

SHINEC

2024

SUSTAINABILITY REPORT



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SHINEC JSC SUSTAINABILITY DEVELOPMENT REPORT 2024



OVERCOMING
COUNTLESS CHALLENGES
TO ADVANCE STEADILY INTO
the future



**OVERCOMING COUNTLESS CHALLENGES
TO ADVANCE STEADILY INTO**
the future

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GREEN INDUSTRIAL PARK – THE JOURNEY OF CREATING HAPPINESS

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CHAPTER

01



OVERVIEW

- About this Report
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- 2024 Sustainability Highlights
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- ESG Materiality Assessment
- Sustainable strategy and goals

ABOUT THIS REPORT

The 2024 ESG Report of Nam Cau Kien Industrial Park is prepared with the objective of enhancing transparency in sustainable development activities, measuring environmental, social, and governance (ESG) impacts, and reaffirming Shinec's strong commitment to developing an eco-industrial park aligned with the circular economy model.

This report not only provides detailed insights into the results achieved over the past year but also serves as a tool for investors, partners, and stakeholders to understand the company's long-term ESG development strategy.

1. Reporting Framework

This report is prepared with reference to international standards such as the Global Reporting Initiative (GRI) and aligns with the United Nations Sustainable Development Goals (UN SDGs), while ensuring compliance with Vietnamese laws on environmental protection, labor, and sustainable development.

The reporting process follows principles of transparency, comprehensiveness, and consistency, ensuring an accurate and truthful reflection of the company's activities in 2024.

2. Report Scope

Reporting Period:

The 2024 ESG Report is prepared based on Shinec's fiscal year, covering the period from **January 1, 2024, to December 31, 2024.**

Reporting Scope:: The report covers all operations, including:

- Natural resource management
- Greenhouse gas emission reduction
- Use of renewable energy
- ESG risk management
- Occupational health and safety policies
- Human resource training and development
- Community support programs
- Engagement with investors, clients, and partners

ESG Data: Information used in this report is collected from internal monitoring systems, periodic evaluation reports by departments, operational data, and independent studies conducted by partner organizations. The reporting process is conducted under strict supervision to ensure the accuracy and reliability of the data.



Report Publication and Engagement

The 2024 ESG Report will be officially published on Shinec's website, sent directly to investors, clients, and regulatory authorities, and made accessible through the company's digital media platforms.

Shinec encourages all stakeholders to provide feedback and contribute ideas to continuously improve ESG practices—ensuring that the industrial park continues its sustainable growth journey and makes meaningful contributions to Vietnam's socio-economic development.

Message

FROM THE CHAIRMAN



Dear Valued Customer,

The year 2024 witnessed significant global upheavals, yet it also brought forth critical opportunities for the development of Vietnam's economy. Through unity, decisive legal and policy reforms, effective governance, technological advancement, responsible business development, and acceleration of both green and digital transformation, Vietnam achieved a GDP growth rate of 7%, surpassing its set targets.

On the global front, the world economy faced profound impacts from geopolitical tensions, climate change, and the accelerating trend toward sustainable development. Escalating conflicts, trade disputes, and far-reaching implications of major power elections have disrupted global supply chains. In parallel, nations have tightened sustainable development regulations, imposing more rigorous requirements on businesses within global supply networks—especially in meeting ESG (Environmental, Social, and Governance) criteria.

The year 2024 also marked a stark warning on climate change, with global temperatures reaching the highest level in recorded history, exceeding the 1.5°C threshold compared to the pre-industrial era as outlined in the Paris Agreement (COP26). A series of extreme weather events, natural disasters, and severe pandemics caused significant loss of life and property, underscoring the urgent and undeniable need for sustainable development and a shared responsibility to protect our planet.

In Vietnam, despite being impacted by global uncertainties, the economy recorded positive signals, fueled by a strong wave of investment from multinational corporations. The Government continued to promote policies that support enterprises in their green transition journey, including green financing mechanisms and legal reforms, aimed at creating a more sustainable and attractive business environment. This shift presents both opportunities and challenges, requiring businesses to rapidly adapt, innovate operational models, and align with new development standards—while contributing to Vietnam's long-term sustainable growth.

At Shinec, we remain firmly committed to pioneering eco-industrial park development and promoting the circular economy model through a harmonious balance of interests across three key pillars: Environment (E), Society (S), and Governance (G). Our goal is to foster a dynamic equilibrium between economic growth, environmental protection, and social cohesion, guided by principles of advanced corporate governance.

The year 2024 has been particularly challenging for Vietnam's industrial real estate sector, and Shinec was no exception. Global economic volatility, mounting sustainability policy pressures, and evolving market demands called for flexible and adaptive strategies. Nevertheless, with strong determination and extensive experience in the field of eco-industrial park development, Shinec has continuously advanced—seizing opportunities to expand projects nationwide and meet the needs of investors across a broad spectrum of industries.



PHAM HONG DIEP

CHAIRMAN OF THE BOARD - SHINEC JSC



Message

FROM THE CHAIRMAN



To overcome challenges and pursue sustainable growth, Shinec has established **5 strategic priorities** to ensure stable and long-term project development:



A STEADFAST STRATEGY

Maintain a clear focus on developing eco-industrial parks, in alignment with sustainability trends.



CONCRETE OBJECTIVES

Define a clear development roadmap that aligns with practical market dynamics.



EFFECTIVE SOLUTIONS

Apply advanced technologies and optimize operations to enhance investment efficiency.



STANDARDIZED LEGAL COMPLIANCE

Ensure full adherence to regulations on green development, ESG standards, and green finance.

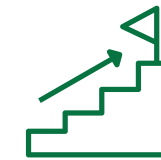


DECISIVE ACTION

Accelerate project implementation and expand land reserves to attract investment.

The forecast for 2025 continues to be a turbulent year, as businesses face many pressures, as well as seizing opportunities and requiring rapid adaptation from enterprises, entering a new era of the nation's rise.

Shinec remains committed to pursuing strong growth, expanding its land portfolio, and developing industrial park projects based on the eco-industrial park model. **Key strategic directions include:**



01

Completing the expansion of existing industrial and cluster projects, ensuring progress aligns with commitments.

Seizing opportunities from FDI inflows, particularly from high-tech and green manufacturing enterprises.

