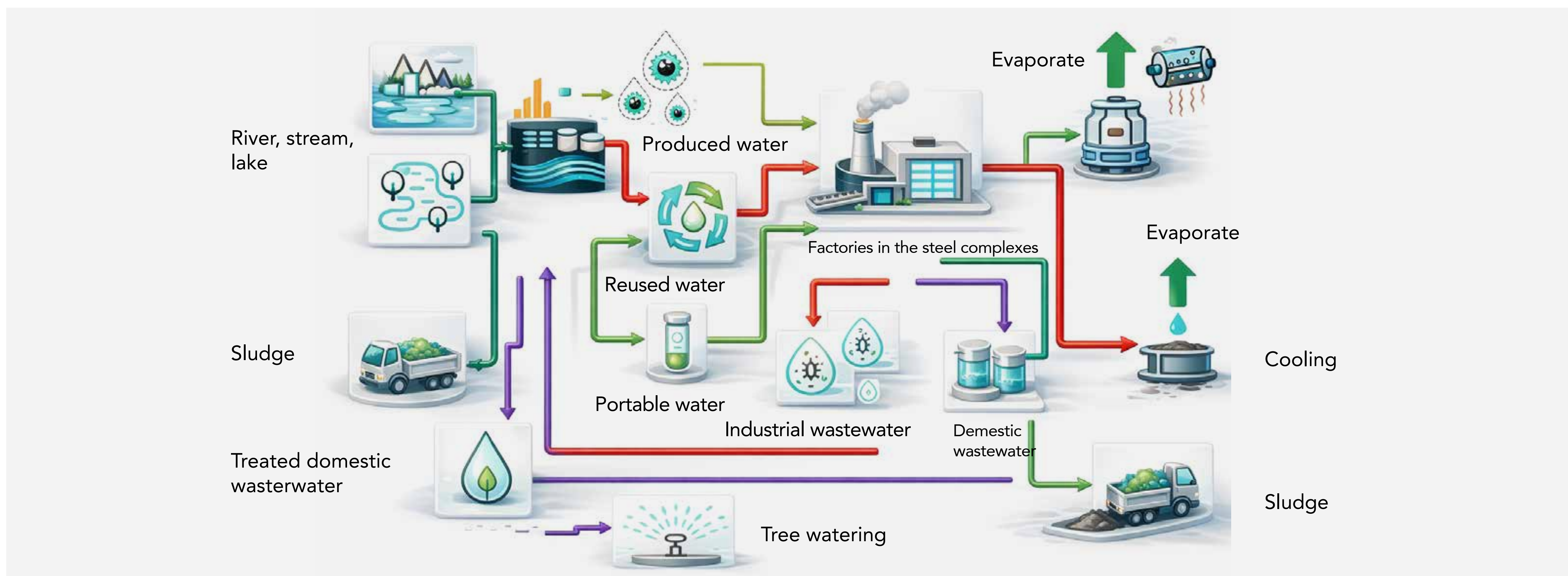
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WATER MANAGEMENT

WATER EFFICIENCY IN SUSTAINABLE OPERATION

As part of Hoa Phat Group's sustainability strategy, all subsidiaries are required to implement water-saving initiatives, including rainwater collection and the utilization of internally recycled and externally reused water sources throughout production processes. These efforts aim to reduce dependence on freshwater resources—particularly water drawn from local communities—while contributing to the Group's broader environmental-protection objectives.

The metallurgy sector in general—and the steel industry in particular—is characterized by high water use intensity. However, water consumption in steel production should be understood in terms of both total water use and the percentage of water that is recycled. Most water is used for cooling equipment and products, with losses occurring mainly through evaporation and replenished by external water sources.

Despite the high water demand inherent in steel production, Hoa Phat's integrated steel complexes have adopted advanced technologies and proactively implemented a range of measures to conserve water resources. These efforts aim to minimize freshwater intake and significantly reduce pressure on local water sources.

Water containing sediments and impurities generated within the complexes is treated through centralized water treatment systems and fully recycled. As a result, the integrated complexes do not discharge industrial wastewater into the environment. Continuous investments in infrastructure upgrades and the implementation of dedicated projects to improve water efficiency and increase water recirculation rates have significantly reduced freshwater consumption. Notably, the Hoa Phat Dung Quat Integrated Steel Complex has achieved a water reuse rate of up to 98%, comparable to that of leading modern steel plants worldwide.

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2025 GROUP-WIDE WATER CONSUMPTION



As part of Hoa Phat Group’s sustainable development strategy, all member companies are required to implement water-saving initiatives. These include rainwater harvesting and utilization, as well as maximizing internal water circulation and reusing external water sources during the production process.

These efforts aim to reduce dependence on freshwater sources—particularly those extracted from local communities—while contributing to the Group’s broader environmental protection goals.

WATER WITHDRAWAL, DISCHARGE, AND CONSUMPTION IN 2025

YEAR/UNIT: MEGALITRES	2025
Water Withdrawal	46,328
Water Discharge	4,994
Water Consumption(*)	41,334

Note: () Water consumption refers to the total volume of water consumed in the company’s operations, calculated as the amount of water withdrawn minus the volume returned to the environment. The water use concept includes both the water consumed (through evaporation, incorporation into products, or other losses) and the water recycled and reused within the production process.*

WATER DISCHARGE CONTROL



Water discharge quality is strictly monitored and must comply with national environmental regulations. All discharged water is treated in accordance with QCVN 40:2011/BTNMT – the National Technical Regulation on Industrial Wastewater. All steel companies have installed automated wastewater monitoring systems at discharge points, with data stored and transmitted to the Department of Natural Resources and Environment.

In 2025, the Group recorded no violations or incidents related to wastewater management, demonstrating Hoa Phat’s strong commitment to protecting water resources and maintaining sustainable, efficient production operations.



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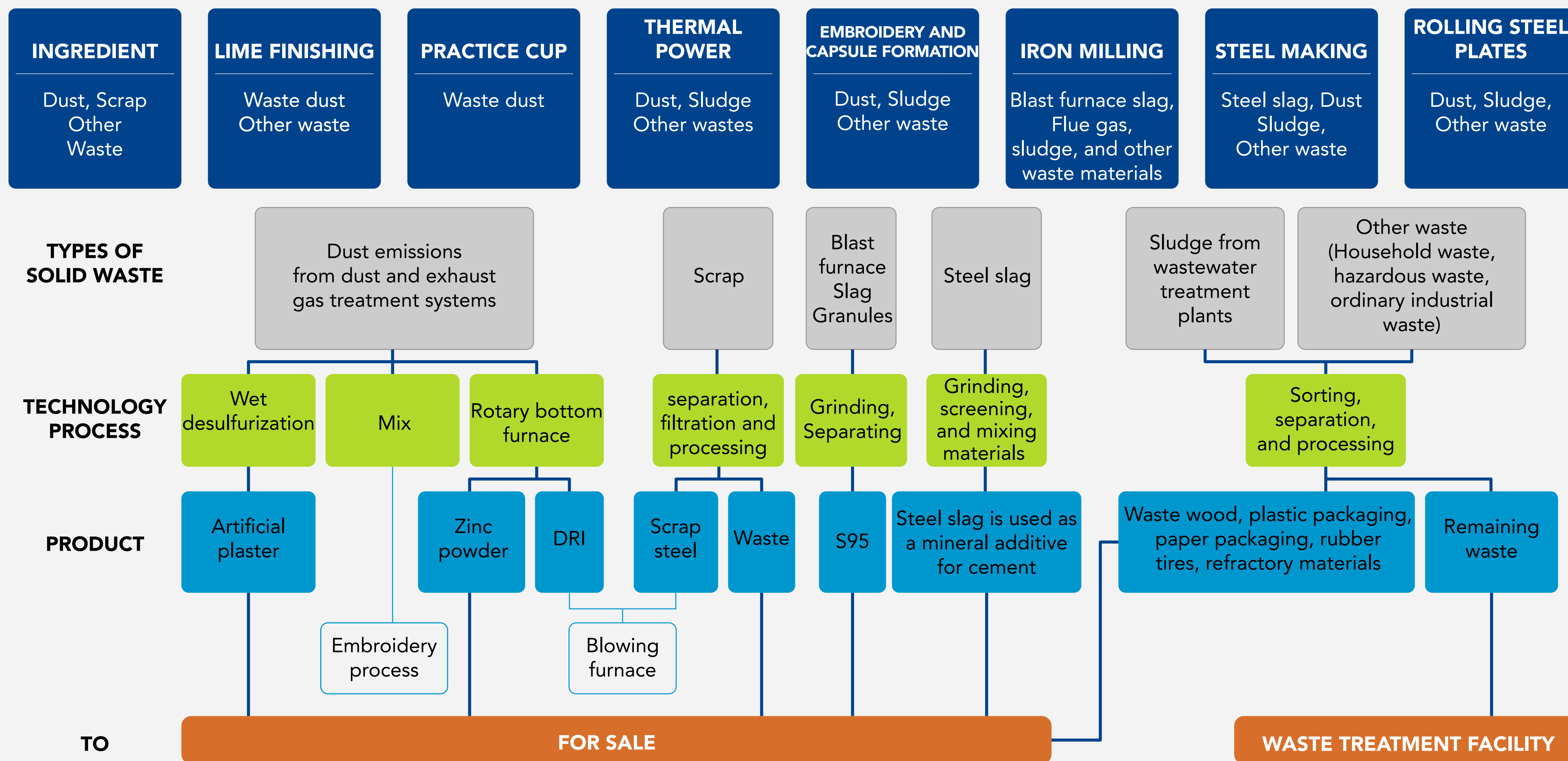
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RECYCLING - REUSE OF SOLID WASTE

Hoa Phat Group is committed to minimizing waste generation and promoting circular resource use across our operations. Waste management is a key component of business units' Environmental, Health, and Safety (EHS) Policies, ensuring compliance with national regulations and alignment with the principles of the circular economy.

The steel industry—particularly integrated steel production from iron ore—is one of the sectors generating the largest volumes of solid waste. However, with the adoption of modern technologies, solid waste management practices have been completely transformed. In a circular steel production model, solid waste is no longer regarded as a burden requiring landfilling or disposal, but instead as a valuable resource that can be maximized for economic benefit. Currently, the solid waste recycling rate in the steel segment exceeds 99%.

DIAGRAM OF SOLID WASTE TREATMENT GENERATED AT HOA PHAT DUNG QUAT STEEL AND IRON PRODUCTION COMPLEX



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RECYCLING AND REUSING SOLID WASTE AS INPUT MATERIALS IN THE PRODUCTION PROCESS

Internal recycling and reuse initiatives focus on classifying and treating waste directly at the point of generation. Solid wastes containing iron are collected and processed so they can be reintegrated into the steel production cycle. Dust generated from various stages—including dust captured by filtration systems, blast furnace dust, material handling dust, cast house floor dust, and sinter plant dust—is recovered and returned to the sintering process or used to produce DRI

Steel scrap generated during casting and rolling operations—such as mill scale, trimmings, and offcuts—with properties similar to external scrap, is blended with hot metal in steelmaking. Optimizing iron recovery not only reduces the consumption of virgin raw materials but also addresses solid waste challenges effectively.

CONVERTING HIGH VOLUME WASTE INTO BY PRODUCTS

By-products generated from metallurgical operations are efficiently processed to maximize their commercial value. Blast furnace slag and steel slag are treated and widely reused, meeting applicable standards and technical regulations for use as input materials in construction. They are primarily utilized in cement production as a substitute for clinker and as materials for road base construction.

In 2025, Hoa Phat Group invested in a zinc-bearing dust and sludge treatment system using rotary hearth furnace (RHF) technology supplied by CISDI Thermal & Environmental Engineering Co., Ltd. (a member of MCC China). The system is designed to process all zinc containing dust and sludge generated at the Hoa Phat Dung Quat Iron and Steel Complexes 1 and 2.

The RHF technology enables the separation of blast furnace dust into direct reduced iron (DRI)—which can be reused as a high-value iron-bearing feedstock in steel production—and zinc oxide powder, a valuable byproduct that can be sold to zinc smelters or used in galvanizing and chemical industries. In addition, the system recovers steam heat for power generation.

This project not only reduces solid waste and enhances internal recycling efficiency but also demonstrates Hoa Phat’s commitment to circular economy principles and sustainable resource utilization

HAZARDOUS WASTE MANAGED IN COMPLIANCE WITH REGULATIONS

Hazardous wastes—such as grease, oil contaminated rags, and chemical residues—are safely stored, properly labeled, and transferred to licensed waste treatment providers in full compliance with legal requirements.

IN THE AGRICULTURE SECTOR, ORGANIC WASTE IS TRANSFORMED INTO VALUABLE RESOURCES.

Manure and livestock waste are processed through composting systems or biogas digesters to produce organic fertilizer and renewable energy. The recycling and reuse rate of solid waste in the Agriculture segment is nearly 100%.

These integrated waste management solutions enable Hòa Phát to close the resource loop, reduce the volume of waste sent to landfill, and generate both environmental and economic value from materials previously considered waste. Moving forward, the Group will continue to enhance source segregation efficiency, expand partnerships in the recycling sector, and adopt innovative technologies to further increase reuse rates and improve resource recovery performance.

WASTE GENERATED BY CATEGORY IN 2025

INDICATOR	2025 (thousand tons)
Total solid waste generated	7.085
Non-hazardous waste	6.838
Hazardous waste	247

LƯỢNG CHẤT THẢI THEO CÁC HƯỚNG XỬ LÝ NĂM 2025

INDICATOR	2025 (thousand tons)
Total waste generated	7.085
Total waste diverted from disposal (reused for other purposes)	6.982
Total waste disposed	103

5.2 ENVIRONMENTAL MANAGEMENT

SOLID WASTE RATIO BY BUSINESS SEGMENTS OF HOA PHAT

BUSINESS SEGMENT	TOTAL WASTE GENERATED (THOUSAND TONS)	TOTAL RECYCLED/ REUSED (THOUSAND TONS)	RECYCLING/ REUSE RATE
Steel	6,865.5	6,809.6	99%
Agriculture	114.8	114.5	100%
Real Estate	0.2	-	0%
Home Appliances	104.6	57.8	55%
Total	7,085	6,982	99%

In 2025, the Group’s total solid waste generation reached 7,085 thousand tons, of which hazardous waste accounted for 3% and non-hazardous waste made up 97%.

Out of more than 7 million tons of solid waste generated, nearly 6.98 million tons were recovered and reintegrated into production processes or repurposed. This demonstrates that waste is no longer an environmental burden but has become a valuable input resource, helping the Group optimize costs and minimize negative impacts on the ecosystem.

ENVIRONMENT PRODUCT DECLARATION (EPD)

Hoa Phat has taken initial steps toward developing Environmental Product Declarations (EPD) to enhance product transparency and sustainability performance. The Company’s representatives have completed EPD awareness training organized by Bureau Veritas Vietnam and are now preparing EPD reports for Hot Rolled Coil (HRC) and steel slab products.

These reports, developed in accordance with ISO 14025 and EN 15804, will quantify the environmental impacts across the product life cycle, supporting green procurement, the development of low-carbon steel, and international market competitiveness.





SUSTAINABILITY MATERIAL AREAS

CARING FOR PEOPLE

- 6.1 OCCUPATIONAL HEALTH & SAFETY
- 6.2 HUMAN RESOURCE MANAGEMENT
- 6.3 HUMAN RIGHTS
- 6.4 COMMUNITY DEVELOPMENT

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SUSTAINABILITY MATERIAL AREAS

– CARING FOR PEOPLE

OCCUPATIONAL HEALTH & SAFETY

HUMAN RESOURCE
MANAGEMENT

HUMAN RIGHTS

COMMUNITY DEVELOPMENT

6.1 OCCUPATIONAL HEALTH & SAFETY

[GRI 403]

At Hoa Phat, occupational health and safety are integral to responsible operations. The Group fosters a safe workplace by embedding safety principles into daily activities, promoting awareness, and maintaining systems that meet regulatory standards. Through a culture of prevention and continuous improvement, Hoa Phat is committed to safeguarding its workforce and ensuring a secure environment for all employees.

MANAGEMENT APPROACH

OHS MANAGEMENT SYSTEM AND SERVICES



Member companies of Hoa Phat Group have implemented occupational health and safety (OHS) management systems in strict compliance with Vietnamese regulations, including the Law on Occupational Safety and Hygiene (2015/2016), the Labor Code (2019), and relevant guiding decrees.

The OHS system is applied to all employees across the Group. In several subsidiaries, the scope is further extended (fully or partially) to contractors and partners operating on-site.

On-site medical services are maintained through in-house medical teams, periodic health check-ups (conducted annually or semi-annually for employees exposed to hazardous conditions), and collaboration with local healthcare providers to ensure timely emergency response and preventive health monitoring.

HAZARD IDENTIFICATION AND RISK ASSESSMENT



Across Hoa Phat Group subsidiaries, a comprehensive governance framework for hazard identification and risk assessment has been established. This framework integrates compliance with Vietnamese regulations, the adoption of international management systems, and site-specific operational practices.

DAILY AND PERIODIC RISK REVIEWS

Hazard identification and risk assessment are conducted as continuous, routine activities embedded in daily operations, and are directly integrated with control measures to mitigate risks. Hazard identification is carried out prior to each shift through toolbox meetings, combined with periodic reviews and updates, as well as ad hoc assessments in response to changes, incidents, or unsafe conditions. Risk registers are regularly monitored and updated to accurately reflect actual conditions.

In addition to internal self-assessments, independent auditors are periodically engaged to reassess identified hazards and evaluate the effectiveness of control measures, thereby ensuring objectivity and enhancing the overall effectiveness of risk management.

HAZARD CATEGORIES AND RISK CONTROL HIERARCHY

Hazards are classified under mechanical, chemical, physical, and organizational categories. Risk evaluation typically follows the hierarchy of controls:

1. Elimination of high-risk processes
2. Substitution with safer alternatives
3. Engineering controls such as protective barriers, ventilation, or noise reduction
4. Administrative measures, including safe work procedures, supervision, and training
5. Personal Protective Equipment (PPE) as the last resort.