02



03

Promoting strategic partnerships with international partners to unlock greater investment potential.

Fostering a balanced approach across economic, social, and environmental dimensions, with a strong commitment to supporting local communities in all investment initiatives.

04



05

Accelerating digital transformation to enhance the efficiency of industrial park management and operations

Guided by the spirit of **“Overcoming Countless Challenges to Advance Steadily into the Future”**, Shinec affirms its commitment to being a pioneer in sustainable industrial real estate—continuously innovating and growing to create long-term value.

We sincerely thank our valued partners, investors, and the broader community for their steadfast support. Shinec believes that through strong and enduring collaboration, we will together build a green, prosperous, and sustainable future.

SHINEC JOINT STOCK COMPANY
CHAIRMAN OF THE BOARD

PHẠM HỒNG ĐIỆP





To become **a pioneering developer** of industrial real estate aligned with ESG principles in Vietnam.

- Serve as **a model for transforming the development and operation** of industrial infrastructure toward an ecological, circular, and sustainable approach.
- Elevate the **brand of Vietnam's industrial parks** to the global stage, positioning them as benchmarks of responsible and future-ready development.
- Make **long-term contributions** to the sustainable development of local communities —across economic growth, social progress, environmental stewardship, and cultural preservation.

- **Collaborative Growth**
- **Harmony with Nature**
- **Legacy for Generations**
- **Integrity Above All**
- **Innovation for Humanity**

OVERVIEW

SHINEC JOINT STOCK COMPANY

COMPANY PROFILE

Over the course of more than 23 years of establishment and development, **Shinec Joint Stock Company** has successfully developed a flagship eco-industrial park model — **Nam Cau Kien Industrial Park in Hai Phong.**

This is **the first pioneering eco-industrial park in Vietnam** built upon the principles of the **circular economy, fully initiated, developed, and operated** by Vietnamese stakeholders. The project represents a harmonious integration of environmental protection, circular economic ecosystems, and renewable energy applications.

Nam Cau Kien Industrial Park meets all criteria and requirements outlined in **Decree No. 35/2022/NĐ-CP** of the Prime Minister and the Law on Environmental Protection No. **72/2020/QH14**, serving as a model of sustainable industrial development in Vietnam.

VISION



MISSION



CORE VALUE



COMPANY NAME

Shinec Joint Stock Company

HEAD OFFICE

Nam Cau Kien IP, Thien Huong Dist, Hai Phong city

FIELD OF BUSINESS

Invest and operate in industrial clusters and parks.

PHONE NUMBER

(+84) 2253.645.365

WEBSITE

shinec.com.vn

YEAR OF ESTABLISHMENT

2001

PIONEERING ECO - INDUSTRIAL REAL ESTATE DEVELOPER

Associated with the circular economy, meeting ESG criteria.





THE PROCESS FORMATION & DEVELOPMENT

2001

Establishment of Shinec Shipbuilding Industry Joint Stock Company, Opening of a Representative Office in Hanoi.

2002

- Expansion into the processing and trading of agricultural, forestry, and aquatic products, as well as the production of shrimp feed.
- Launch of a 5,000-hectare reforestation project in Lang Son Province, supporting wood processing and furniture export factories

2003 - 2004

- Diversification into design consultancy and interior construction, serving both shipbuilding and civil sectors.
- Establishment of Shinec Construction Enterprise Branch.

2006 - 2007

- Established the Ship Interior Furniture Factory and the Ship Interior Installation Enterprise – Shinec.
- Opened new branches:
 - Shinec Metal Furniture Manufacturing Plant
 - Shinec Export Furniture Manufacturing Plant
- Expanded investment into industrial and cluster infrastructure development (industrial parks and industrial clusters).

2008

- Ban Quản lý Khu kinh tế Hải Phòng cấp GCNĐT cho dự án đầu tư xây dựng và kinh doanh hạ tầng kỹ thuật KCN Nam Cầu Kiền

2015 - 2018

- Undertook corporate restructuring and officially renamed the company Shinec Joint Stock Company.
- Signed a cooperation agreement with the Kitakyushu City Carbon Reduction Center (Japan) to pilot the development of Nam Cau Kien Eco-Industrial Park.

2020

- Recognized by the Vietnam Records Organization (VietKings) for:
 - The first wastewater treatment plant in an industrial park in Vietnam designed in the style of a Japanese garden.
 - The largest Japanese garden located within an industrial park in Vietnam.
 - The first memorial site dedicated to General Vo Nguyen Giap inside an industrial park in Vietnam.

2021 - 2023

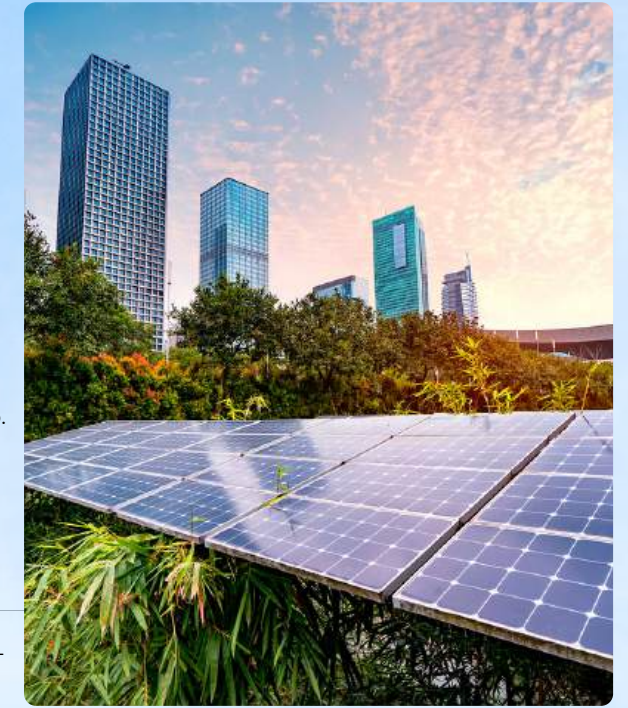
- Officially adopted and reported on the Sustainable Development Program (SDP) in accordance with GRI standards.
- Published its ESG report developed in collaboration with PwC.
- Piloted rooftop solar panel installation and solar-powered lighting systems within the industrial park.

2023

- Received the Investment Policy Approval and Investor Approval for the Dak Doa No.2 Industrial Cluster Project in Gia Lai Province.
- Received the Investment Policy Approval and Investor Approval for the An Tho Industrial Cluster Project in Hai Phong City.

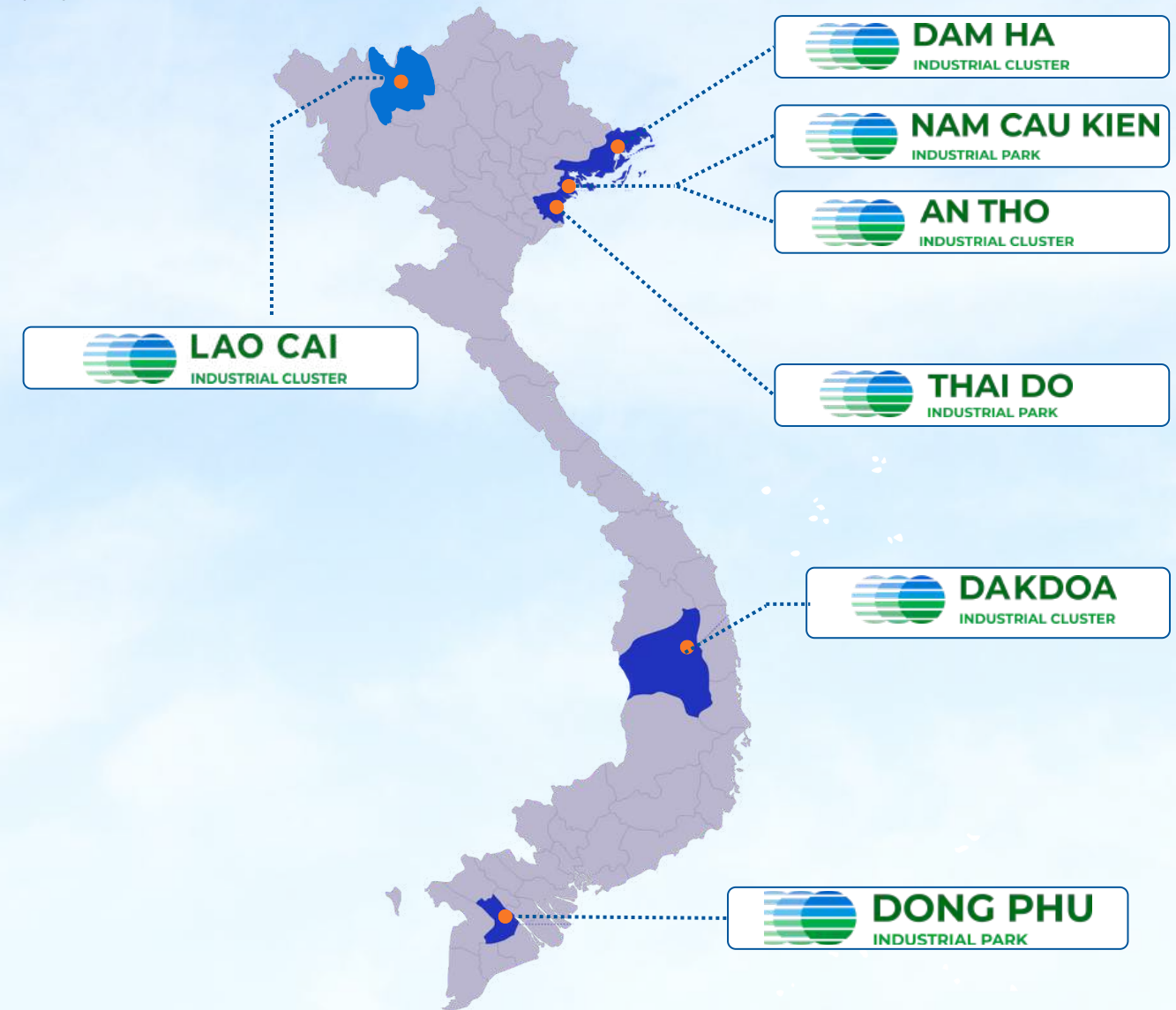
2024

- Introduced a new corporate brand identity, marking a transformative step in Shinec's positioning and communications strategy.
- Achieved national recognition for being the first industrial park in Vietnam to develop a cultural space honoring General Vo Nguyen Giap.
- Participated in the UNIDO-supported project for the transition and development of Eco-Industrial Parks (EIPs) in Vietnam.
- Received the Investment Policy Approval and Investor Approval for the East Dam Ha B Industrial Cluster Project in Quang Ninh Province.
- Received the Investment Policy Approval and Investor Approval for the Phuc Yen Industrial Park Project in Vinh Phuc Province.
- Submitted investment application documents for the Dong Phu II Eco-Industrial Park Project in Hau Giang Province, seeking concurrent approval of investment policy and investor designation.



SHINEC AND THE PROJECTS BEING IMPLEMENTED

By December 31, 2024, Shinec has operated Nam Cau Kien Industrial Park and invested in 7 new projects in Vietnam:



2024 SUSTAINABILITY HIGHLIGHTS

ENVIRONMENTAL

E1. CLIMATE CHANGE MITIGATION AND ADAPTATION (NET ZERO)

164 MWh

Electricity generated from the pilot project of rooftop solar power and smart lighting system.

100%

cases of non-compliance with industrial park regulations, incidents arising are detected, controlled, and handled promptly.

Greenhouse Gas Inventory

- CO2 emissions: **557.86 tCO2 td**
- Total amount of CO2 absorbed: **2,951.92 tCO2 td**

8 km

the length of the solar-powered smart lighting line invested with 300 power poles, with a capacity of **85 MWh**

The activity of planting 1 million green trees at NCK

2024 new plantings this year: **nearly 30,000 trees.**
Total accumulated number of **300,000 green trees planted 30%.**

08

- The ecological lake is constructed and operated.

E2. CIRCULAR ECONOMY

03 industrial symbiosis chain

Support the successful construction of 03 industrial production chains: steel, plastics, and electronic accessories.

Achieve the NetZero waste goal

In the Nam Cau Kien Industrial Park in 2024 according to the commitment

E3. SUSTAINABLE INFRASTRUCTURE

100% enterprises

Ensure the water source used

Collection and processing amount of water generated. 100%

Stable operation of the 2000 m3/day wastewater treatment plant.