WORKER INVOLVEMENT AND CONTINUOUS IMPROVEMENT

Risk identification and assessment processes are participatory. Subsidiaries involve managers, OHS officers, and workers through direct observation, interviews, and team-based reviews. Networks such as Occupational Safety and Hygiene Officers are maintained in production units to support hazard identification, and findings are incorporated into monthly evaluations. Training and emergency drills (including fire, explosion, chemical spill, and livestock accidents) further reinforce a culture of prevention and responsiveness.

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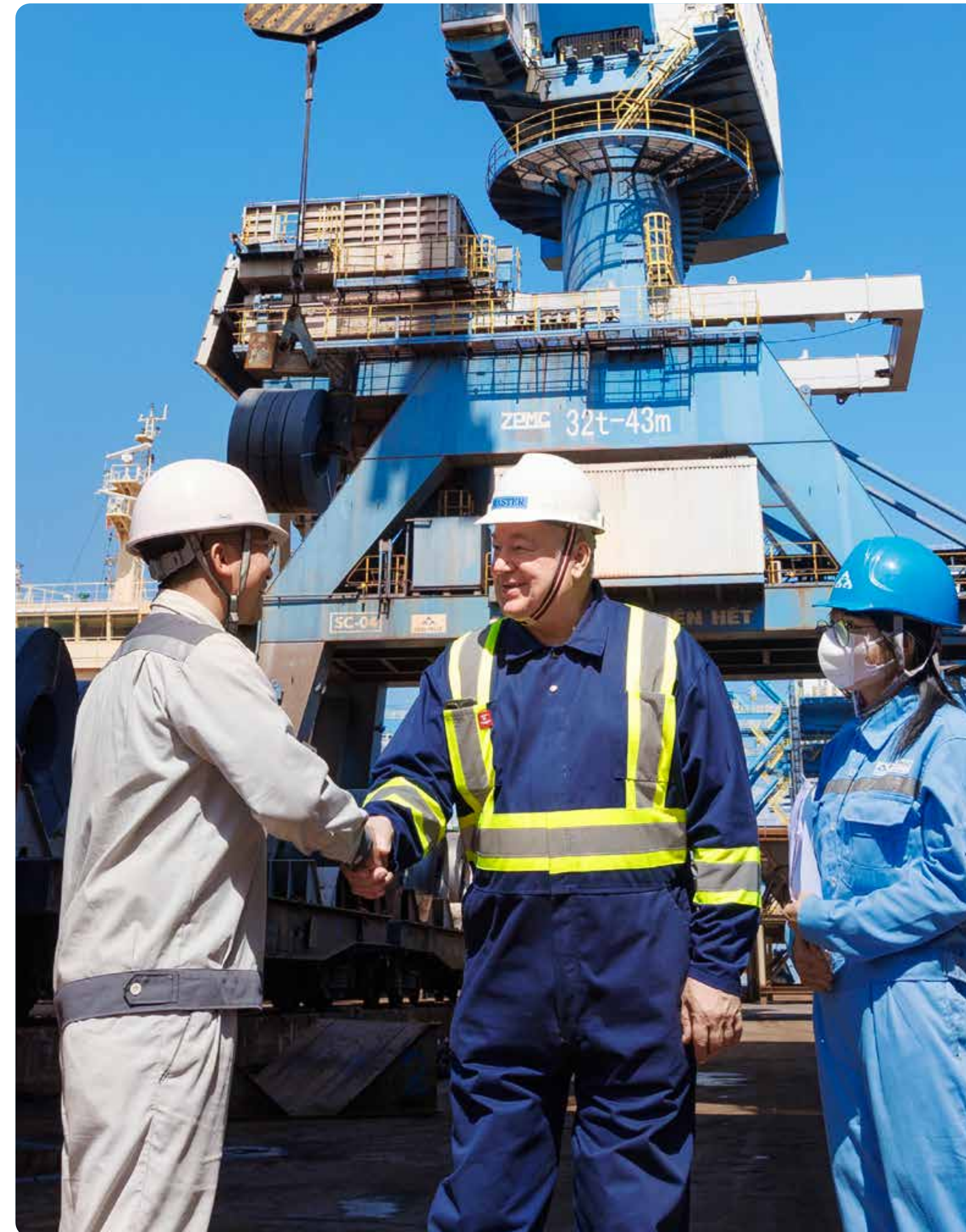
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WORKER REPORTING MECHANISMS AND RIGHT TO REFUSE UNSAFE WORK

Hoa Phat Group fosters a strong safety culture by ensuring that employees across its subsidiaries have multiple, accessible channels to report hazards and unsafe situations. In most of the subsidiaries, workers can directly report concerns to their immediate supervisors, OHS committees, or dedicated OHS departments. To further enhance accessibility, reporting mechanisms also include internal communication platforms such as Teams, email, and company hotlines. Employees are encouraged to share feedback during daily TBM, while anonymous channels such as suggestion boxes help protect the identity of reporters. Additionally, the safety and hygiene worker networks are leveraged, enabling representatives from various units to escalate safety issues. Some subsidiaries take it a step further by formally recognizing and praising individuals who identify hazards, thereby reinforcing positive reporting behavior and embedding a proactive approach to workplace safety.

Complementing these reporting systems, some subsidiaries have adopted clear policies that empower employees to refuse or stop work in unsafe conditions without fear of reprisal. Workers have the right to immediately cease work and relocate to a safe area if they detect an imminent risk to their life or health, without requiring prior approval. They are required to promptly report the unsafe condition to managers or OHS personnel, after which investigations are carried out and corrective actions implemented. Work resumes only once the hazard has been eliminated. Protection against disciplinary measures, including dismissal or demotion, is explicitly guaranteed. Workers who experience unfair treatment can escalate their complaints to unions, HR, OHS management, or labor authorities. These rights are embedded in internal labor regulations and job descriptions, ensuring consistency across operations.

Through these mechanisms, Hoa Phat Group not only ensures compliance with occupational safety laws but also strengthens employee empowerment and participation in creating safe workplaces.



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EMPLOYEE HEALTH AND WELL-BEING PROGRAMS

Recognizing that employee well-being extends beyond workplace safety, Hoa Phat Group invests in a wide range of health protection and wellness programs across its subsidiaries. In addition to statutory social insurance, several subsidiaries offer supplementary health insurance packages designed to enhance healthcare access for employees. Beyond routine care, packages often include accident and disability coverage, life insurance, inpatient and outpatient treatment, and, in some cases, 24/7 insurance protection.

Alongside healthcare benefits, subsidiaries actively promote physical activity and employee wellness through sports and recreational initiatives. These include annual football tournaments, sports festivals, and participation in local district-level sporting events. Companies also provide financial support for popular activities such as football and badminton, while investing in physical infrastructure, including volleyball, football, and badminton courts, to encourage regular exercise.

Through these health insurance and wellness programs, Hoa Phat Group demonstrates its commitment to fostering a supportive and healthy working environment, contributing to both the physical and mental well-being of its workforce.



OHS TRAINING

Across subsidiaries, OHS training is a cornerstone of risk prevention and employee engagement. Programs include:

- **General training:** Orientation for new employees and periodic refresher courses, in line with legal requirements.
- **Specialized training:** Fire prevention and fighting, chemical and electrical safety, safe operation of equipment (e.g., cranes, forklifts, pressure vessels), working at height, confined spaces, radiation safety, and first aid.
- **Emergency preparedness:** Regular drills for fire, explosion, and chemical spill response.
- **5S methodology:** Training on workplace organization and continuous improvement.

Training is conducted internally or through certified external organizations. Worker participation in training and feedback sessions ensures continual improvement of the OHS management system.

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100% of Hoa Phat Group employees are covered by an occupational health and safety management system in each subsidiary. In 2025, our subsidiaries provided a wide array of OHS training programs, encompassing general, emergency response, specialized hazard-specific, and OHS management system-related topics. The most common OHS training topics and courses in 2025 included:

GENERAL TRAINING

- Mandatory occupational safety and hygiene training for six worker groups: fundamental training mandated by legal regulations, covering general OHS principles and legal requirements
- New employee orientation / initial training for new hires to familiarize new staff with basic OHS policies and procedures
- Refresher/Periodic OHS training to reinforce OHS knowledge and update employees on any changes in regulations or procedures
- Work instructions, safe work procedures, and OHS regulations.

EMERGENCY RESPONSE TRAINING

- Fire prevention, fighting, and rescue, often involving drills and being a recurring training
- First aid training / basic first aid training, equipping the skills to provide immediate medical assistance in case of injury or illness
- Emergency response drills for various emergency scenarios, including chemical spills, oil spills, confined space incidents, and mass poisoning.

SPECIALIZED HAZARD-SPECIFIC TRAINING

- Chemical safety
- Electrical safety
- Lifting and hoisting equipment safety
- Radiation safety
- Confined space work safety
- Work at height safety for tasks performed at elevated levels
- Spark-generating work safety for activities that produce sparks, such as welding or cutting
- CO gas work safety
- Safe operation, maintenance, and repair of equipment
- Personal Protective Equipment (PPE) usage guidelines
- Area-specific work safety, tailored to the unique hazards present in particular work zones or departments

- Operational training for specific equipment
- Safety in sorting and caring for cattle, relevant to agricultural operations.

OHS MANAGEMENT SYSTEM RELATED TRAINING

- Hazard identification and risk assessment
- 5S awareness and practice
- Specialized courses for Health, Safety, and Environment professionals
- Incident lesson learned training, disseminating findings and corrective actions from past incidents to prevent recurrence.
- Implement operational control objectives - unsafe conditions (NEARMISS)

In 2025, extensive OHS training programs were organized across the Group, with a total of 259,299 participants. The steel production subsidiaries led in both the number of courses and participants, followed by the agriculture subsidiaries.

As a result of our ongoing efforts to manage occupational health and safety across our subsidiaries, the Total Recordable Injury Frequency Rate (TRIFR) per one million worked hours was maintained at well below two (02) over the years. Notably, the number of occupational disease cases was recorded at zero in 2025, reflecting the effectiveness of our preventive health and safety measures.



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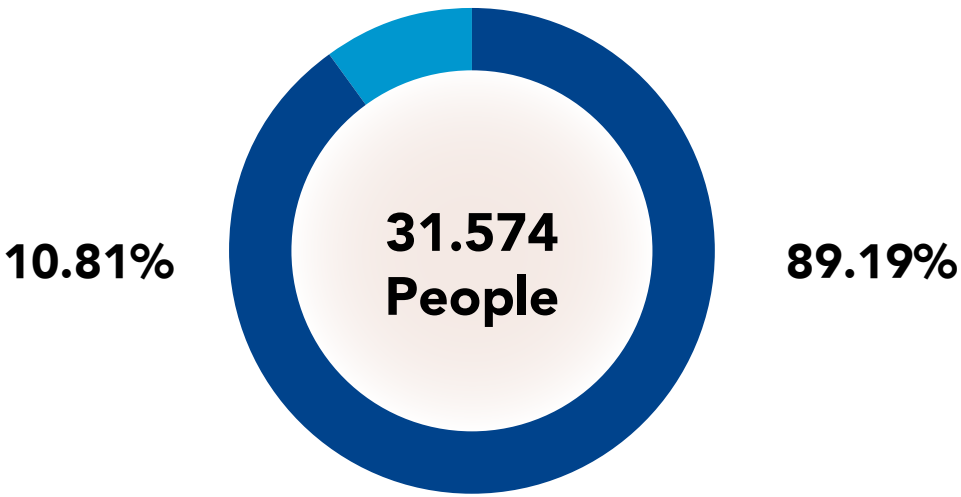
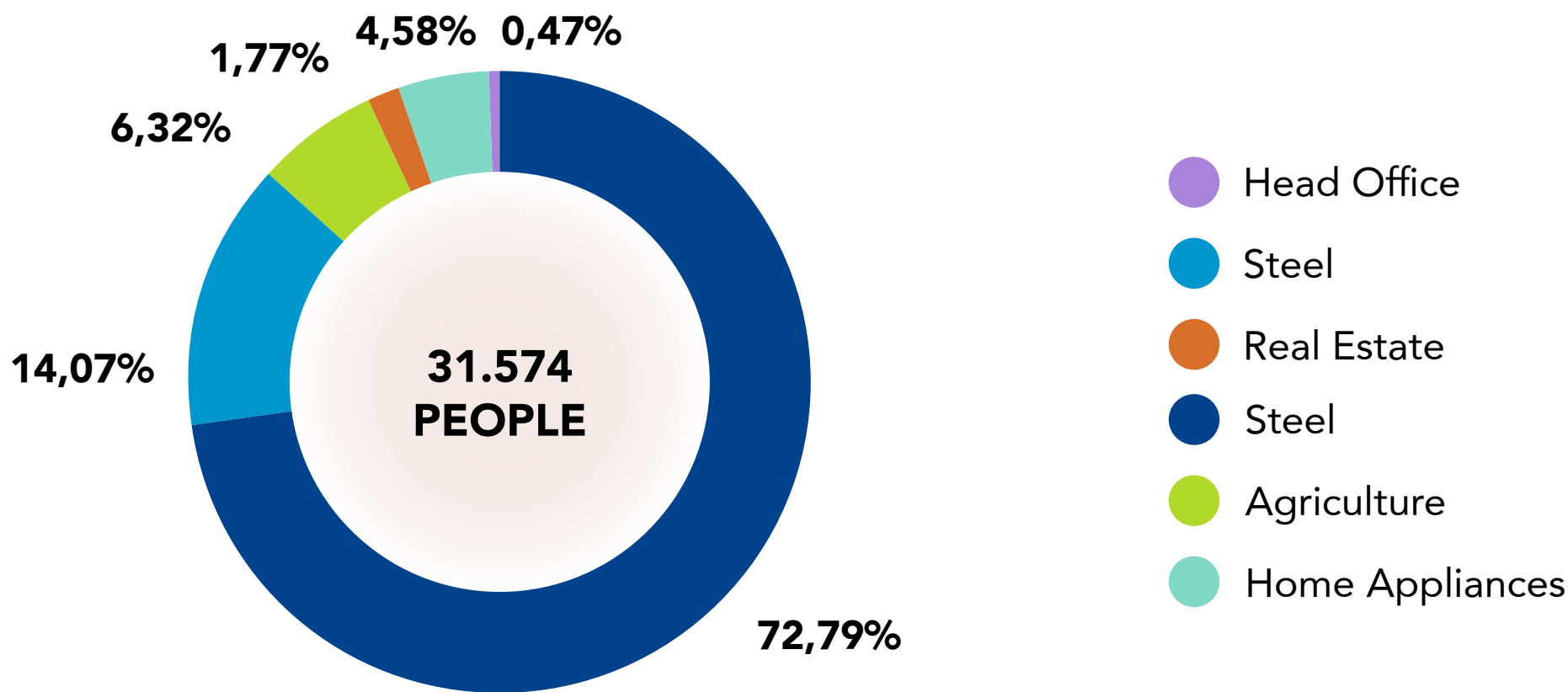
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[GRI 2-7, 401, 402, 404, 405]
At Hoa Phat, human capital is regarded as the Group’s greatest asset, and strategic value is enhanced through the digital transformation of HR functions. The Group emphasizes job title standardization and the redesign of compensation, benefits, and incentive frameworks to ensure fairness, transparency, and alignment with organizational goals. A comprehensive HR management system strengthens accuracy and workforce planning, reflecting a commitment to building an equitable, efficient, and data-driven workplace.

WORKFORCE PROFILE

[GRI 2-7]
As of 31 December 2025, Hoa Phat’s workforce consists of a total of **31,574** full-time employees. The workforce is predominantly concentrated in the Steel segment, accounting for 72.79% of total employees, reflecting the central role of steel production in the Group’s development strategy. This production-driven structure, typical of heavy industry, results in a workforce comprised largely of men. At the same time, female employees represent a higher proportion in Agriculture, Real Estate, Home Appliances, and office functions, which are more closely associated with support operations and consumer oriented activities. (The average proportion of female employees in these sectors is 30%).

GROUP WORKFORCE BY BUSINESS SEGMENT



GROUP WORKFORCE BY GENDER

	Male	Female
Head office	50.34%	49.66%
Steel	93.43%	6.57%
Steel Products	87.51%	12.49%
Agriculture	69.39%	30.61%
Real Estate	70.89%	29.11%
Home Appliances	65.47%	34.53%
Total	89.19%	10.81%

GROUP WORKFORCE BY GENDER

HPG TOTAL FULL-TIME EMPLOYEES		31,574
Executive		53
Middle Management		404
Supervisor & Staff		31,117

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MANAGEMENT APPROACH

[GRI 3-3]
RECRUITMENT

Recognizing the critical role of effective recruitment in sustaining long-term competitiveness, Hoa Phat Group prioritizes building a resilient, future-ready workforce through a strategic and integrated approach to hiring and human capital development, particularly in high-demand technical and mechanical roles.

As part of this approach, Hoa Phat’s member companies collaborate closely with universities, colleges, vocational schools, and technical training institutions across the nation. These partnerships aim to strengthen the alignment between academic curricula and the evolving needs of the steel manufacturing and industrial sectors.

To address the dual challenges of labor scarcity and skill mismatch in Vietnam’s mechanical and industrial sectors, Hoa Phat maintains a balanced focus on both the quantity and quality of workforce development. Recruitment efforts are coupled with post-hiring training and structured career progression opportunities, enabling the Group to attract, retain, and empower top talent.

2025 PERFORMANCE

EMPLOYEE NEW HIRES

[GRI 401-1a]
In 2025, Hoa Phat welcomed 7,070 new employees, representing a new hire rate of 22.39% of the total workforce. This strong performance in recruitment demonstrates the Group’s ability to attract talent on a scale, ensuring a steady pipeline of human capital to support business growth and operational expansion.

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES IN 2025	
	7,070
Rate of new hires*	22.39%

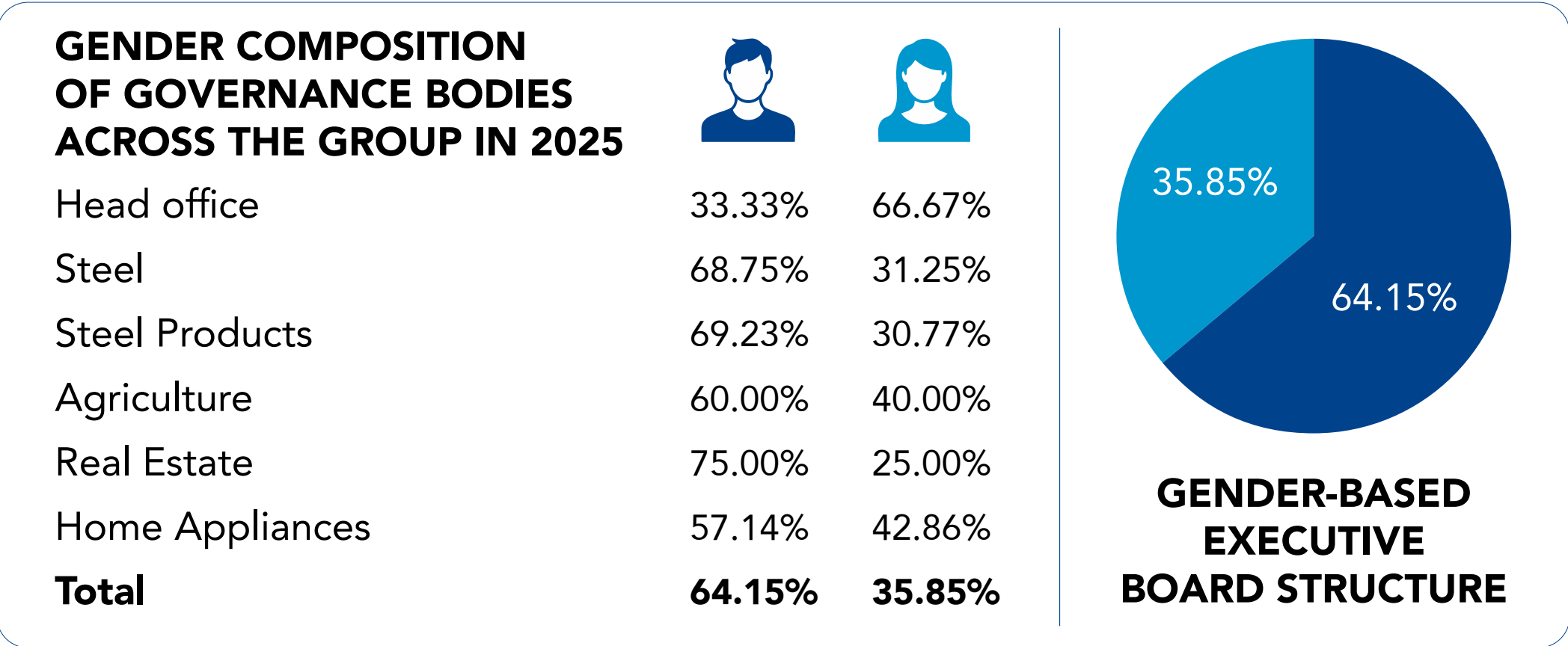
(*) The rate of new employee hires is calculated using the average total number of employees during the reporting period.

NUMBER OF NEW HIRES BY AGE GROUP	< 30 YEARS OLD	30 - 50 YEARS OLD	> 50 YEARS OLD
Number of new hires	3,808	2,982	280

NUMBER OF NEW HIRES BY GENDER	MALE	FEMALE
Number of new hires	6,116	954

DIVERSITY AND INCLUSION

[GRI 405-1b]
Women make up a significant proportion of the board of directors, the board of management across the Group and hold a notable presence in management positions. The representation of women at managerial levels across the Group reached **35.85%** in 2025, meeting our internal target and positioning the Group ahead of typical levels seen in the global steel and metals industry, where female leadership remains significantly lower, demonstrates encouraging progress toward greater gender balance. These results reflect the Group’s ongoing efforts to create pathways for women into leadership roles, while also laying the foundation for further progress in traditionally male-dominated sectors.

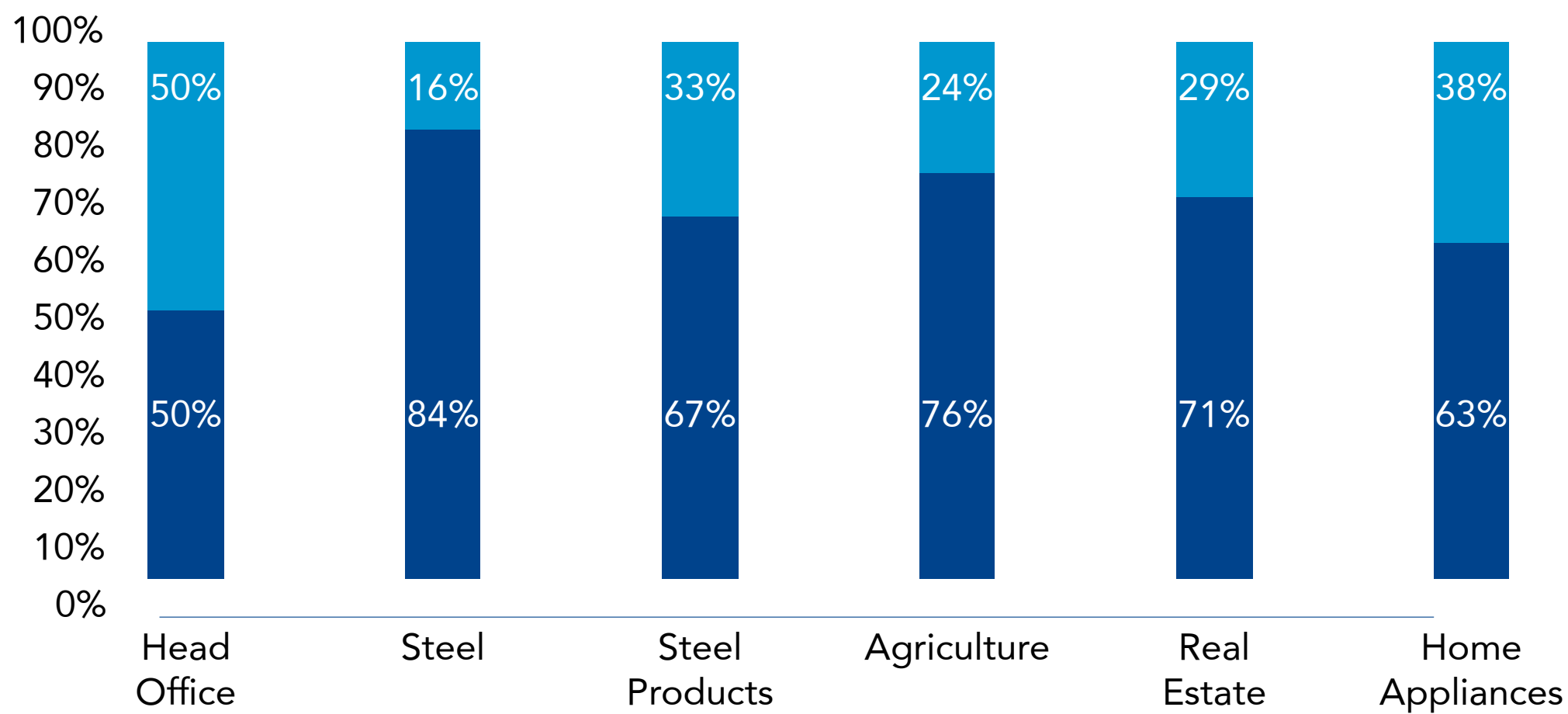


• The highest governance bodies of the companies are defined as comprising the Group Board of Directors and Boards of Management (BOM) in the subsidiaries.

• Globally, women make up only about 15% of the overall workforce in the steel industry. See: International Women’s Day: Celebrating women working across the steel supply chain.

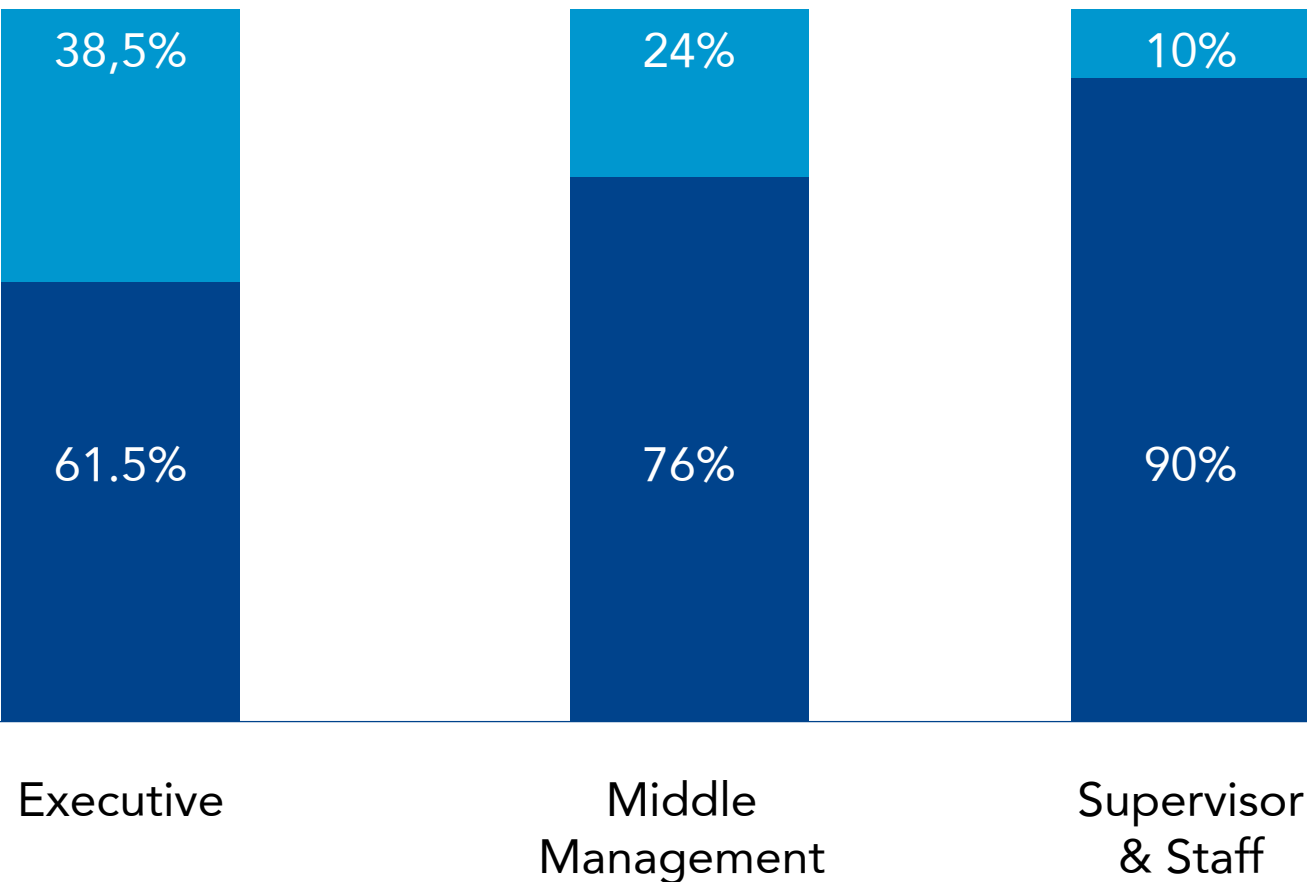
A 2019 study of 2,000+ mining and metals companies revealed women held only 12.1% of C-suite roles and 14% of executive positions. See: Women in metals, mining make modest gains in leadership roles | S&P Global.

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WOMEN REPRESENTATION AT MANAGERIAL LEVELS

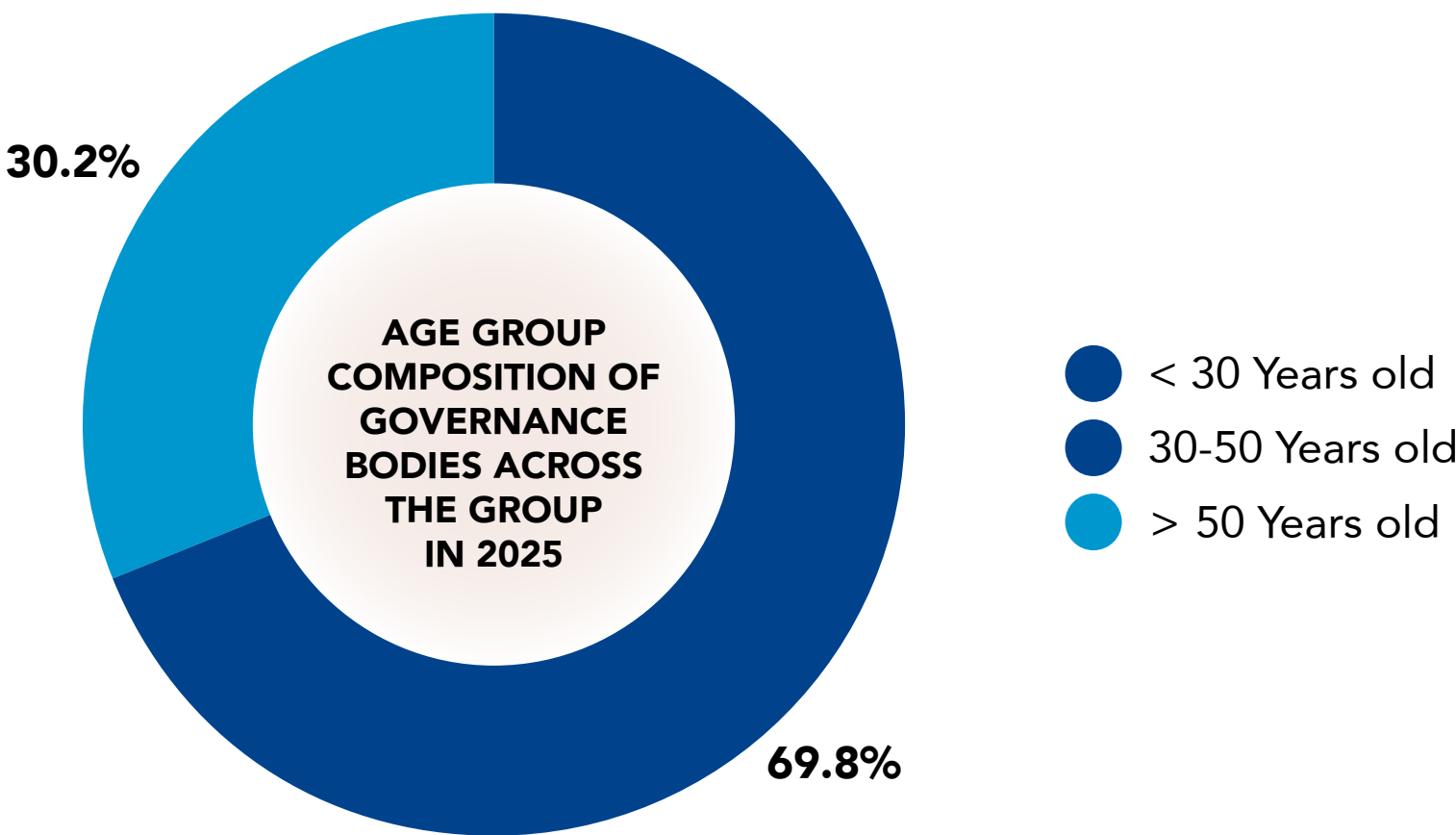
Male Female



GENDER COMPOSITION PER EMPLOYEE CATEGORY

Male Female

Our workforce is relatively young. Employees aged 30 to 50 account for most of the workforce across all levels, including the highest governance bodies, while those under the age of 30 make up one third of staff at Rank 5 and below.



EMPLOYEE CATEGORY	< 30 YEARS OLD	30 - 50 YEARS OLD	> 50 YEARS OLD
Executive	0.0%	69.8%	30.2%
Middle Management	2.0%	93.1%	5.0%
Supervisor & Staff	29.3%	66.4%	4.3%
Total	28.9%	66.7%	4.4%

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TRAINING AND CAPACITY DEVELOPMENT

[GRI 404-1a, 404-2a]

Hoa Phat identifies people as the core element of its production and business activities. Accordingly, training, capacity building, and human resource development are always top priorities. Training activities are implemented flexibly and aligned with organizational objectives through five key approaches: centralized training programs; on-the-job coaching and mentoring; workshops, discussions, and experience sharing; e-learning; and job rotation.

In 2025, Hoa Phat delivered more than 1.2 million training hours, with an average of 38 hours per employee per year. Notably, over 70% of training programs were conducted by Hoa Phat’s internal trainers.

During the year, in addition to regular technical and occupational safety training, learning and development efforts focused on the key theme of “Innovation & Productivity Enhancement.” Advanced programs on “Lean Management” and “Waste Identification & Continuous Improvement” were implemented consistently and effectively across the Group. Lessons learned from implementation were systematically captured, standardized, and replicated across subsidiaries.

In parallel, the “Skilled Workers Competition” was organized nationwide, covering three categories: Safety & Environment, Mechanical, and Electrical. Participants completed theoretical assessments via the e-learning system and practical evaluations conducted through a three-tier structure: Company level – Regional level – Group level.

The competition created opportunities for employees to connect, learn, and continuously enhance their skills and knowledge, while fostering professional pride. It also contributed to improving labor productivity across business units and served as a strong source of motivation for employees.

At the same time, functional divisions across the Group also delivered training programs in areas such as Information Technology, Human Resources, and Finance for member companies. Notable programs included “Enhancing Work Efficiency with GenAI” and “Updates on 2025 Tax Policy Changes.”

To ensure occupational health and safety, member companies strictly comply with legal requirements and internal regulations, while proactively organizing and coordinating with relevant authorities to conduct training on environmental safety, fire prevention and firefighting, and rescue and emergency response for employees.