Environmental quality monitoring

The automatic, continuous wastewater monitoring system transmits data 24/7 to the Department of agriculture and Environment of Hai Phong.

Investment and stable operation

The surface water collection system is 100% concreted and periodically dredged.

80 ha

The planned area for investment in green trees, technical infrastructure, transportation, and social infrastructure includes the infrastructure system for public utility services and other social infrastructure projects.

The planned area for investment in green trees, technical infrastructure, transportation, and social infrastructure includes the infrastructure system for public utility services and other social infrastructure projects.



2024 SUSTAINABILITY HIGHLIGHTS



SOCIAL



S1. PROMOTING INCLUSIVE AND SUSTAINABLE GROWTH

<p>The cultural heritage space of General Vo Nguyen Giap at Nam Cau Kien Industrial Park has been recognized by the Vietnam Cultural Heritage Association.</p>	<p>Nam Cau Kien Industrial Park is one of the 19 entities chosen by the Hai Phong Department of Tourism to participate in the School Tourism program.</p>	<p>35 Businesses in the industrial park participate in the fire prevention and fighting sports event organized by Shinec.</p>
<p>Establishing a record for the first industrial park in Vietnam that builds a cultural space about General Vo Nguyen Giap.</p>	<p>97% Satisfied with the working environment 80% Customer feedback on the service from good level and above.</p>	<p>1.000.000.000 VNĐ Support the community</p>
<p>20 Community activities are organized. 2.000 Participanta</p>	<p>27 A workshop and training program on energy, green finance, sustainable development, and gender equality for the community and workers is being organized.</p>	<p>24 Participating enterprises are members of the Eco NCK Business Club.</p>
<p>200 The book was contributed to the library this year.</p>	<p>200 Tour group, study, experience.</p>	<p>40.000 The students have been trained and studied.</p>

S2. DEVELOPING AND ATTRACTING HUMAN RESOURCES

<p>100% Shinec employees are evaluated for performance on a monthly</p>	<p>5000 New jobs are being created throughout the industrial parks</p>	<ul style="list-style-type: none"> Total workforce: Increase of 27% in the percentage of female workers. Leadership: 50% of leadership positions are held by women.
<p>100% Employees are allowed to participate in programs for advanced skill and knowledge training.</p>	<p>50 program training Training on Net Zero, Digital Transformation, Updating legal documents, Solutions for energy saving, emission reduction, specializing in finance, environment, digital transformation,....</p>	<p>15% Workers' income increased compared to 2023.</p>

S3. HAPPY WORKPLACE CULTURE

<p>04 A large gratitude program for workers takes place in the year dedicated to workers.</p>	<p>100% Employees are eligible to participate in the comprehensive health care insurance program for employees.</p>	<p>48.000.000 VNĐ/ person/year Employee welfare health insurance month Full benefits, salary and bonuses</p>
<p>0 workplace accidents at Shinec occur</p>	<p>Establishment of the Party Committee of Nam Cau Kien Industrial Park</p>	<p>61% The newly hired personnel are under 30 years old.</p>

2024 SUSTAINABILITY HIGHLIGHTS



G1. CORPORATE GOVERNANCE AND COMPLIANCE

149%

Revenue increased compared to 2023.

157%

After-tax profit increased compared to 2023.

01 Project for Stable Operation Management

03 The new project for construction investment

04 New projects in 2024 and early 2025

G2. RISK MANAGEMENT AND TRANSPARENCY

100%

taxes are paid fully and on time, increased compared to 2023

Expand and develop projects. Comply with regulations on legal documents and operational management as prescribed by law.

0 Corruption, misconduct, or non-compliance with the Code of Conduct

Issue a risk management framework to assess potential and management plans for the year.

G3. STANDARDIZE THE GOVERNANCE FRAMEWORK!

Achieved awards for ESG initiatives, sustainable governance, green industrial parks.

600 million VND

Invest in digital transformation activities in operations, digitalizing business data.

Changing the corporate brand, goals, and values of the business.

Participate in projects to support the development of sustainable strategies, transforming KNCT of reputable organizations in Vietnam and internationally.

23.15% The rate of corporate investment costs in sustainable development activities.



GOVERNANCE



OUTSTANDING ACHIEVEMENTS IN 2024

TOP 3 ESG INITIATIVES IN VIETNAM 2024



Awarded by USAID and the Department of Enterprise Development (MPI) under IPSC project. Led enterprise integration of sustainability strategies with business goals to leverage green transition and global supply chain competitiveness.

SME Excellence Award 2024



SME Excellence Award
DBAV Sustainability Champion 2022

Viet Nam record



Establish a record for the first industrial park in Vietnam to create a cultural space about General Vo Nguyen Giap - Organized by the Vietnam Record Organization.

Certificate



The Vietnam Cultural Heritage Association certifies that the cultural space of General Võ Nguyên Giáp at the Nam Cầu Kiến IP is a cultural heritage site.



Outstanding Industrial Real Estate Developer with Green Transition Strategy – "For a Green Future 2024" voting program

In the voting competition for a green future 2024 (VIR, VIPF, Vietnam Industrial Real Estate Association, Investment Newspaper organization)



Certified as a Green and Environmentally Friendly IP in 2024 – Certified by the Environmental Industry Association.

Presented by the Vietnam Association of Environmental Industry at the 2024 Green Economy Forum



Shinee JSC recognized as a Top 10 Green & Sustainable Development Enterprise 2024

Presented by the Vietnam Association of Environmental Industry at the 2024 Green Economy Forum



Nam Cau Kien Industrial Park is one of the 19 experiential tourist sites.

Selected by the Hai Phong Department of Tourism to participate in the School Tourism Program.




STAKEHOLDER ENGAGEMENT

KEY STAKEHOLDERS


We identify stakeholders based on the potential impacts of SHINEC's operations on them or those who have an interest in and influence on SHINEC's current operations. We build and develop relationships based on meeting long-term interests between the parties; this relationship is maintained based on trust, transparency and upholding the ethical standards of the Enterprise.