The Group also continues to prioritize succession planning and the development of its talent pipeline, with a focus on promoting high-potential internal candidates with strong expertise and practical experience. This serves as a critical foundation for ensuring continuity, stability, and sustainable development of the management team, in line with Hoa Phat’s long-term growth strategy.

In terms of capability building, in 2025, Hoa Phat implemented nearly 5,000 training courses/programs, attracting more than 259,299 employee participations. This underscores the Group’s strong commitment to continuous, large-scale human capital development.

As a result of sustained investment in workforce development, the average training hours per employee in 2025 increased significantly across all areas compared to the previous two years, reaching an average of **38 hours** per employee per year.



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NO.	PROGRAM CATEGORY & CONTENT	PARTICIPANTS	NO. OF PROGRAMS
1	Leadership & Management Development Programs: 1. Lean Management 2. Application of GenAI in Management and Leadership 3. Enhancing Work Efficiency with GenAI 4. Updates on 2025 Tax Policy Changes 5. Regulations on Employee Compensation and Income Management 6. Internal Trainer Development ...	Group-wide Executives and Managers	22
2	Professional & Core Competency Development: 1. Operation of scrap compaction equipment 2. Inspection of induction furnace body equipment 3. Coal sampling procedures 4. Operation of 110kV substations 5. Maintenance and refurbishment of rollers 6. Metallurgy and Materials Engineering technician training 7. Fire prevention & rescue training ...	Employees of Steel Manufacturing Corporation	4092
3	Professional & Core Competency Development: 1. Operation of automatic strip welding machines 2. Inspection standards in bending processes 3. Basic knowledge of solution preparation and acid replenishment in pickling 4. Operation of rolling lines 5. Chemical safety training 6. Greenhouse Gas (GHG) inventory reporting training ...	Employees of Steel Products Corporation	494
4	Professional & Core Competency Development: 1. Animal nutrition balancing 2. Use of vaccines (PRRS, avian influenza) 3. First aid and emergency response training 4. Livestock biosecurity 5. Livestock birthing techniques (pigs, cattle) 6. Incubator operation ...	Employees of Agriculture Corporation	96

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NO.	PROGRAM CATEGORY & CONTENT	PARTICIPANTS	NO. OF PROGRAMS
5	Professional & Core Competency Development: 1. Technical infrastructure and maintenance management in industrial parks 2. Operation of machinery and construction vehicles 3. Building management handbook usage 4. Building operation, maintenance, and repair 5. Security and fire safety training 6. Customer service training...	Employees of Real Estate Corporation	20
6	Professional & Core Competency Development: 1. Assembly of household appliances (induction cookers, rice cookers, dehumidifiers, etc.) 2. Maintenance and servicing (air conditioners, freezers, refrigerators, water purifiers, etc.) 3. Advanced water filtration core training 4. Operation of electrostatic coating lines ...	Employees of Home Appliances Corporation	27

AVERAGE TRAINING HOURS PROVIDED PER EMPLOYEE PER YEAR IN 2025, BY GENDER	
Male	40.77
Female	18.53

The notable variance in average training hours for male employees and their female counterparts is primarily attributable to the Group’s iron and steel, and steel product subsidiaries, where the workforce is predominantly male and training requirements are extensive due to the technical, operational, and safety-critical nature of the work. Female employees are more frequently represented in administrative and support functions, which generally require fewer training hours.

AVERAGE TRAINING HOURS PER EMPLOYEE PER YEAR IN 2025, BY EMPLOYEE CATEGORY	
Executive	17.92
Middle Management	28.42
Supervisor & Staff	38.66

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EMPLOYEE REWARDS AND RETENTION

[GRI 401-1b, 401-3, 404-3a, 405-2]

MANAGEMENT APPROACH

As part of its ongoing efforts to refine and optimize its compensation, benefits, and reward systems, Hoa Phat has undertaken several key Human Resource projects throughout the year. Notably, initiatives such as the job value chain, job classification frameworks, and department-specific role delineations have been successfully completed.

At Hoa Phat, employees receive not only salaries, year-end bonuses (including the 13th-month salary and performance-based bonuses graded A, B, and C), but also enjoy a broad spectrum of additional incentives. Outstanding teams and individuals who contribute innovative solutions or excel in their roles are duly recognized and rewarded. This policy has been a driving force in fostering employee engagement, encouraging continuous improvement, and elevating work efficiency. As a result, numerous innovations have been introduced, significantly optimizing the Group's production and business operations.

Furthermore, Hoa Phat diligently upholds all labor regulations set by the Vietnamese Government. Every officially contracted employee is entitled to social and health insurance benefits, ensuring their well-being. Across the Group's subsidiaries, close collaboration with grassroots trade unions has led to a range of programs to enhance employees' material and spiritual welfare. Those facing financial hardship, illness, or family emergencies receive timely support, including financial aid for living expenses and medical treatment. Particularly during the Lunar New Year, certain subsidiaries arrange transportation for employees to return home for the holidays, reinforcing the strong bond between the Company and its workforce.

2025 PERFORMANCE

COMPENSATION, BENEFITS AND REWARDS

[GRI 401-3, 404-3a, 405-2]

Across the Group, 100% of full-time employees receive statutory benefits in accordance with legal regulations, including social insurance, health insurance, and maternity leave. In addition, the Group has invested in on-site canteen systems at factories and office locations to provide nutritious, hygienic, and convenient meals for employees. Several subsidiaries further offer additional benefits to enhance employee well-being, such as parking-fee subsidies for employees working in Hanoi and Hung Yên, as well as annual vacation and holiday programs.

	NUMBER OF ELIGIBLE BENEFICIARIES	TOOK LEAVE	RETURNED	RETURN RATE
Female Employees	2,561	158	122	77.2%
Male Employees	11,859	1,784	1,776	99.6%
Total	14,420	1,942	1,898	97.7%

In 2025, Hoa Phat completed the project to standardize its salary and allowance framework, as well as its policies on recognition, appreciation, and performance-based rewards, ensuring consistent application across the Group. The compensation system was redesigned to ensure alignment between job value, position, competencies, and managerial responsibilities. Allowance schemes were reviewed in accordance with industry-specific characteristics, while reward mechanisms were standardized to ensure timely recognition of initiatives and contributions that enhance productivity and operational efficiency.

The refinement of the overall income structure was implemented based on a unified framework of job titles, job value chains, and job evaluation results developed in previous phases. This marks a significant step forward in aligning human resource management practices with modern standards, ensuring fairness and competitiveness in the labor market.

The Group's compensation, bonus, and benefits policies are developed based on modern evaluation methodologies aligned with the international Mercer framework. This approach enables Hoa Phat to maintain its position as an attractive employer,

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while motivating employees to maximize their capabilities, remain engaged, and contribute to the Group’s sustainable development over the long term. Performance evaluation mechanisms and structured salary frameworks continue to serve as core pillars of human resource management.

In 2025, **96.2%** of employees across member companies participated in periodic performance evaluations. The remaining employees who did not take part were primarily seasonal workers or those in their probationary period and therefore not yet eligible for formal assessment.

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE IN 2025, BY GENDER		
Male	⋮	96.7%
Female	⋮	88.9%
PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE IN 2025, BY EMPLOYEE CATEGORY		
Executive	⋮	100%
Middle Management	⋮	99,5%
Supervisor & Staff	⋮	96,1%
Total	⋮	96,2%

The Group’s ratio of basic salary and remuneration between female and male employees in 2025 shows a relatively balanced structure across levels of responsibility. Hoa Phat is committed to fostering equal opportunities and will continue to monitor pay structures to ensure fairness and transparency across all employee categories.

EMPLOYEE TURNOVER

[GRI 401-1b]
In 2025, we strengthened our workforce management practices. Expansion of production capacity led to a **22,4%** increase in total headcount. While the number of new hires rose significantly, the employee turnover rate declined by 6.1% compared to the previous year. These results reflect the Group’s progress in attracting talent as well as improving employee retention effectiveness

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER				
Total turnover	⋮			7,990
Overall turnover rate*	⋮			25.31%
(*) The rate is calculated based on the average headcount during the reporting period.				
NUMBER OF TURNOVERS BY AGE GROUP				
	< 30 YEARS OLD	30 - 50 YEARS OLD	> 50 YEARS OLD	TOTAL
Employee turnover number	⋮ 3,912	⋮ 3,836	⋮ 242	⋮ 7,990
NUMBER OF TURNOVERS BY GENDER				
	MALE		FEMALE	TOTAL
Employee turnover number	⋮ 7,195	⋮	⋮ 795	⋮ 7,990

Turnover was disproportionately higher among male employees than among female employees, aligning with the Group’s workforce structure, in which male employees constitute the majority.

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2025 KEY PROJECTS – DIGITALIZATION IN HUMAN RESOURCE MANAGEMENT

In 2025, the Human Resources Digitalization Project officially launched a system upgrade roadmap aimed at optimizing user experience. The upgraded system features a user-friendly and intuitive interface that can be accessed anytime, anywhere; seamless processes—from request initiation to decision issuance—conducted entirely on a single platform; and a high level of automation to minimize manual tasks and save time for both employees and the HR function. This initiative is critical, as a standardized data platform serves as the foundation for developing subsequent modules.

In 2026, following the completion of the upgrade phase, the Group will continue to expand the system to include a mobile application for employees, payroll management, training management, and performance evaluation modules. These efforts are directed toward a shared goal: enabling every Hòa Phát employee to proactively manage their personal records, track their career development, and efficiently complete HR-related procedures on a digital platform.

MOVING FORWARD

Looking ahead to 2026, Hoa Phat is set to further refine its HR policies, focusing on key areas such as employee assessment systems and workforce planning to ensure sustainable development.

This digitalization journey will continue into 2026, with further expansion into new HR modules, ultimately aiming to achieve a fully digitized human resource management ecosystem across the Group. In 2025, the next phase will continue with digitalizing HR processes, including recruitment, training, and payroll integration, following standardization across subsidiaries.

Building on these positive results, the Lean Management model is expected to be expanded across the Group's other subsidiaries in 2026.



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6.3 HUMAN RIGHTS

[GRI 406, 407, 408, 409, 410]

Throughout its sustainability journey, Hòa Phát Group consistently regards respect for and protection of human rights as a core foundation of its corporate culture. The Group ensures that all production and business activities are conducted in full compliance with applicable laws, ethical standards, and principles of fair and humane treatment of employees.

MANAGEMENT APPROACH

The Group's commitment to human rights is clearly demonstrated through the following four key aspects:

RESPECT FOR FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Hoa Phat Group respects employees' rights to freedom of association and collective bargaining in line with Vietnamese labor laws. In our subsidiaries, grassroots trade unions have been established to represent employees, negotiate collective labor agreements, and protect employee rights. Collective labor agreements are in place at most of the subsidiaries, covering issues such as working conditions, benefits, and dispute resolution. In addition, regular dialogue with employees is maintained through labor conferences, surveys, and direct communication channels, helping strengthen participation and consultation.

NO CHILD LABOR AND NO FORCED LABOR

The Group strictly complies with all legal requirements related to child labor and strictly prohibits any form of child labor. We ensure that no individuals below the legally prescribed minimum working age under Vietnamese law are employed. At the same time, the Group strictly prohibits all forms of forced labor, including compulsory labor, bonded labor, and debt-based labor. Employees have the right to freely terminate their employment contracts in accordance with applicable regulations and are not required to surrender any personal identification documents or belongings.

NON DISCRIMINATION ON THE BASIS OF GENDER, RELIGION, AND ETHNICITY

The principle of non discrimination is rigorously applied across all aspects of the employment lifecycle, including recruitment, training, promotion, compensation, benefits, and disciplinary processes. Employment opportunities are assessed objectively based on individuals' competencies and performance.

• **Gender:** The Group ensures gender equality in career opportunities and remuneration for equivalent positions, while providing appropriate working conditions to support female employees.

• **Religion and Ethnicity:** Hòa Phát respects the religious beliefs and ethnic diversity of all employees. The workplace maintains zero tolerance for any form of discrimination, harassment, or prejudice based on religion or ethnicity, fostering an inclusive, harmonious, and mutually respectful working environment

PREVENTION, GRIEVANCE HANDLING, AND DISCIPLINARY MEASURES FOR HARASSMENT RELATED MISCONDUCT

Hoa Phat Group is committed to maintaining a safe, respectful, and inclusive workplace where all employees are treated fairly and with dignity. The Group strictly prohibits any form of harassment, discrimination, or abuse—including physical, verbal, psychological, or sexual harassment—at all levels of the organization.

To uphold this commitment, Hoa Phat has integrated anti harassment principles into its Internal Labor Regulations, clearly defining unacceptable behaviors, reporting procedures, and corresponding disciplinary measures. Employees are encouraged to raise concerns or lodge complaints about harassment or misconduct through established grievance channels, including direct reporting to line management, the human resources function, or company leadership—without fear of retaliation.

All reports are handled with strict confidentiality, investigated promptly, and resolved fairly in accordance with internal procedures and applicable laws. Awareness raising training on the Internal Labor Regulations is conducted annually—particularly for new employees—to strengthen understanding of professional ethics, mutual respect, and non discrimination in the workplace.

Through these measures, Hoa Phat seeks to foster a corporate culture grounded in integrity, equality, and mutual respect, ensuring that all employees work in a safe, healthy, and harassment free environment.

2025 PERFORMANCE

In 2025, no discrimination incidents have been registered with any of our entities or competent authorities.

Across the Group, no labor under the age of 16 is used during the reporting period; no cases of forced or compulsory labor have been identified.

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[GRI 204, 411, 413]
With the philosophy of “Harmony for Joint Development,” Hoa Phat integrates economic growth objectives with social responsibility, aiming for sustainable development and shared value creation for all stakeholders. All activities are guided by the goal of generating long-term value for society, fostering a spirit of sharing, and making meaningful contributions to the well-being of communities in the localities where Hoa Phat operates.

MANAGEMENT APPROACH

Hoa Phat implements its community development initiatives under a structured management framework to ensure focus and long-term sustainability. These efforts are concentrated on five key areas—Healthcare, Education, Infrastructure, Community Welfare, and Disaster Prevention and Recovery—collectively referred to as the “Journey of Sharing Love.” Activities are designed based on actual local needs, with clearly defined objectives and target beneficiaries, and are subject to periodic review to continuously enhance effectiveness and the ability to monitor social impact.

KEY ELEMENTS
OF THE GROUP’S APPROACH

- TARGETED INTERVENTIONS:** Our programs are tailored to support vulnerable groups.
- SUSTAINED COMMITMENT:** Community initiatives are often implemented with multi-year timelines, ensuring continuity and meaningful impact, particularly in child welfare and housing support.
- COLLABORATIVE DELIVERY:** Partnerships with local organizations, such as the Provincial People’s Committee and Women’s Union, enable effective program implementation and alignment with community priorities.
- LOCAL ENGAGEMENT:** Activities are concentrated in provinces where the Group operates to strengthen relationships and deliver direct benefits to local populations.
- RESPONSIVE AND RECURRING PROGRAMS:** Annual initiatives reflect the Group’s responsiveness to both seasonal and structural community needs.

This management approach ensures that community development efforts are not only consistent and accountable but also responsive to the evolving needs of the populations Hoa Phat serves.

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KEY PROGRAMS AND INITIATIVES

HEALTHCARE AND COMMUNITY WELLBEING

Hoa Phat Group places strong emphasis on community health through a wide range of healthcare related support initiatives. In recent years, the Group has regularly sponsored the construction, procurement, and upgrading of facilities and medical equipment for major hospitals such as K Hospital, E Hospital, Việt Đức Hospital, Bạch Mai Hospital, Hanoi Medical University Hospital, and Hanoi Heart Hospital, contributing to improved quality of medical examination and treatment services

In addition, Hoa Phat Group provides direct support to patients by covering medical expenses for individuals in difficult circumstances and supplying free meals within hospitals, helping to ease financial burdens and provide encouragement to patients and their families. The Group also actively participates in disease prevention and response efforts, demonstrating its sense of community responsibility during public health emergencies.

Overall, Hoa Phat Group's healthcare contributions range from investments in medical infrastructure to direct financial and in kind assistance for patients, underscoring the Group's long term commitment to supporting the healthcare sector and the broader community.



HEARTBEAT OF LOVE PROGRAM

The "Heartbeat of Love" program is a humanitarian cardiac surgery sponsorship initiative for pediatric patients, launched in 2015. Over the years, it has evolved into a sustainable annual program, continuously expanding its reach to proactively identify and provide children with congenital heart disease across Vietnam with access to life saving treatment and the opportunity for a healthy life. With a high level of surgical cost sponsorship, the program has significantly alleviated financial burdens and emotional stress for hundreds of underprivileged families.

After ten years of implementation, as of the end of 2025, the Group has sponsored cardiac surgeries and helped restore life for more than 500 pediatric patients. This meaningful initiative enables children to overcome critical health challenges and secures a healthier future, reflecting Hoa Phat Group's commitment to creating social value and making a positive contribution to community health.



COMMUNITY SUPPORT DURING THE COVID 19 PANDEMIC

During 2020 and 2021—a period marked by the complex and unpredictable impacts of the COVID 19 pandemic—Hoa Phat Group allocated a total of VND 150 billion to support nationwide COVID 19 prevention and response efforts. The Group's contributions included cash donations to central and local pandemic response funds, financial support for frontline hospitals, and sponsorship of vaccines, test kits, medical equipment, hospital furniture, and essential medical supplies.

These actions contributed to the collective national effort to contain, control, and overcome the pandemic. The initiative reflects Hoa Phat Group's strong sense of social responsibility and its enduring commitment to community well being as an integral part of the Group's sustainable development journey



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EDUCATION AND DEVELOPMENT OF FUTURE GENERATIONS

Hoa Phat consistently regards people development as the foundation of sustainable development. Accordingly, the Group allocates annual funding to support the education sector, including sponsorship for educational institutions as well as financial assistance for students and university learners

“HOA PHAT ACCOMPANIES CHILDREN TO SCHOOL”

Launched in 2020 with the aim of creating better learning environments for children, particularly those in mountainous and underprivileged areas, this initiative has become an annual program. It focuses on building and upgrading school infrastructure, playgrounds, and boarding facilities, and on providing educational equipment and supplies. Through these efforts, the program helps create safe, well equipped, and high quality learning environments for students across local communities.

In 2025, Hoa Phat inaugurated Binh Dong Primary School in Van Tuong Commune, Quang Ngai Province. The project was fully funded and delivered to the local authorities on a turnkey basis, with a total investment of VND 42 billion. The school has been constructed to meet national standards and is oriented toward a high-quality education model, serving as a benchmark for Van Tuong Commune in particular and Quang Ngai Province in general.



“STUDY PROMOTION FUNDS AND SCHOLARSHIPS”

Alongside its support for educational institutions, the Group has established and contributed to scholarship programs for students who demonstrate outstanding academic performance or face financial hardship. These initiatives not only help improve teaching and learning conditions but also inspire, motivate, and provide financial support to the younger generation, empowering them to pursue knowledge with confidence and work toward a brighter future.



INFRASTRUCTURE –

Hòa Phát consistently partners with local communities to improve essential infrastructure, enhancing living conditions and contributing to more stable livelihoods.



ELIMINATING TEMPORARY SHELTERS

In alignment with the national program to eliminate temporary and substandard housing, Hoa Phat allocates financial resources each year to construct durable homes, providing safe and stable shelter for disadvantaged households, including victims of Agent Orange. The newly built houses in provinces such as Quang Ngai, Phu Yen, Hung Yen, Soc Trang, and Tra Vinh have not only improved living conditions but also restored hope for a more secure and sustainable future. To date, Hoa Phat has supported the construction of more than 1,500 homes for underprivileged families nationwide.



In 2025 alone, Hoa Phat completed 28 houses for residents in Y Ty Commune, Lao Cai Province, whose homes were destroyed by Typhoon Yagi. These newly built houses not only provide shelter from the elements but also serve as a source of encouragement for residents to settle down, develop their livelihoods, and stabilize their lives. The initiative also contributes to maintaining political security and social order in the country’s border areas.

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COMMUNITY WELFARE

With a spirit of sharing, Hòa Phát implements a wide range of humanitarian initiatives to support both the material and spiritual well-being of communities.



JOURNEY OF LOVE AND CARE: CHARITABLE GODMOTHER

Implemented in partnership with the Vietnam Women’s Union, this program provides financial and emotional support to orphans in difficult circumstances. Nearly 200 children in six provinces such as Hung Yen, Phu Tho, Bac Ninh, Hai Phong, Quang Ngai, and Dong Nai receive monthly assistance under a minimum five-year support plan aimed at improving stability and future opportunities.



A LOVING SPRING

“A Loving Spring” is an annual program implemented by Hoa Phat Group ahead of the Lunar New Year, through which thousands of meaningful gift packages are distributed each year to low income households and policy beneficiary families in localities where Hoa Phat operates factories, integrated complexes, and livestock farms. Launched in the early 2000s, the program has, to date, delivered tens of thousands of Tet gifts across more than 13 provinces and cities, bringing warmth and a sense of togetherness while helping families enjoy a more complete and joyful Lunar New Year celebration.



THE JOURNEY OF WATER

In 2025, the “Journey of Water” initiative, implemented in connection with the internal “30 Days of Wellness” running challenge, delivered 165 water filtration systems to more than 100 schools, healthcare facilities, and community shelters across 14 provinces and cities. Each source of clean water not only improves daily living conditions but also contributes to promoting safer and healthier practices within the community.



DISASTER PREVENTION AND RECOVERY

During natural disasters and severe flooding events, Hoa Phat Group actively collaborates with local authorities to support the restoration and rebuilding of affected infrastructure, including public facilities, schools, and roads. The Group’s support takes various forms, including providing emergency assistance to affected provinces and cities, mobilizing employees to donate cash and essential supplies—including stationery and daily necessities, and coordinating beneficiary assessments to ensure timely and appropriate support, particularly for underprivileged households.

At its manufacturing sites, Hoa Phat Group also opens factory premises to provide temporary shelter for local residents during storms, helping ensure public safety—an effort widely recognized and highly appreciated by the community and local authorities. Through these targeted, sustainable, and humanitarian initiatives, Hoa Phat reaffirms its commitment to comprehensive community development, ensuring that each step of business growth is closely linked with shared and enduring social value.

In 2025, in response to the severe damage caused in Đak Lak Province by Typhoons No. 13 and 14, Hoa Phat Group collaborated with local authorities to provide timely support. The Group donated 100,000 m² of roofing sheets, nearly 2,000 essential household items, and more than 130 computers and televisions to residents as well as administrative and educational institutions, helping the locality quickly stabilize living conditions in the aftermath of the disaster. The initiative received positive feedback from the community for its timeliness and practical impact.

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2025 PERFORMANCE

In 2025, Hoa Phat Group allocated over **VND 120 billion** to community development and social welfare initiatives, reaching vulnerable populations across **26 provinces and cities**. These programs have contributed to tangible improvements in healthcare access, housing security, disaster recovery, and social inclusion.

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PROGRAM/INITIATIVE	IMPACT HIGHLIGHTS
HEALTHCARE AND COMMUNITY WELLBEING	
Heartbeat of Love Program	Sponsored heart surgeries for more than 50 underprivileged children with congenital heart disease. Recognized by major hospitals and social departments.
Journey of Sharing Love	Provided support packages for 600 leprosy patients across Northern Vietnam through the National Hospital of Dermatology and Venereology.
EDUCATION AND DEVELOPMENT OF FUTURE GENERATIONS	
Hoa Phat Accompanies Children to School	Hoa Phat Group provided funding of VND 42 billion for the construction of Binh Dong Primary School in Van Tuong Commune, Quang Ngai Province.
Study Promotion Funds and Scholarships	Provided support to the scholarship funds of Trung Ha and Dong Luong communes in Thanh Hoa Province, as well as scholarships for students of the Institute of Materials Science at Hanoi University of Science and Technology.
INFRASTRUCTURE	
Eliminating Temporary Shelters	Provided financial support for the construction of 1,000 temporary houses in Quang Ngai, Phu Yen, and Dien Bien provinces. Directly constructed 28 houses for residents in Y Ty Commune whose homes were completely destroyed by the storm.
COMMUNITY WELFARE	
Charitable Godmothers	Provided monthly financial support of VND 500,000/child to nearly 200 orphaned children in 7 provinces.
A Loving Spring: Tet for the Underprivileged	Delivered 3,000 Tet gift packages (VND 400,000 each) to struggling families in 13 provinces and cities.
The Water Journey	The program is associated with the “30-day I am healthy” run program of Hoa Phat Group. In 2025, the Group donated and installed 165 water filtration systems at more than 100 schools, healthcare facilities, and community shelters across 14 provinces and cities.
DISASTER PREVENTION AND RECOVERY	
Recovery from Typhoons No. 13 and 14	- Donated 100,000 m² of roofing sheets to affected households - Provided 2,000 rice cookers and electric kettles to residents - Supplied 130 televisions and computers to administrative agencies and schools - Contributions were channeled through the Vietnam Fatherland Front

Our social investment in 2025 demonstrates a commitment to measurable, long-term impact. By supporting vulnerable communities with healthcare, housing, education, and essential services, the Group continues to play a vital role in advancing social equity and regional development in Vietnam.



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7.2 QUALITY MANAGEMENT

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7.1 CORPORATE GOVERNANCE & BUSINESS ETHICS

[GRI 2-15, 2-23, 2-24, 2-26, 205, 206, 207]

Hoa Phat Group is committed to upholding high standards of corporate governance, transparency, and integrity across all operations. As one of Vietnam's leading industrial conglomerates, the Group considers strong governance and business ethics not only as the foundation for sustainable development, but also as critical factors in strengthening the trust of shareholders, customers, partners, and the broader community.

Business ethics is regarded as a cornerstone of sustainable governance, playing a pivotal role in risk management, safeguarding corporate reputation, and ensuring compliance with ESG standards, particularly in the context of the steel industry facing increasing pressures from the market, supply chains, and evolving carbon regulation mechanisms.

MANAGEMENT APPROACH CORPORATE GOVERNANCE SYSTEM



The Board of Directors (BOD) of Hoa Phat Group is responsible for governing the Group's business and affairs, in accordance with shareholder resolutions, applicable laws, and listing rules. The Board is mandated to exercise sound business judgment and act in good faith in the Company's best interests.

The Board of Directors of Hoa Phat Group comprises nine (09) members and is chaired by the Chairman of the Board. Independent Directors account for 22% (two out of nine) of all members of the Group's Board of Directors.

Our Board composition brings together diverse perspectives, expertise, and skills, enabling strong leadership and oversight. This diversity strengthens leadership and oversight, enhances decision-making, and ensures the Company effectively pursues its strategic objectives while maximizing shareholder value. The Board's roles, responsibilities, and accountabilities are defined in the publicly accessible Charter and Internal Regulation of Corporate Governance of Hoa Phat Group Joint Stock Company available on Hoa Phat's website. In 2024, Hoa Phat Group convened its General Shareholders' Meeting, where shareholders elected and approved two additional independent directors to the Board of Directors for the 2021–2026 term. All members of the Board of Directors, including independent members, are appointed in accordance with the criteria and conditions stipulated in Article 155 of the 2020 Law on Enterprises. This ensures transparency, professional competence, and alignment with the disclosure requirements of GRI 2-10 regarding the nomination and selection process for the highest governance body.

GENDER

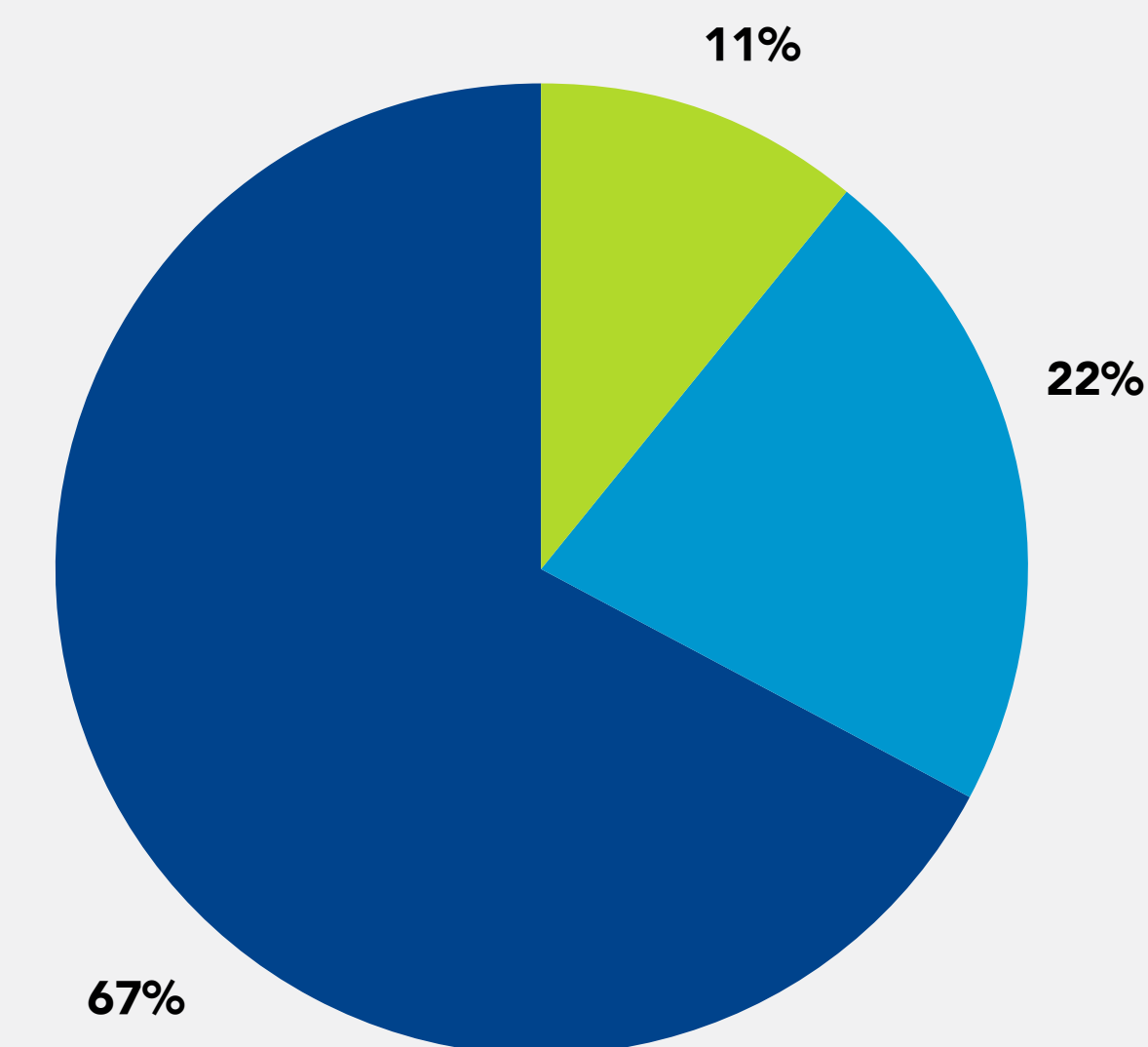
100% MALE

NATIONALITY

100% VIETNAM

BOARD OF DIRECTORS COMPOSITIONS

INDEPENDENCE



- Executive Director
- Independent Non-Executive Director
- Non-Independent/ Non-Executive Director

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MECHANISM FOR COMMUNICATING MATERIAL ISSUES



Hoa Phat Group maintains a regular communication mechanism between the Board of Directors and the Executive Board, as well as between the Executive Board and member companies and departments within the Group, to ensure that material issues are reviewed and addressed in a timely manner.

Investor concerns are raised through the General Meeting of Shareholders, investor relations activities, or direct communication with the Board of Directors. These concerns are then reviewed and addressed by the relevant departments on a case-by-case basis.

For issues arising from employees, credit institutions, regulatory authorities, customers, or business partners, the information is communicated to the management teams of each member company for assessment and appropriate response. Departments of Hoa Phat Group also provide support and coordinate with the management of member companies to respond to stakeholders within their respective areas of expertise.

For potential risks related to legal matters or disputes, the management teams of member companies report directly to the Executive Board (according to assigned responsibilities) and the Board of Directors of Hoa Phat Group to ensure close coordination, transparency, and effective risk management.

INTERNAL CONTROL SYSTEM



SUPERVISORY BOARD

Hoa Phat Group has established the supervisory board – an entity under the General Meeting of Shareholders, which plays a vital role in ensuring transparency, accountability, and sound governance across the Company. Its key responsibilities include:

COMPLIANCE

Reviewing the lawfulness and accuracy of management practices, business operations, accounting records, and financial statements.

OVERSIGHT

Appraising the Company's annual financial reports and examining specific matters related to management and operations

Supervising transactions involving related parties and affiliated companies, as well as ensuring compliance with disclosure regulations under securities laws.

ADVISORY

Coordinating with the Internal Audit Department and provides independent recommendations to strengthen governance.

Through independent reviews and recommendations, the Supervisory Board reinforces our internal control system and supports sustainable growth.

Moving forward, to enhance the effectiveness of oversight activities, the Supervisory Board recommends that the BOM and BOD focus on the following key areas:

- Developing and refining internal control policies and procedures.
- Expanding the scope of internal control activities to provide independent assessments of corporate governance and risk-based internal control.
- Standardizing policies and processes to strengthen internal control and risk management at subsidiary companies.
- Facilitating the Supervisory Board's operations in accordance with its assigned functions and responsibilities.
- Advising on the selection of a competent and reputable audit firm for the Group and its subsidiaries.

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INTERNAL AUDIT DEPARTMENT



The Internal Audit Department, operating under the management of the Board of Directors (BoD), plays a crucial role in ensuring compliance, strengthening controls, and supporting effective risk management. In 2025, the Department collaborated across control lines to fulfill its mandate in line with the annual audit plan, legal requirements, and company regulations. Its key responsibilities included:

COMPLIANCE & ASSURANCE

Ensures compliance with laws, company charter, and policies through systematic audits

RISK MITIGATION

Identifies control gaps, monitors projects and procurement, and mitigates risks proactively

ADVISORY & IMPROVEMENT

Provides recommendations, supports centralized procurement, and promotes continuous improvement.

CONFLICT OF INTEREST PREVENTION



Hoa Phat Group strictly complies with applicable legal requirements governing related-party transactions. All procurement and sales activities are carried out in accordance with the uniform policies of our Tier-2 Companies, and all subsidiaries strictly adhere to these policies. Transactions involving related parties are reviewed and approved under the same standards, ensuring fairness and transparency. In addition, the Company prohibits the provision of loans or financial support to leaders for personal purposes, thereby reinforcing our commitment to integrity, responsible governance, and the prevention of conflicts of interest.

COMMITMENT TO COMBATING BRIBERY AND CORRUPTION



Hoa Phat Group and its member companies strictly comply with Vietnamese laws on anti-corruption, anti-money laundering, and relevant business ethics standards. Integrity, transparency, and fairness are core principles that guide all of the Group's business and operational activities.

Although the Group has not yet issued a standalone policy on anti-bribery and anti-corruption, several member companies—such as Hoa Phat Dung Quat Steel Joint Stock Company and Hoa Phat Hai Duong Steel Joint Stock Company—have integrated anti-bribery clauses into contracts signed with contractors and suppliers. These clauses aim to prevent all forms of bribery or undue influence between contractors and company employees for personal gain.

In the coming period, Hoa Phat Group aims to expand the application of these good practices to other member companies, thereby reinforcing its commitment to business ethics, fair competition, and legal compliance, and contributing to the development of a transparent and responsible business environment.



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HANDLING COMPLAINTS AND WHISTLEBLOWING



We ensure a transparent, fair, and accessible mechanism for receiving and addressing complaints for both employees and external stakeholders, in compliance with internal labor regulations, current legal requirements, and contractual agreements.