ACCORDINGLY, THE 7 KEY STAKEHOLDERS





STAKEHOLDERS	KEY CONCERNS	ENGAGEMENT PLATFORMS	THE VALUE SHINEC BRINGS
 COMMUNITY	<ul style="list-style-type: none"> Economic, Environmental and Social Impacts Water and Waste Management Employment Opportunities Promoting Community Engagement Infrastructure Development 	<ul style="list-style-type: none"> Community consultation, CSR activities, site visits, Job fairs, job announcements 	<ul style="list-style-type: none"> Organize dialogues and listen to community opinions. Comply with environmental protection regulations, contributing to building a green, clean and beautiful area. Prioritize recruiting local workers for positions in industrial parks. Organize cultural and sports events, fairs and exchange programs between residents and businesses. Invest in upgrading transport infrastructure, public utilities and community support services.
 GOVERNMENT AND COMPETITIVE AUTHORITIES	<ul style="list-style-type: none"> Compliance with legal regulations Anti-corruption Economic and environmental impacts Coordinate monitoring and management of secondary enterprises to comply with regulations in production and business activities Contribute to national and global goals 	<ul style="list-style-type: none"> Emails, calls, conferences, periodic reports, meetings, site visits 	<ul style="list-style-type: none"> Ensure that production and business activities always comply with current regulations and laws. Implement transparent management policies and regulations Minimize negative impacts on the environment and regional economy. Strengthen coordination with competent authorities to monitor, inspect and evaluate the activities of secondary enterprises Enhance the position of enterprises and industrial parks.
 MEDIA	<ul style="list-style-type: none"> Corporate Image Information related to the eco-industrial park Raising awareness of the project's sustainability Information exchange Media center, experiential training for students 	<ul style="list-style-type: none"> Articles, interviews, reports, exhibitions, trade promotion programs, social media platforms, conferences, seminars 	<ul style="list-style-type: none"> Building a prestigious, modern and pioneering corporate image in developing eco-industrial parks Ensure accurate, timely and valuable information is communicated, attracting the attention of the public and the media. Affirm the commitment to sustainable development in the green industry, contributing to shaping the trend of green economic development. Create conditions for open, transparent and timely information exchange Develop an internal communication center, organize training programs, workshops and practical experiences in the industrial park.

STAKEHOLDER ENGAGEMENT

STAKEHOLDERS	KEY CONCERNS	ENGAGEMENT PLATFORMS	THE VALUE SHINEC BRINGS
 <p>SHAREHOLDERS AND INVESTORS</p>	<ul style="list-style-type: none"> • Business Results • Corporate Vision and Strategy • Risk Management • Market Presence • Equitable Treatment of Shareholders 	<ul style="list-style-type: none"> • ESG reporting, financial reporting, Audit Committee, Board meetings, Emails and calls 	<ul style="list-style-type: none"> • Provide transparent and periodic financial reports. • Help shareholders understand Shinec's development orientation, thereby grasping opportunities and risks in the business environment. • Ensure the stability and sustainability of the enterprise, thereby protecting the interests of shareholders and investors. • Expand cooperation and investment opportunities, while increasing the brand value of the enterprise.

 <p>SUPPLIERS /TENANTS</p>	<ul style="list-style-type: none"> • Comply with the law • Comply with the rules of the contract • Create good relationships, support problem solving 	<ul style="list-style-type: none"> • Evaluation, contractor regulations, emails, calls, work minutes, field minutes 	<ul style="list-style-type: none"> • Build a transparent and legally secure cooperation environment. • Ensure all transactions are fair and in accordance with commitments. • Create a flexible cooperation environment, promptly support issues that need to be resolved.
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Stakeholders	KEY CONCERNS	ENGAGEMENT PLATFORMS	THE VALUE SHINEC BRINGS
 <p>EMPLOYEE</p>	<ul style="list-style-type: none"> • Appropriate compensation and benefits • Ensure health and safety • Have a career development roadmap • Training and improving skills and knowledge 	<ul style="list-style-type: none"> • Company-wide and departmental meetings • Monthly employee performance reviews • Appropriate training programs • Regular internal communications 	<ul style="list-style-type: none"> • Transparent and competitive salary, bonus and welfare policies. • Provide full protective equipment, organize periodic fire safety training. • Create opportunities for employees to participate in projects, demonstrate their capacity and improve their expertise. • Encourage employees to study and share experiences, and participate in specialized seminars.

 <p>CLIENT</p>	<ul style="list-style-type: none"> • Product after-sales service quality • Management and expansion of relationship network • Industrial park infrastructure • Water, electricity and waste management • Customer information security 	<ul style="list-style-type: none"> • Newsletters, customer satisfaction surveys, meetings, events and customer engagements, seminars, emails, calls 	<ul style="list-style-type: none"> • Establish 24/7 customer support departments to promptly resolve arising issues. • Create a dynamic business community, promote cooperation and experience sharing. • Invest in and upgrade technical infrastructure (internal roads, fire protection systems, telecommunications, etc.). • Promote sustainable development, create a green and environmentally friendly image for businesses. • Ensure data security, helping customers feel secure in conducting business activities.
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MATERIALITY ASSESSMENT

2025

Shinec's Board of Directors, the ESG Committee, which includes management representatives from various departments, has conducted a thorough assessment of the sustainability topics identified in 2024. The assessment results are based on the following key factors:

- ✓ Analysis and evaluation based on Shinec's operations, domestic and international competitors;
- ✓ Sustainability frameworks and standards: Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (UN SDG), Sustainability Accounting Standards Board Framework,...
- ✓ Current legal documents in Vietnam such as the National Strategy on Green Growth for the period 2021 - 2030, vision 2050; Decree 35/2022/ND-CP on the management of industrial parks and economic zones, Local Green Growth Plan, revised legal documents,



In 2024, there were a total of 9 important topics and they were classified based on their significant impact as Medium, High and Very High. The importance of ethical and transparent business practices has increased, leading to this topic being included in the list of 'Very High' important topics for 2023. While innovation and energy efficiency development were considered and considered to have less direct influence and less obvious impact on wider societal issues or on a real estate business.