For internal complaints or whistleblowing raised by employees, the Company strictly follows its Labor Regulations and applicable legal provisions. Employees have the right to raise concerns or file complaints with their direct supervisor or the management of the member company without barriers or fear of retaliation or isolation. All complaints are reviewed and resolved promptly, ensuring fairness, transparency, and confidentiality.

For external stakeholders such as business partners, customers, or investors, the Company handles complaints in accordance with Vietnamese law and relevant contractual terms (e.g., sales agreements, supply contracts, cooperation agreements). Each case is assessed objectively and resolved based on the principles of legal compliance, fairness, and mutual respect, reflecting Hoa Phat Group's commitment to ethical business practices and responsible governance.

RISK MANAGEMENT



We integrate risk management into daily operations to enhance safety and compliance, ensuring resilience and sustainable growth. Our approach follows a structured cycle of identification, assessment, control, and monitoring:

•**Risk identification and assessment** – All management and employees act as risk owners, responsible for identifying and assessing risks within their areas of responsibility and implementing suitable mitigation measures. Functional departments periodically identify potential risks and evaluate them based on two key factors:

The probability of occurrence and

The level of impact on business operations and stakeholders.

By reviewing operational issues, functional departments prioritize resources to address the most significant risks, thereby protecting business performance and reputation. Risk classified as “high” or “extremely high” in relation to the Group's business plans and strategies must be escalated to the Executive Board and Board of Directors for review and resolution.

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- **Control and mitigation** – Preventive and mitigating measures are proactively implemented, including:

Prudent financial management, cash flow control, and capital optimization to minimize financial risks.

Diversification of supply sources to reduce exposure to commodity price fluctuations.

Close monitoring of regulatory changes, market dynamics, and customer needs to adjust business operations promptly.

Enhanced training and compliance checks to strengthen occupational safety, environmental stewardship, and social responsibility.

- **Monitoring and reporting** – The effectiveness of risk management measures is regularly reviewed, with updates and adjustments made as needed to respond to evolving circumstances.

Hoa Phat Group conducts an annual review of risks impacting operations and sustainability across environmental, social, and economic dimensions. This process involves analyzing internal and external factors, significant trends, and stakeholder expectations. Based on these assessments, in 2025, Hoa Phat Group categorized principal risks into three groups:

Strategic fluctuations in raw material prices and regulatory policies,
ESG risks: GHG emissions and CBAM regulations, Human resource risks
Operational: arising in the production and business operation.

The potential impact and mitigation measures for each category are identified, addressed through a comprehensive management system, and disclosed in the Annual Report 2025.

Moving forward, the Company will develop more explicit evaluation criteria to make this process more consistent, especially for sustainability-related risks.

TAX COMPLIANCE

Hoa Phat Group strictly complies with all tax regulations, fully, transparently, and punctually fulfilling tax declaration and payment obligations across the entire system. This reinforces its role as one of the largest contributors to Vietnam's state budget, actively providing stable revenue for the national budget and demonstrating its responsibility toward the country's socio-economic development. The Group maintains a rigorous internal monitoring and control mechanism over tax processes to ensure integrity, adherence to the highest standards of compliance, and the prevention of any form of tax evasion or non-transparent practices, thereby strengthening trust with regulatory authorities and the community.



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7.2 QUALITY MANAGEMENT

[GRI 416]

Hoa Phat Group's products have built a strong presence in the Vietnamese market and are exported to dozens of countries across five continents. To meet evolving global demands, the Group places strong emphasis on product innovation and continuous quality improvement, ensuring compliance with the highest international standards.

MANAGEMENT APPROACH

Quality management is central to Hoa Phat's sustainable growth and reputation. Guided by the principle of "Quality is the foundation of development," the Group implements a unified Quality Commitment that ensures all operations from raw material procurement to finished product delivery—adhere to stringent quality standards. This commitment emphasizes customer satisfaction, regulatory compliance, operational efficiency, and continual improvement to enhance product reliability and performance.

QUALITY MANAGEMENT SYSTEM



Most of the Group's subsidiaries have established and maintained ISO 9001: 2015 Quality Management System certification, demonstrating conformity with international best practices in quality governance. By implementing the quality management system, we ensure that the processes used to provide products and services to customers are appropriately managed. Some specific activities that we have implemented include:

EDUCATION ON QUALITY COMPLIANCE

Employees of the Group companies receive quality compliance education. It covers topics such as the importance of compliance with laws and regulations, the impact of our products and work on society, quality risk management, and internal rules and standards, including measurement and quality control procedure.

QUALITY AUDITS

The quality audits are performed periodically across the Hoa Phat's business units to enhance customer confidence. Audits include a review of compliance and conformity with standards and specifications (national standards and international standards).

Our steel subsidiaries, Hai Duong Steel Company and Hoa Phat Dung Quat Steel Joint Stock Company, have achieved and maintained ISO/IEC 17025:2017 certification for the competence of its testing and calibration laboratories. This certification demonstrates the Company's ability to deliver consistently valid, traceable, and reliable test results, ensuring the highest levels of technical accuracy and product quality.

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ENSURING PRODUCT SAFETY AND QUALITY EXCELLENCE



STEEL SEGMENT

Ensuring product quality and safety is a core principle and a foundation for the sustainable development and reputation of Hoa Phat Group in both domestic and international steel markets. All steel-related products—from crude steel to mid-stream and downstream steel products—are managed and controlled by the Group through the following key aspects:

#1: INVESTMENT IN MODERN MACHINERY, TECHNOLOGY TRANSFER, AND SPECIALIZED TRAINING

We focus on investing in synchronized and state-of-the-art machinery and equipment sourced from leading global partners, ensuring production capability that meets the most stringent technical requirements of national and international standards (TCVN, ASTM, JIS, etc.). Technical compliance to ensure product quality is the top criterion in the Group's contractor selection process for equipment supply.

Quality control at the investment stage also includes the automated monitoring systems integrated into steel production lines and modern laboratory systems, enabling precise control of chemical composition, mechanical properties (strength, ductility), and dimensional accuracy at every production stage.

To efficiently operate complex production lines, technology transfer from contractors is carried out through foreign technical expert teams working in parallel with the construction and installation phases. This ensures readiness in both equipment and human resources once the project completes its construction phase and enters official operation. Intensive training for internal management and operation personnel is conducted continuously. Engineers and workers are fully equipped with knowledge on equipment operation, production processes, and quality standards, ensuring proper application of technology and consistent production processes.

#2: STRICT CONTROL OF RAW MATERIAL QUALITY AND PRODUCTION PROCESSES

We apply a unified and stringent quality management system from input materials through to final products. All raw materials used in steel production are strictly inspected to ensure technical specifications, thereby guaranteeing output quality.

Production processes follow globally recognized standards such as ISO 9001 and other rigorous industry-specific requirements. Quality inspection is conducted at every stage of the production cycle. All Hoa Phat steel products undergo thorough testing to ensure compliance with technical specifications related to mechanical and physical properties, durability, and structural safety. This commitment not only maximizes customer satisfaction but also protects end users by providing high-quality, safe steel products that contribute to the durability of construction projects and national infrastructure.



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In addition, our R&D departments at steel plants continuously conduct research to enhance steel quality and expand product ranges by improving strength, mechanical characteristics, and corrosion resistance—particularly for weathering steels and high-grade steels used in specialized technical applications.

#3: SAFETY IN TRANSPORTATION AND USE

Steel products are fundamental materials used for construction and equipment manufacturing, and are not directly consumed like food products. Nevertheless, with a strong sense of responsibility toward consumers and society, Hoa Phat reviews potential risks related to consumer health and safety across all stages: design, production, certification, storage, and distribution.

AFTER ASSESSMENT, TWO MAIN FACTORS WERE IDENTIFIED AS POTENTIAL RISKS:

- Transportation safety, and
- Radiation risks in scrap materials (if any).

Accordingly, Hoa Phat Group implements strict standards to ensure safety during transportation and use.

For hot-rolled coil (HRC) and galvanized steel coils—products with high compressive stress—the Group has detailed regulations and guidelines on the number of straps and strapping methods to ensure safe transport, prevent coil loosening, and ensure safety during coil opening and handling.

Products packaged in bundles—such as rebar, wire rod, steel coil, and steel pipes—are bundled using steel straps made from smooth round steel F6.0 mm. Although this is the standard used across long-steel producers, the Company goes further by producing customized strap batches that meet high strength and ductility requirements. This helps secure steel bundles firmly and reduces strap breakage risks during transport, lifting, and operation.

For risks related to radioactive elements, scrap material inputs are strictly controlled from the moment of import. Every shipment undergoes independent radiation testing by VinaControl to ensure compliance with QCVN 31:2024/BTNMT on radiation safety.



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REAL ESTATE SEGMENT

For industrial real estate, quality is ensured through the development of synchronized, modern technical infrastructure (electricity, water, and waste-treatment systems), providing a reliable investment environment for tenants.

For residential real estate, quality is ensured through modern design, transparent

legal compliance, stringent construction standards, high-quality interior finishing, and ongoing building management services.

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CONSUMER HEALTH PROTECTION

AGRICULTURE SEGMENT

QUALITY CONTROL IN INPUT SELECTION

Hoa Phat's agriculture companies maintain a rigorous Quality Assurance and Quality Control (QA/QC) system, overseeing the entire production chain—from input sourcing to finished products. The Technology and QA/QC departments are responsible for implementing a multi-layer, high-efficiency biosecurity process, ensuring that all farms comply with standards such as VietGAHP, ESCAS (for cattle), and European Union (EU) standards.

Quality control is strictly enforced through two key stages:

#1: INPUT CONTROL: Feed materials, breeding stock, veterinary drugs, and vaccines are subject to stringent testing and analysis at the Group's modern laboratories as well as independent labs. Nutritional formulations are developed through dedicated R&D for each growth stage, utilizing advanced nutrition software to optimize feed rations. No antibiotic growth promoters or prohibited substances are used, in full compliance with the Law on Animal Husbandry.

#2: LIVESTOCK AND PRODUCT MONITORING: Veterinary teams conduct regular on-site health checks, oversee vaccination programs, and perform comprehensive antibody testing. Veterinary drugs are administered strictly under supervision and in compliance with withdrawal periods prior to sale. Farms operate under a closed-loop model with integrated waste treatment systems and full traceability, reinforcing the commitment to delivering safe, high-quality, and sustainable products that protect consumer health.

PIG FARMING

The Group applies stringent biosecurity protocols and complies with standards such as VietGAHP and European Union (EU) requirements. Pig herds are routinely vaccinated with approved vaccines, and no banned antibiotics or growth promoters are used. Farms operate under closed-loop systems, ensuring strict hygiene and integrated waste treatment.

The R&D team develops specialized nutrition and veterinary programs, alongside full traceability systems, to deliver safe, high-quality pork that meets food safety standards.

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CATTLE FARMING

Hoa Phat strictly adheres to nutrition formulas approved by experts for its cattle herds. Animal health is closely managed, with daily monitoring by veterinary teams, and all vaccination records and traceability data are fully documented in compliance with the highest standards, including ESCAS (Exporter Supply Chain Assurance System).

Prior to being introduced to the farms, all livestock undergo two rounds of sampling and disease testing in accordance with the requirements of the veterinary authorities of both exporting and importing countries. The Quality Control (QC) department inspects all feed inputs to ensure clean and safe nutritional supply.

POULTRY FARMING

Poultry are raised in modern closed-house systems, complying with multi-layered biosecurity protocols, including disinfection procedures and strict control of personnel and vehicle access. The Company adheres to comprehensive vaccination schedules using reputable vaccines and does not use antibiotic growth promoters.

Specialized nutrition programs are developed to suit Vietnam's climate conditions, enhancing flock health and preventing prohibited residues. Finished eggs are subject to on-site quality checks and periodic testing at independent laboratories, while storage areas are maintained at optimal temperatures with automated monitoring systems.

ANIMAL FEED

The Group ensures the highest standards of quality and safety throughout the entire lifecycle of its animal feed products. Nutritional formulations are developed through research and development (R&D) to optimize feed rations for each growth stage, ensuring the absence of harmful substances.

All raw materials undergo rigorous quality control processes, including toxin testing and verification based on scientific data. Advanced nutrition software is applied to design precise formulations, while specialized feed programs are developed to enhance meat and egg quality without leaving prohibited residues.

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HOME APPLIANCES BUSINESS

Electrical appliances and home electronics products are subject to consumer health impact assessments throughout their entire lifecycle. In the refrigeration segment, products are designed to ensure electrical, mechanical, and thermal safety, fully complying with applicable technical standards. All materials and components used are traceable and free from hazardous substances such as CFCs, HCFCs, lead, and mercury. Key components undergo rigorous testing to prevent risks such as electrical leakage and fire hazards, ensuring user safety. The manufacturing process complies with ISO 9001 standards, with quality control implemented at every stage. Products meet both domestic certifications (TCVN, QCVN) and international standards (IEC, CE, UL), ensuring operational efficiency and minimizing environmental impact.

For water purifiers, the Company carefully selects materials and filtration components, using virgin PA6 plastic that is safe for human health. Advanced filtration technologies such as RO, Nano, and UF effectively remove bacteria, viruses, and heavy metals, while

also adding minerals and balancing pH levels to produce alkaline water beneficial to health. Modern laboratory systems are invested in to frequently test water quality and material durability.

Home appliances are stored and transported under appropriate conditions, with secure packaging to ensure safety for both workers and products. Nationwide after-sales services utilize genuine components to maintain original safety standards. The Company also collects customer feedback to continuously improve product design, enhance durability, and strengthen consumer health protection.

7.2 QUALITY MANAGEMENT

PRODUCT CERTIFICATION



To serve domestic and international market, we obtained the mandatory product certifications in Vietnam and various countries. Hoa Phat Group’s subsidiaries in iron and steel-related business have, so far, obtained certifications from Japan, Malaysia, Indonesia, India, Vietnam, European, and United States. Moreover, Hoa

Phat Group provides its customers with products that comply with overseas laws and regulations, ensuring seamless customs clearance and enhancing product competitiveness.

PRODUCTS	QUALITY MANAGEMENT STANDARDS & PRODUCT CERTIFICATIONS
LONG STEEL	BS EN ISO 9001:2015 (International); QCVN 7:2019/BKHCN (Vietnam); SRC – Appendix 01; SSRC – Appendix 01; SSRC – Appendix 05 (Singapore); BS 4449:2005 (UK); ASTM A3:2016 (USA); SS 560:2016; CS2:2012 (Singapore); AS/NZS 4671:2019 (Australia/New Zealand); KS D3504:2021 (Korea); MS ISO 16120-2:2020 (Malaysia/International).
HOT ROLLED COIL (HRC)	BS EN ISO 9001:2015 (International); JIS G 3131:2018; JIS G 3132:2018; JIS G 3101:2020 & 2022 (Amendment 1); JIS G 3125:2021 (Japan); SAE J403:2014 (USA); SNI 07-0601-2006 (Indonesia); MS 1768:2004 (Malaysia); MS EN 10025-2:2011 (Malaysia/Europe); EN 10025-1:2004 (Europe); IS 1079:2017; IS 2062:2011; IS 10748:2004; IS 11513:2017 (India).
STEEL PIPES	BS EN ISO 9001:2015 (International); EN 10219-1:2006 (Europe); JIS G 3141:2021; JIS G 3444:2015; JIS G 3466:2015 (Japan); AS/NZS 1163:2016; AS 1074-1989 (Australia/New Zealand); BS EN 10255:2004 (UK/Europe); ASTM A53/A53M-12; ASTM A500/A500M-13 (USA); MS 863:2010; MS 1862:2005; MS 2660:2020 (Malaysia); IS 277:2018 (India).
COATED STEEL SHEETS	BS EN ISO 9001:2015 (International); EN 10219-1:2006 (Europe); JIS G standards (Japan); AS/NZS 1163:2016 (Australia/New Zealand); ASTM standards (USA); MS standards (Malaysia); IS 277:2018 (India); QCVN 7:2019/BKHCN (Vietnam); SRC & SSRC Appendices (Singapore); BS 4449:2005 (UK); SS 560:2016; CS2:2012; AS/NZS 4671:2019; KS D3504:2021; MS ISO 16120-2:2020.

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PRODUCTS	QUALITY MANAGEMENT STANDARDS & PRODUCT CERTIFICATIONS
STEEL WIRE	BS EN ISO 9001:2015 (International); TCVN 2053-1993; TCHP 102:2019.
PRESTRESSED STEEL	BS EN ISO 9001:2015 (International); ASTM A416-17 (USA); BS 5896:2012; JIS G 3137:2008; GB/T 5223.3-2017; BS 5896:2012; GB/T5223.3-2014.
CONTAINER	BS EN ISO 9001:2015 (International); ISO 1496-1; ISO 668; ISO 6346; ISO 1161; ISO 3874; ISO 8501; CSC; TIR; UIC; TCT. Certified and inspected by independent organizations such as Bureau Veritas (BV), Dekra, and ABS.
ANIMAL FEED & LIVESTOCK (PIGS, CATTLE, POULTRY)	QCVN 01-183:2016/BNNPTNT; QCVN 01-190:2020/BNNPTNT; QCVN 01-14:2010; VietGAHP; ESCAS; TCVN 5603:2023; ISO 9001:2015; HACCP
HOME APPLIANCES	BS EN ISO 9001:2015 (International); TCVN 5699-2-21:2013; TCVN 11978:2017; IEC 60335-1:2010; QCVN 6-1:2010/BYT; QCVN 4:2009/BKHCN; QCVN 9:2012/BKHCN; UL 60335 series; CSA C22.2 standards; TCVN 5699 series.

CUSTOMER FEEDBACK SYSTEM

Companies within Hoa Phat Group maintain dedicated Customer Technical Service departments responsible for receiving and handling customer requests throughout the entire process — from order placement through production and delivery to product usage. Any feedback regarding product quality or service is taken seriously and promptly addressed.

The feedback handling process begins with verification through direct communication with the customer and on-site visits to accurately capture their input. Once the feedback is clearly understood, the Company compares it against the original customer requirements and any additional expectations. Based on this analysis, appropriate solutions are proposed, including technical consultations to help customers use the product effectively and ensure their satisfaction.



In particular, feedback involving technical aspects is thoroughly analyzed and responded to with detailed explanations. The data collected through this system is highly valuable for continuous product quality improvement, contributing to the Company’s sustainable development and enhancing Hoa Phat’s brand value.

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2025 PERFORMANCE

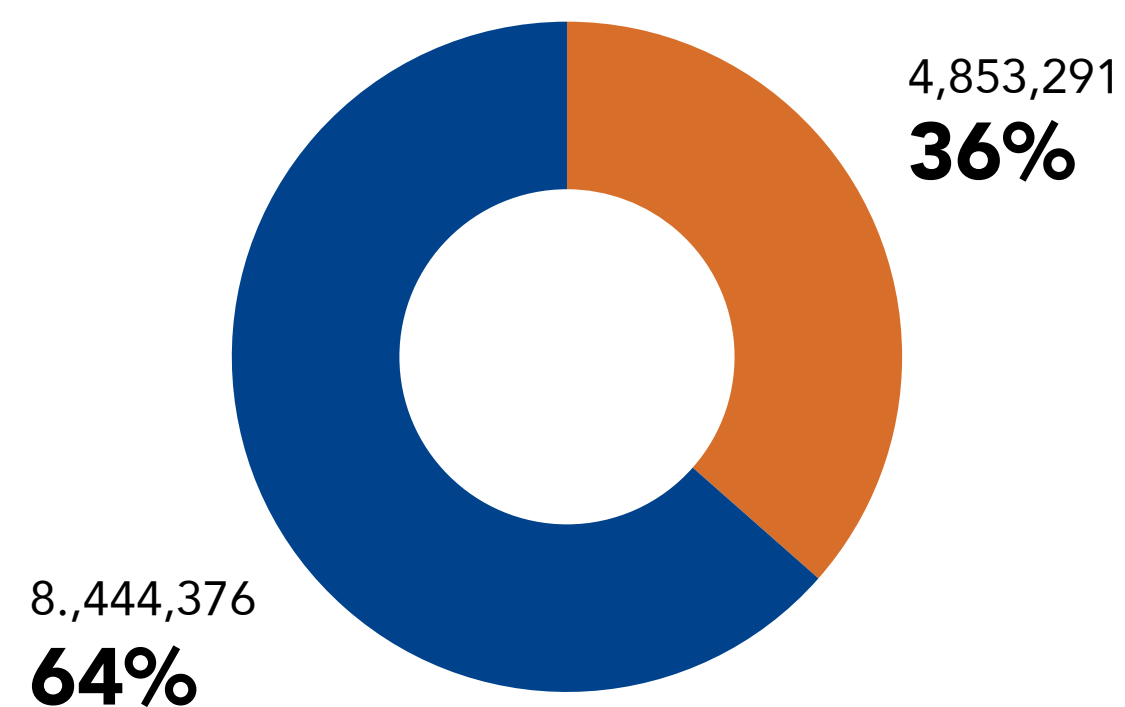
MARKET SHARE OF KEY PRODUCTS

In 2025, Hoa Phat's total crude steel production reached 10.9 million tonnes. Sales volume of construction steel, high-quality steel, hot rolled coil (HRC), and steel billets totaled 10.6 million tonnes. Sales of steel pipes and coated steel sheets reached 849 thousand tonnes and 423 thousand tonnes, respectively.

The Group's market share in construction steel reached 36.5%, while steel pipes accounted for 31%. In the coated steel segment, Hòa Phát ranked among the top five manufacturers in Vietnam.

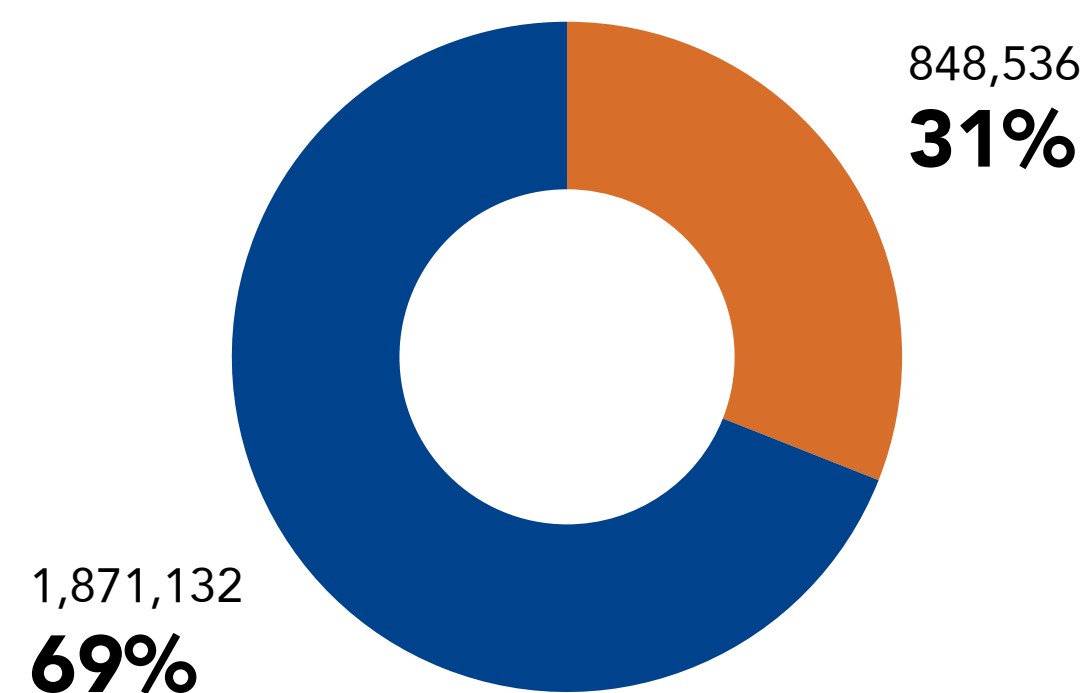
CONSTRUCTION STEEL OUTPUT & MARKET SHARE

- Hoa Phat
- Others



STEEL PIPE OUTPUT & MARKET SHARE

- Hoa Phat
- Others



DEVELOPMENT OF HIGH-QUALITY PRODUCTS IN 2025

Hoa Phat is an industrial manufacturing group committed to providing high-quality products with strong added value and long product lifecycles. To meet the demands of key national projects as well as the mechanical engineering, construction, and civil sectors, the Group continuously develops new products. Notably, in 2025, Hoa Phat focused on developing high-speed railway rails, becoming the only enterprise in Southeast Asia capable of producing this specialized product.

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ENHANCING THE VALUE CHAIN WITH
HIGH-QUALITY AND SPECIALIZED STEEL PRODUCTS

In 2025, Hoa Phat Dung Quat Steel Joint Stock Company completed the installation and commissioning of the HRC2 plant, supporting the development and production of HRC products for a wide range of applications, thereby meeting growing market demand.

PRODUCT GROUP	STEEL GRADE	APPLICATIONS / PURPOSE
WEATHERING STEEL (CORROSION- RESISTANT STEEL))	SPA-H2	Used for manufacturing containers for maritime/rail transport, freight wagons, and truck chassis subject to wear. Requires high tensile strength and superior corrosion resistance in marine and high-humidity environments.
	IF	Application: Deep drawing. Primarily used by CRC/CGL customers as HRC feedstock for cold rolling, serving the forming of complex automotive body parts, refrigerator shells, and household appliances. Requires high ductility and formability.
COLD ROLLING STEEL	SAE1004	Used for thin cold rolling (CRC), galvanizing (GI), and deep drawing of household appliances and automotive/ motorcycle body parts. Suitable for slitting, roll forming, and high-frequency welding for steel pipes, hollow sections, and frames.
	SAE1008-2	Used for deep drawing and forming applications. High ductility, suitable as base material for CRC, thin steel pipes, and appliance casings.
	SAE1010	Applied in forming, pipe rolling, and slitting. Provides a good balance between ductility and strength.
	SAE1012-2	Used for black steel pipes and light-load galvanized hollow sections. A common commercial grade but challenging in slab casting.
	SAE1014	Used as base material for pipe rolling and light-load cold-formed purlins.
	SAE1015-2	Applied in square/round pipe rolling and forming of non-heavy-load mechanical components.
	SAE1017-2	Offers slightly higher strength than SAE1014/1015, used for basic mechanical parts forming.

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PRODUCT GROUP	STEEL GRADE	APPLICATIONS / PURPOSE
STRUCTURAL STEEL	S235JR-2	Used for beams, columns, and structural sections (U/I/V shapes), factory frames.
	S275JR-2	Commonly used in civil and industrial applications such as formed hollow sections, medium-sized structural shapes, machine bases, railings, and static load-bearing structures.
	S355JR-2	Applied in heavy-load and dynamic structures such as bridge beams, truck chassis, wind towers, and large-span industrial buildings.
	S355J2Nb-VD	Used for wind towers and mining equipment.
	SAE1300M	Used in heavy industrial structures requiring high strength and wear resistance.
AUTOMOBILE STRUCTURAL STEEL	S355MC	Used for forming load-bearing automotive structures and truck chassis.
	S420MC	Applied in cold forming of high dynamic load components such as truck chassis, crane arms, and lightweight structural supports.
	S460MC	Used for high-strength chassis and structural bases requiring high forming force.
	S500MC	Used for lightweight structures that maintain high load capacity (e.g., crane arms, dump truck bodies).
	S550MC	
	S700MC	Used for heavy-duty truck chassis and crane booms. Yield strength ≥ 700 MPa with excellent bendability due to fine grain and microalloying (Nb, Ti, V).
	DP600	Used for automotive safety components (A-pillars, B-pillars, door reinforcements). Requires dual-phase microstructure (ferrite + martensite), tensile strength ≥ 600 MPa, and excellent impact energy absorption.
	SAE1045	Used for automotive parts and mechanical components with good machinability.
	SAE1060	Used for leaf springs and agricultural tools. Requires high hardness and wear resistance.
	SAE1070	Used for heavy-load vehicle leaf springs and agricultural tools, requiring high hardness and excellent wear resistance.

7.2 QUALITY MANAGEMENT

PRODUCT GROUP	STEEL GRADE	APPLICATIONS / PURPOSE
OIL & GAS PIPELINE STEEL (API PIPELINE, CASING AND TUBING STEEL)	X42	Used for oil and gas pipelines (API 5L standard), with minimum yield strength of 42,000 psi (~290 MPa). Suitable for medium-pressure applications. Requires high weldability (HFW/SAW).
	X52ME	Used for spiral or longitudinal welded pipelines. Requires high impact toughness to prevent brittle fracture. Minimum yield strength: 360 MPa.
	X70	Used for large-diameter oil and gas pipelines. Minimum yield strength: 485 MPa. Requires excellent DWTT performance at low temperatures and strict welding standards.
	J55	Used for casing and tubing in oil and gas wells. Requires high internal pressure resistance and tensile strength.

The successful development of weathering steel marks a significant advancement in delivering sustainable material solutions. This type of steel is used in the production of containers for maritime and rail transport, freight wagons, and wear-resistant truck chassis. It is capable of forming a self-protective oxide layer on the surface, providing corrosion resistance in atmospheric conditions without the need for painting or frequent maintenance.

Interstitial-Free (IF) steel for cold rolling can be applied across a wide range of products, including cold rolling, hot-dip galvanizing, electro-galvanizing, and related applications. It is particularly suitable for forming, bending, and welding processes. Based on formability, it can be classified into different quality grades such as commercial quality, drawing quality, and deep-drawing quality.

The year 2025 marked a major breakthrough in the development of high-grade HRC steel for automotive chassis and load-bearing structures, as well as steel products for oil and gas applications, including API 5CT casing and tubing and API 5L pipeline steel.

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HOA PHAT BREAKS GROUND ON RAIL STEEL PLANT, FIRST PRODUCTS EXPECTED IN 2027



In December 2025, Hoa Phat commenced construction of the Rail and Special Steel Manufacturing Plant at the Eastern Industrial Zone of Dung Quất Economic Zone. The project has a designed capacity of 700,000 tonnes per year, with a total investment of over VND 10 trillion, covering an area of nearly 15 hectares.

The plant is equipped with advanced production lines supplied by SMS Group (Germany) and Primetals (UK), featuring highly flexible four-high rolling mill systems to ensure consistent quality in line with international high-speed railway standards. Its product portfolio includes high-speed railway rails, urban rails, crane rails, and structural steel sections (U, I, H, V), meeting multiple international standards such as EN 13674 (Europe), JIS E1120 (Japan), and TB/T2344 (China).

Hoa Phat's rail products can reach lengths of up to 100 meters, with geometric precision controlled by laser systems and internal defect detection conducted through ultrasonic testing prior to delivery. The first high-speed railway rail products are expected to be rolled out in 2027—one year ahead of schedule—positioning Hoa Phat as the first and only enterprise in Southeast Asia capable of producing this specialized steel. To prepare for operations, the Group has deployed engineering teams to Europe for direct training with SMS Group experts.



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HOME APPLIANCES SEGMENT DEVELOPS 120 NEW MODELS, 82 MANUFACTURED IN-HOUSE

In 2025, Hòa Phát Home Appliances developed 120 new models, of which 82 were manufactured in-house, enhancing control over product quality. The HyperS water purifier line was developed with a focus on energy efficiency and environmental friendliness, featuring advanced cooling technology using R600a refrigerant (ozone-safe), platinum-coated titanium electrodes for enhanced durability, and the Ultra H8.0 filter system optimized for flow performance.

The HyperS HPA885 was recognized as the “Most Popular Alkaline Hydrogen Water Purifier” at Tech Awards 2025. In the same year, Hòa Phát also introduced the Funiki water purifier line and announced two patented solutions related to water filtration systems.

For induction cooktops, Hòa Phát has moved toward in-house production of core components such as induction coils and circuit boards, integrating Inverter technology to enable flexible power control and energy efficiency. All products undergo rigorous testing in compliance with QCVN 4 (electrical safety) and QCVN 9 (electromagnetic compatibility – EMC) before being launched to the market.

HÒA PHÁT REFRIGERATION INTRODUCES 535L REFRIGERATOR, EXPANDING INTO THE PREMIUM SEGMENT

In 2025, Hòa Phát Refrigeration expanded its product portfolio across both ends of the market. In the mass segment, a 66L mini freezer with dual cooling and freezing functions was developed for small apartments, rental rooms, and small-scale businesses. The two-compartment freezer line, ranging from 240 to 330 liters, was upgraded with a larger freezer compartment compared to the cooling section, better aligning with the practical needs of households and small businesses.

In the mid- to high-end segment, Hòa Phát introduced Side-by-Side and Multi-Door refrigerator models with capacities ranging from 415 to 535 liters, along with a 200L tempered glass door refrigerator featuring a smoke-grey interior. All products launched during the year fully complied with domestic regulations and met international certifications such as SASO (Middle East), BIS (India), and CB (Europe).



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DIGITAL TRANSFORMATION IN PRODUCTION AND CORPORATE GOVERNANCE

MANAGEMENT APPROACH



In the context of the manufacturing industry being significantly impacted by global economic fluctuations, increasing pressure to reduce emissions, more stringent ESG requirements, and rising cost competitiveness, Hòa Phát Group has identified digital transformation as a key strategic pillar to enhance long-term competitiveness, optimize production and governance efficiency, and support the achievement of sustainable development goals.

VISION & STRATEGIC DIRECTION FOR DIGITAL TRANSFORMATION

The Group aims to build a leading high-quality industrial manufacturing enterprise, operating on a foundation of centralized data, standardized processes, and intelligent automation systems.

Digital transformation is implemented with the following objectives:

- Standardize and enhance transparency in governance
- Optimize operational efficiency
- Improve customer experience
- Reduce resource consumption and indirect emissions
- Strengthen adaptability to market fluctuations

This strategy also directly contributes to the three ESG pillars:



ENVIRONMENTAL (E):

The application of digital technologies enables monitoring and optimization of energy consumption, raw materials, and input resources; reduces reliance on paper-based documentation; enhances the ability to track indirect emissions through operational data; supports early warning systems when environmental indicators exceed thresholds; and improves transparency and compliance in emissions management.



SOCIAL (S):

Process standardization and automation help improve labor productivity, reduce administrative burdens, enhance working conditions, and increase transparency in performance evaluation.



GOVERNANCE (G):

Digital systems strengthen information transparency, standardize approval processes, enable electronic traceability, and enhance the effectiveness of internal controls—thereby minimizing operational and compliance risks.

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In 2025, Hòa Phát entered a phase of expanded implementation and enhanced utilization of its existing systems, while gradually establishing a Group-wide digital governance platform



DIGITAL TRANSFORMATION PROJECTS AT SUBSIDIARIES

HOA PHAT DUNG QUAT STEEL JOINT STOCK COMPANY

Hoa Phat Dung Quat Steel continues to affirm its leading position in digital transformation through projects focused on production data digitalization and the application of advanced technologies:

- **ENERGY MANAGEMENT SYSTEM (EMS) FOR HOA PHAT DUNG QUAT 2 INTEGRATED STEEL COMPLEX (HPDQ2):** Officially operational since November 25, 2025, the system enables centralized monitoring and optimization of energy usage. EMS is expected to reduce energy costs by 5–20%, improve equipment efficiency, and support faster decision-making.
- **EXPANSION OF SAP S/4HANA ERP SYSTEM:** The project has been launched and key modules are being implemented across newly established companies, including Hoa Phat Dung Quat Equipment Manufacturing Company, Rail and Special Steel Company, and Phu Yen Port Logistics Company. Centralized data management on a unified platform enhances analytics, reporting speed, operational efficiency, and cross-functional coordination.
- **PILOT APPLICATION OF AI & RPA (ARTIFICIAL INTELLIGENCE & ROBOTIC PROCESS AUTOMATION):** During the pilot phase (July–September 2025), the solution achieved 80% of expected targets, significantly reducing manual processing time and data entry errors. Full-scale deployment is planned for high-impact business functions in 2026.
- **DIGITALIZATION OF INTERPRETATION AND TRANSLATION PROCESSES:** Since November 30, 2025, a translation management system has been implemented across all departments and plants, replacing previous manual methods. The system centralizes translation activities, standardizes workflows, and ensures secure knowledge storage and utilization.