MATERIALITY LEVEL IMPACTS ON STAKEHOLDERS AND BUSINESS OPERATIONS

HIGH PRIORITY

1. Climate Change Mitigation and Adaptation
2. Corporate Governance and Behavior
3. Promoting Sustainable Community Development

MEDIUM PRIORITY

1. Circular Economy
2. Happy Workplace
3. Risk Governance and Compliance

LOW PRIORITY

1. Sustainable Infrastructure
2. Human Resource Development
3. Standardizing the Governance Framework



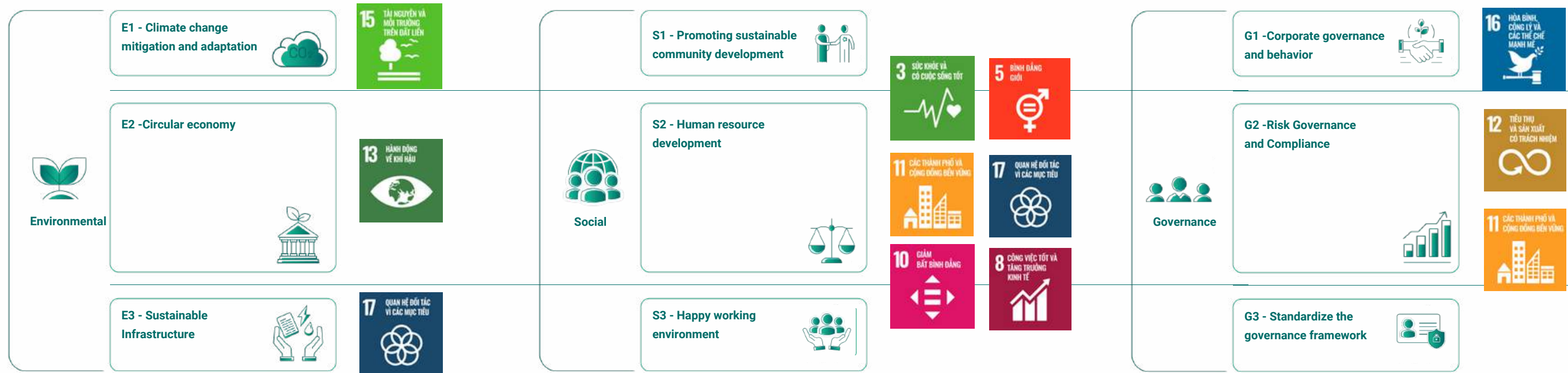
Xã hội

LIST OF MATERIAL TOPICS

In 2024, Shinec's Board of Directors has assessed topics that may have a significant impact on the future development of the enterprise on the basis of sustainable development. The assessment results are based on the following main factors:

- Analysis and assessment by the Board of Directors based on Shinec's operations, domestic and international competitors;
- Sustainable development framework and standards: Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (UN SDG)
- Current legal documents of Vietnam such as the National Environmental Protection Strategy to 2030, vision to 2050; Decree 08/2022/ND-CP detailing a number of articles of the Law on Environmental Protection and regulations related to Extended Responsibility of Manufacturers; Industrial Wastewater Standard No. QCVN 40:2011/BTNMT,...

Through this assessment, Shinec identified 9 main themes in moving towards a sustainable future. These themes are distributed across three aspects: Environment, Society and Governance.



THE VALUE OF ESG FOR BUSINESS

Shinec's corporate culture takes "Heart" as the core in managing business ethics, fairness, transparency, efficiency, and creating sustainable values.

ESG is a brand lens in a business's sustainable development strategy.
"Journey of a Thousand Miles" spreads good values for life "Happiness"

BUSINESS OBJECTIVES

Building a complete corporate governance framework towards green and digital transformation

Nam Cau Kien - 2025: Invest in completing the infrastructure of the Industrial Park and put the entire project into operation; Net Zero by 2030

Expansion investment projects: Continue to invest in a chain of industrial parks and industrial clusters to develop in a sustainable direction.

ĐỊNH HƯỚNG



- In terms of environment, Shinec is committed to building and operating the Nam Cau Kien Eco-Industrial Park according to international standards, applying renewable energy, effectively managing resources and reducing carbon emissions.
- In the social field, Shinec focuses on developing a green business community, improving the quality of human resources, promoting gender equality and accompanying the locality through social security activities.
- In terms of governance, the company applies transparency standards, digital transformation in management and compliance with ESG regulations to improve operational efficiency. With a pioneering vision, Shinec is committed to creating a model eco-industrial park, inspiring businesses nationwide with a sustainable investment strategy, closely linked to environmental and social responsibility.

COMMITMENT FROM THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Commit to seriously implementing ESG criteria throughout the journey of business production and investment projects anywhere in the enterprise.

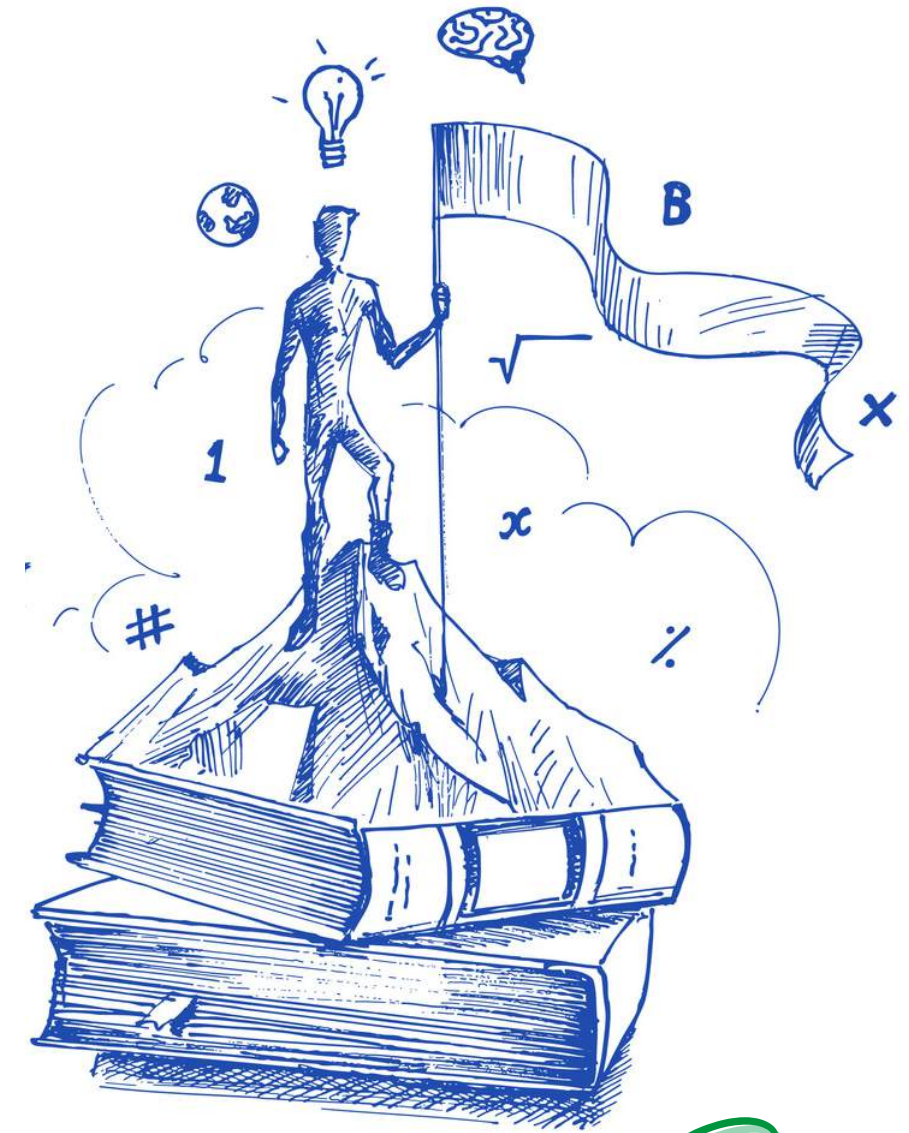
We join hands to successfully build a true Eco-Industrial Park in Nam Cau Kien, bringing this pride from Hai Phong to inspire investors across the country to have a sustainable investment perspective, investing in the future of economic development closely linked to environmental protection. From there, creating many symbiotic ecosystems that bring happiness to everyone.

Pham Hong Diep - Chairman of the Board -



CHAPTER

02



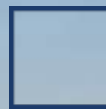
Green

GREEN INDUSTRIAL PARK THE JOURNEY TO CREATE HAPPINESS

- Environmental Topic (E)

- Social Topic (S)

- Governance Topic (G)



CLIMATE CHANGE

The global economy and environment are facing enormous challenges, requiring businesses to transform their production models towards a more sustainable direction. In this context, the circular economy and eco-industrial parks are not only inevitable trends but also important solutions to help minimize negative impacts on the environment, optimize resources and promote green growth.

ENVIRONMENTAL



NAM CAU KIEN ECO INDUSTRIAL PARK MODEL - CIRCULAR ECONOMY

Shinec applies the circular economy model and develops an ecological industrial park in Nam Cau Kien Industrial Park to optimize resources, minimize environmental impacts and move towards sustainable development. We understand that the transformation from a linear economic model to a circular economy not only contributes to protecting the ecosystem but also creates added value through reuse, recycling and emission reduction.

In addition, with the orientation of developing an ecological industrial park, Shinec focuses on optimizing the efficiency of energy, water and raw materials, and encourages cooperation between enterprises in the industrial park to utilize waste as input materials for other production processes. In this way, we not only help enterprises improve their operational efficiency but also contribute to the sustainable development of the community.



COMPLY WITH ENVIRONMENTAL PROTECTION LAWS

Shinec is committed to complying with environmental protection laws, minimizing negative impacts on the ecosystem and promoting sustainable development solutions. We recognize that environmental impact management is not only a social responsibility but also an important element of long-term business strategy. Legal documents that impact the operation and management of projects include the following:

LEGAL BASIS

NAM CAU KIEN IP PROJECT

- Law on Environmental Protection 2020;
- Decree No. 35/2022/ND-CP regulating the management of industrial parks and economic zones;
- Decree No. 08/2022/ND-CP detailing a number of articles of the Law on Environmental Protection;
- Circular 02/2022/TT-BTNMT detailing the implementation of a number of articles of the Law on Environmental Protection;
- Circular 10/2021/TT-BTNMT regulating environmental monitoring techniques and management of information and data on environmental quality monitoring;
- QCVN 05:2023/BTNMT - National technical regulation on air quality;
- QCVN 08:2023/BTNMT - National technical regulation on surface water quality;
- QCVN 40:2011/BTNMT - National technical regulation on wastewater quality;
- QCVN 26:2010/BTNMT – National Technical Regulation on noise; QCVN 27:2010/BTNMT – National Technical Regulation on vibration.



DAM HA B EAST INDUSTRIAL CLUSTER PROJECT



SHINEC COMPLIES WITH THE LAW

NAM CAU KIEN IP PROJECT

- Environmental license No. 288/GPMT-BTNMT dated August 6, 2024 of the project "Investment in construction and business of Nam Cau Kien Industrial Park infrastructure";
- Decision approving the results of the EIA No. 1353/QD-BTNMT dated April 27, 2018 of the project "Investment in construction and business of NCK IP infrastructure";
- Complete installation and stable operation of the 24/24-hour automatic monitoring system to directly transmit data every 5 minutes to the Department of Agriculture & Environment of Hai Phong;
- Conduct environmental quality monitoring according to the environmental monitoring program of the approved EIA Report 4 times/year, the parameters are within the allowable limits.
- From 9/2024, the wastewater treatment system module 2 will be officially put into trial operation, increasing the total wastewater treatment capacity of the factory to 2000 m³/day.night;
- Every year, we make reports on environmental protection work and send them to the Ministry of Natural Resources and Environment, Hai Phong DNRE, HEZA, Hai Phong Environmental Protection Department, Thuy Nguyen District People's Committee.
- Control the TNT and TNM collection system of investors in the IP, evaluate and make recommendations for businesses to enhance environmental management efficiency and be more effective.

DAM HA B EAST INDUSTRIAL CLUSTER PROJECT

- Decision on approving the appraisal results of the Project's Environmental Impact Assessment Report.
- Carry out site clearance and land recovery work according to approved regulations.



GOVERNANCE METHOD

In order to build community trust in the environmental management of Nam Cau Kien Industrial Park, we fully implement the measures stated in the Environmental License Proposal Report and the Environmental Impact Assessment Report related to the prevention, remediation and monitoring of environmental impacts during the investment and construction of the project's infrastructure.