- **PRODUCTION DATA ANALYTICS SYSTEM:** In 2025, the system was integrated with multiple data sources, digitizing all reporting templates and enabling continuous updates of steel production data. It supports daily monitoring and reporting, with future plans for fully automated data collection and centralized reporting.



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HOA PHAT HAI DUONG STEEL JOINT STOCK COMPANY

Hoa Phat Hai Duong Steel made significant progress in digital transformation through automation and data-driven production management:

- **UPGRADED INDUSTRIAL NETWORK INFRASTRUCTURE:** The backbone network was upgraded to 10Gb, with separation between IT and OT networks and strict firewall control to ensure production safety. The new infrastructure enables real-time data collection from over 200 PLCs, forming a centralized OT data environment and eliminating data fragmentation.
- **ROBOTICS AND AUTOMATION APPLICATIONS:** Robots for temperature measurement and sampling in converter and refining processes enhance worker safety and improve accuracy. Automated billet cutting systems reduce material waste and increase overall production efficiency.
- **CENTRALIZED CAMERA MONITORING SYSTEM:** Over 1,000 cameras have been deployed across the complex, supporting both operational monitoring and security. The system enables centralized supervision, improving operational control while optimizing manpower and management costs.
- **DIGITAL OPERATION LOGS:** Manual recording has been replaced with real-time automated data collection. Energy management is also digitized, enabling continuous monitoring of electricity consumption and transparent cost tracking through reporting systems and Power BI dashboards.
- **E-LEARNING DIGITAL TRAINING SYSTEM:** Launched on May 8, 2025, the system provides safety and operational training, allowing employees to learn anytime, anywhere. It ensures that 100% of employees understand procedures before starting work, significantly improving training effectiveness.
- **INTERNAL MOBILE APPLICATION FOR EMPLOYEES:** The application integrates practical features such as attendance reminders, meal registration, internal communications, and e-learning. It enhances user experience and contributes to building a comprehensive digital ecosystem.

TRAINING AND COMMUNICATION ON DIGITAL TRANSFORMATION



Alongside system deployment, Hòa Phát continues to strengthen training and communication to enhance digital awareness and capabilities among employees:

- **AI TRAINING PROGRAMS FOR MID- AND SENIOR-LEVEL MANAGEMENT (C2–C6):** Tailored training content combines foundational knowledge with practical applications in business operations, improving digital capabilities and aligning management skills across the Group.
 - **INTERNAL DIGITAL TRANSFORMATION COMMUNICATION PLATFORM:** Regularly updated with project progress and modern working methodologies, the platform saw increased engagement in 2025 compared to 2024, helping to raise awareness and foster a culture of innovation.
- Hoa Phat's digital transformation initiatives are being implemented in a synchronized and consistent manner, aligned with the Group's strategic vision and roadmap for 2025–2030. Projects are selected based on clear criteria, including operational efficiency, governance transparency, ESG contribution, and long-term investment effectiveness. With a well-defined direction and controlled implementation approach, the Group is steadily advancing toward becoming a modern, transparent, and sustainable industrial manufacturing enterprise.



GRI CONTENT INDEX 2021

UNIVERSAL STANDARDS

TOPIC	GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	2025 SUSTAINABILITY REPORT	REFERENCE SECTION / REASONS FOR OMISSION
GRI 2 – GENERAL DISCLOSURES				
The organization and its reporting practices	2-1	Organizational details	✓	About Hoa Phat’s Group Business
	2-2	Entities included in the organization’s sustainability reporting	✓	Reporting Framework, Boundary and scope of this report
	2-3	Reporting period, frequency and contact point	✓	Reporting Framework, Boundary and scope of this report
	2-4	Restatements of information	✗	This is the first published report
	2-5	External Assurance	✓	Greenhouse gas (GHG) emissions data for the entire Group has been verified by BSI Group.
Activities and workers	2-6	Activities, value chain and other business relationships	✓	Our Business Value Chain
	2-7	Employee	✓	Human Resource Management
Governance	2-9	Governance structure and composition	✗	Disclosed in the Group’s 2025 Annual Report and the 2025 General Meeting of Shareholders materials
	2-10	Nomination and selection of the highest governance body	✗	Disclosed in the Group’s 2025 Annual Report and the 2025 General Meeting of Shareholders materials
	2-11	Chair of the highest governance body	✗	Disclosed in the Group’s 2025 Annual Report and the 2025 General Meeting of Shareholders materials
	2-12	“Role of the highest management level in overseeing impact management”	✓	Sustainability Governance
	2-13	Delegation of responsibility for managing impacts	✓	Sustainability Governance
	2-14	Role of the highest governance body in sustainability reporting	✓	Sustainability Governance
	2-15	Conflicts of interest	✓	Corporate Governance & Risk Management

UNIVERSAL STANDARDS				
TOPIC	GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	2025 SUSTAINABILITY REPORT	REFERENCE SECTION / REASONS FOR OMISSION
	2-16	Communication of critical concerns	✓	Corporate Governance & Risk Management
	2-17	Collective knowledge of the highest governance body	✗	Disclosed in the Group's 2025 Annual Report
	2-18	Evaluation of the performance of the highest governance body	✗	As presented in the 2025 Annual General Meeting (AGM) materials.
	2-19	Remuneration policies	✗	As presented in the 2025 Annual General Meeting (AGM) materials.
	2-20	Process to determine remuneration	✗	As presented in the 2025 Annual General Meeting (AGM) materials.
	2-21	Annual total compensation ratio	✗	As presented in the 2025 Annual General Meeting (AGM) materials.
Strategy, policies and practices	2-22	Statement on sustainable development strategy	✓	Message from Group General Director
	2-23	Policy commitments	✓	Presented on the key themes of sustainable development in the three main pillars
	2-24	Embedding policy commitments	✓	Presented on the key themes of sustainable development in the three main pillars
	2-25	Processes to remediate negative impacts	✓	Corporate Governance & Risk Management
	2-26	Mechanisms for seeking advice and raising concerns	✓	Corporate Governance & Risk Management
	2-27	Compliance with laws and regulations	✓	Corporate Governance & Risk Management
	2-28	Membership associations	✓	Member of the Industry Association
Stakeholder engagement	2-29	Approach to stakeholder engagement	✓	Stakeholder Engagement
	2-30	Collective bargaining agreements	✓	Human Rights

TOPIC STANDARDS

TOPIC	GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	2025 SUSTAINABILITY REPORT	REFERENCE SECTION / REASONS FOR OMISSION
GRI 3: MATERIAL TOPICS 2021				
Disclosures on material topics	3-1	Process to determine material topics	✓	Materiality Assessment
	3-2	List of material topics	✓	Materiality Assessment
GREENING OUR PRODUCTION				
CLIMATE CHANGE MITIGATION AND ADAPTATION				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Management Approach
GRI 103 – Energy 2025	103-1	Energy Policies and Commitments	✓	Management Approach
	103-2	Energy consumption within the organization	✓	2025 Performance
	103-3	Upstream and downstream energy consumption	✗	Full information from relevant stakeholders is still being collected
	103-4	Energy intensity	✓	2025 Performance
	103-5	Reduction of energy consumption	✓	Climate change mitigation and adaptation measures
GRI 102 – Climate Change 2025	102-4	GHG emission reduction targets and progress	✗	This is the first year of reporting; the roadmap and targets are still under development.
	102-5	Scope 1 GHG emissions	✓	2025 Performance
	102-6	Scope 2 GHG emissions	✓	2025 Performance
	102-8	GHG emission intensity	✗	Due to differences in steel production technologies across plants and the diversity of product portfolios, we are currently allocating appropriate resources to collect data and calculate this indicator for future reporting periods

ENVIRONMENTAL MANAGEMENT				
GRI 103 – Energy 2025	3-3	Management of material topics	✓	Management Approach
AIR QUALITY CONTROL				
GRI 305- Emission 2016	305-7	Nitrogen oxides (NOx). sulfur oxides (SOx) and other significant air emissions	✓	Air Quality Management
WATER MANAGEMENT				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Water Management
GRI 303 – Water and Effluent 2018	303-2	Management of water discharge-related impacts	✓	Water Management
	303-3	Water Withdrawal	✓	Water Management
	303-4	Water discharge	✓	Water Management
	303-5	Water consumption	✓	Water Management
WASTE MANAGEMENT				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Recycling- Reuse of Solid waste
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	✓	Recycling- Reuse of Solid Waste
	306-2	Management of significant waste-related impacts	✓	Recycling- Reuse of Solid Waste
	306-3	Waste generated	✓	Recycling- Reuse of Solid Waste
	306-4	Waste diverted from disposal	✓	Recycling- Reuse of Solid Waste
	306-5	Waste directed to disposal	✓	Recycling- Reuse of Solid Waste

CARING FOR PEOPLE				
OCCUPATIONAL HEALTH AND SAFETY				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Occupational health and safety
GRI 403 – Occupational Health and Safety 2018	403-1	Occupational health and safety management system	✓	Occupational health and safety
	403-2	Hazard identification, risk assessment, and incident investigation	✓	Occupational health and safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	✓	Occupational health and safety
	403-5	Worker training on occupational health and safety	✓	Occupational health and safety
	403-6	Promotion of worker health	✓	Occupational health and safety
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	✓	Occupational health and safety
	403-8	Workers covered by an occupation health and safety management system	✓	Occupational health and safety
HUMAN RESOURCE MANAGEMENT				
GRI 2 – General Information	2-7	Employee	✓	Human Resource Management
GRI 401 – Employment 2016	401-1	New employee hires and employee turnover	✓	Human Resource Management
	401-2	Benefits provided to full time employees that are not provided to temporary or part-time employees	✓	Human Resource Management
	401-3	Parental Leave	✓	Human Resource Management
GRI 404 – Training and Education 2016	404-1	Average hours of training per year per employee	✓	Human Resource Management
	404-2	Programs for upgrading employee skills and transition assistance programs	✓	Human Resource Management
	404-3	Percentage of employees receiving regular performance and career development reviews.	✓	Human Resource Management

TOPIC STANDARDS				
TOPIC	GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	2025 SUSTAINABILITY REPORT	REFERENCE SECTION / REASONS FOR OMISSION
GRI 405- Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	✓	Human Resource Management
GRI 406 – Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	✗	There have been no cases of discrimination in the company
GRI 407 – Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	✓	Human Rights
GRI 408 – Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labor.	✓	Human Rights
GRI 409 – Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	✓	Human Rights
COMMUNITY DEVELOPMENT				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Community Development
GRI 413- Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	✓	Community Development

TOPIC STANDARDS				
TOPIC	GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	2025 SUSTAINABILITY REPORT	REFERENCE SECTION / REASONS FOR OMISSION
GOVERNANCE AND INNOVATION				
CORPORATE GOVERNANCE AND BUSINESS ETHICS				
GRI 3 – Material Topics 2021	3-3	Management of material topics	✓	Corporate Governance & Risk Management
GRI 205 – Anti corruption 2016	205-3	Confirmed incidents of corruption and actions taken	✓	Corporate Governance & Risk Management
QUALITY MANAGEMENT				
GRI 3 – Material Topics 2021	3-3	Quản lý chủ đề trọng yếu	✓	Phương pháp quản lý
GRI 416- Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	✓	Product Quality and Safety Assurance Product Certification
	416-2	Incident of non-compliance concerning the health and safety impacts of products and services	✗	There were no reported cases of non-compliance concerning the health and safety impacts of products and services



APPENDIX B

ESG DATA TABLE

ENVIRONMENT DATA

INDICATORS

UNIT

2025

GRI INDEX

CLIMATE CHANGE / GREENHOUSE GAS EMISSIONS & ENERGY

Gross direct (Scope 1) GHG emissions (CO2e)	Tons	22,540,603	305-1- Direct (Scope 1) GHG emissions
Gross location-based indirect (Scope 2) GHG emissions (CO2e)	Tons	933,876	305- 2 Energy indirect (Scope 2) GHG emissions
Total (Scope 1+2) GHG emissions (CO2e)	Tons	23,474,480	
Energy consumption in sites	GJ	193,403,521	302-1 Energy consumption within the organization
Energy consumed that was supplied from grid electricity in sites	%	4.5%	
Energy consumed that is renewable energy in sites	%	0.03%	
Energy intensity	GJ/ton of crude steel	17.48	302-3 Energy intensity

ENVIRONMENTAL STEWARDSHIP

Total water withdrawal from all areas	Million liters	46,328	303-3 Water withdrawal
Total surface water withdrawal	Million liters	39,066	303-3 Water withdrawal
Total groundwater withdrawal	Million liters	3,980	303-3 Water withdrawal
Total seawater withdrawal	Million liters	10.95	303-3 Water withdrawal
Total produced water withdrawal	Million liters	158.9	303-3 Water withdrawal

Total third-party water withdrawal	Million liters	1,275	303-3 Water withdrawal
Total water withdrawal from all areas with water stress	Million liters	N/A	303-3 Water withdrawal
Total water consumption from all areas	Million liters	41,334	303-5 Water consumption
Total water discharge to all areas	Million liters	4,994	303-4 Water discharge
Total net freshwater consumption in water- stressed areas	Million liters	N/A	
Total net freshwater consumption in non- water- stressed areas	Million liters	N/A	
Total weight of hazardous waste diverted from disposal	Tons	246,867	306-3 Waste generated
Total weight of non-hazardous waste diverted from disposal	Tons	6,838,336	306-3 Waste generated
Other waste	Tons	N/A	
Total weight of waste generated	Tons	7,085,203	306-3 Waste generated
Total weight of waste used for other purposes instead of disposal	Tons	6,981,878	306-4 Waste diverted
Total weight of hazardous waste used for other purposes instead of disposal	Tons	212,920	306-4 Waste diverted
Reuse of waste (hazardous waste)	Tons	131,639	306-4 Waste diverted
Recycling of waste (hazardous waste)	Tons	23,539	306-4 Waste diverted
Other treatment activities	Tons	57,741	306-4 Waste diverted
Total weight of non-hazardous waste used for other purposes instead of disposal	Tons	6,768,958	306-4 Waste diverted
Reuse of waste (non-hazardous waste)	Tons	1,636,026	306-4 Waste diverted
Recycling of waste (non-hazardous waste)	Tons	4,875,142	306-4 Waste diverted
Other treatment activities (including incineration)	Tons	257,790	306-4 Waste diverted
Total quantity of waste disposed of by landfilling	Tons	103,325	306-5 Waste directed
Total quantity of hazardous waste disposed of by landfilling	Tons	33,948	306-5 Waste directed
Total quantity of NON-HAZARDOUS waste disposed of by landfilling(incineration without energy recovery & landfilling)	Tons	69,377	306-5 Waste directed

SOCIAL DATA			
TOTAL NUMBER OF EMPLOYEES			
TOTAL NUMBER OF FULL-TIME EMPLOYEES		31.574	
Female	Employee	3.412	2-7 Employees & 405-1 Diversity of governance bodies and employees
Male	Employee	28.162	2-7 Employees & 405-1 Diversity of governance bodies and employees
TRAINING AND DEVELOPMENT INDICATORS			
Average training hours per employee	Hour/person/year	38.5	404-1 Average hours of training per year per employee
Average training hours provided to Senior management	Hour/person/year	17.9	404-1 Average hours of training per year per employee
Average training hours provided to Middle management	Hour/person/year	28.4	404-1 Average hours of training per year per employee
Average training hours provided to department heads / supervisors	Hour/person/year	39.7	404-1 Average hours of training per year per employee
Average training hours per Female employee	Hour/person/year	18.3	404-1 Average hours of training per year per employee
Average training hours per Male employee	Hour/person/year	40.8	404-1 Average hours of training per year per employee
NUMBER OF FULL-TIME EMPLOYEES BY NATIONALITY			
Vietnam	Employee	31.574	405-1 Diversity of governance bodies and employees
TOTAL FULL-TIME EMPLOYEES BY AGE			
Age under 30	Employee	9.137	405-1 Diversity of governance bodies and employees
Age from 30 to 50	Employee	21.065	405-1 Diversity of governance bodies and employees
Age over 50	Employee	1.372	405-1 Diversity of governance bodies and employees
NEW HIRE EMPLOYEES			
TOTAL NEW HIRE EMPLOYEES BY GENDER			
Female	Employee	954	401-1 New Employee Hires and Employee Turnover
Male	Employee	6.116	401-1 New Employee Hires and Employee Turnover

TOTAL NEW HIRE EMPLOYEES BY AGE

Age under 30	Employee	3.808	401-1 New Employee Hires and Employee Turnover
Age from 30 to 50	Employee	2.982	401-1 New Employee Hires and Employee Turnover
Age over 50	Employee	280	401-1 New Employee Hires and Employee Turnover

PERCENTAGE OF EMPLOYEES TURNOVER

TOTAL EMPLOYEES TURNOVER BY GENDER

Female	Employee	795	401-1 New Employee Hires and Employee Turnover
Male	Employee	7.195	401-1 New Employee Hires and Employee Turnover

TOTAL EMPLOYEES TURNOVER BY AGE

Age under 30	Employee	3.912	401-1 New Employee Hires and Employee Turnover
Age from 30 to 50	Employee	3.836	401-1 New Employee Hires and Employee Turnover
Age over 50	Employee	242	401-1 New Employee Hires and Employee Turnover

GOVERNANCE DATA			
BOARD OF DIRECTOR COMPOSITION			
GENDER			GRI 2-9 Governance structure and composition
Male	%	100	GRI 2-9 Governance structure and composition
Female	%	0	
INDEPENDENCE			GRI 2-9 Governance structure and composition
Executive Director	%	67	GRI 2-9 Governance structure and composition
Independent/Non-Executive Director	%	22	GRI 2-9 Governance structure and composition
Non-Independent/Non-Executive Director	%	33	
NATIONALITY			GRI 2-9 Governance structure and composition
Vietnam	%	100%	