ENVIRONMENTAL PROTECTION

E1. CLIMATE CHANGE MITIGATION AND MANAGEMENT

E2. CIRCULAR ECONOMY

E3. SUSTAINABLE INFRASTRUCTURE

ISO 14000 Environmental management system according to advanced standards

3S-5S, Kaizen Giải pháp quản lý môi trường



IN 2025, THE COMPANY CONTINUES TO IMPLEMENT ACTIVITIES

1

Complete all periodic or ad hoc reports promptly and fully as required by state management agencies.

2

Participate in coordination with interdisciplinary inspection teams as notified.

3

Deploy a review of compliance with environmental protection laws for surface water and wastewater of investors every 3 months.

4

Continue to improve the environmental management system of NCK IP according to the sustainable development trend and comply with the ESG report of the IP.

5

Update and comply with the regulations and circulars guiding the KCNST.



GREENHOUSE GAS EMISSIONS INVENTORY

In 2024, Shinec cooperated with Klinova Climate Innovation Consulting and Services JSC to conduct a greenhouse gas inventory.

557.86
tCO₂

Our greenhouse gas emissions in tonnes of CO₂ equivalent in 2024 (**according to ISO 14064**)

In 2024, despite the impact of Typhoon Yagi, the green tree system in the Industrial Park contributed significantly to CO₂ absorption.

2,951.92
tCO₂

CO₂ absorption of green tree system

Shinec
Emissions
Operations



CO₂
Absorption

CLIMATE CHANGE MITIGATION AND MANAGEMENT

Aiming for a green lifestyle – Reducing waste and saving resources, Shinec has been implementing practical solutions to build a green and sustainable working environment. The company focuses on reducing plastic waste and optimizing resource usage through measures such as:

1. Replace plastic cups with paper cups or glass cups.
2. Encourage the use of personal water bottles or glass bottles instead of disposable plastic bottles.
3. Reuse one-sided printed paper as scrap paper, reducing paper waste.



“ Absorbing CO₂ emissions: Shinec invests in low-emission activities in an effort to contribute to neutralizing C emissions in the industrial park with specific activities such as effective wastewater management, using solar power, planting trees in the industrial park, preserving biodiversity, etc. ”



Together with enterprises in the Industrial Park, we agree to deploy rooftop solar power projects at factories in the Industrial Park, aiming to replace the production electricity of enterprises, contributing to the emission reduction plan of enterprises and the Industrial Park. With an available capacity of 25 MWp.

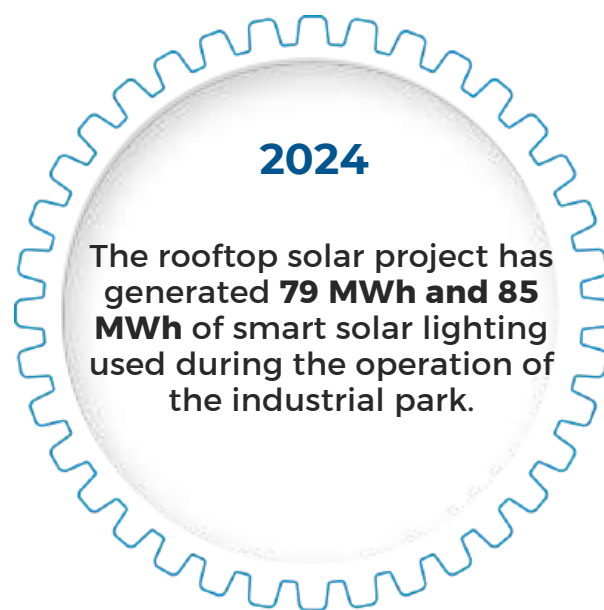
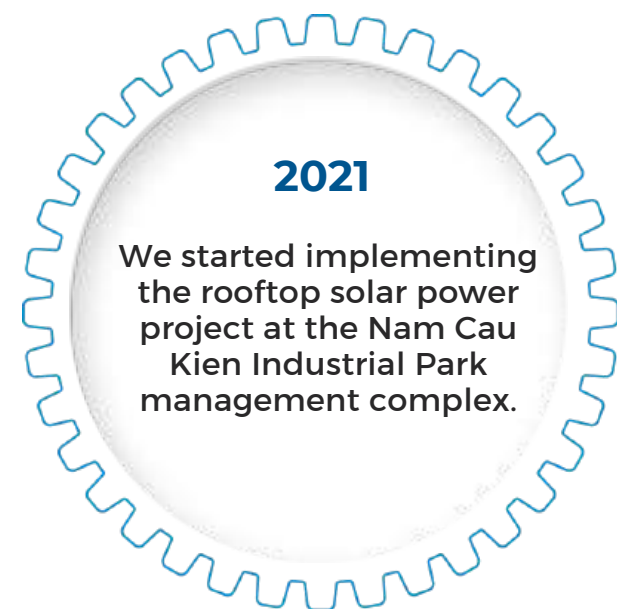
Faced with the above reality, Shinec Company is actively coordinating with relevant authorities to resolve legal issues, while researching solutions to enhance the resilience of solar energy systems to the impacts of natural disasters, ensuring the sustainability and long-term effectiveness of the project.

Although launched in 2021, the project still faces some legal procedural problems, leading to the inability to widely deploy throughout the industrial park.

CLIMATE CHANGE MITIGATION AND MANAGEMENT

*NAM CAU KIEN INDUSTRIAL PARK PROJECT:

Aiming for a green lifestyle – Reducing waste and saving resources, Shinec has been implementing practical solutions to build a green and sustainable working environment. The company focuses on reducing plastic waste and optimizing resource usage through measures such as:



LIGHTING ROADS IN INDUSTRIAL PARKS

OFFICE OPERATIONS

OPERATION OF AUTOMATIC WATERING SENSOR SYSTEM

Application



IN EXPANSION PROJECTS IN THE PROVINCES

Oriented to invest in exploiting solar power systems right from the planning policy to orient the development of low-emission industrial parks and industrial clusters, meeting ecological criteria.



ENVIRONMENTAL QUALITY MONITORING AND CONTROL

“ In the coming time, **Shinec** will continue to **strengthen regular and surprise inspections**, ensuring that **environmental quality** in the industrial park is always **strictly controlled**. In addition, we will deploy environmental management applications and software to improve monitoring efficiency. At the same time, cooperate with environmental organizations to build cooperation programs with state management agencies and scientific organizations to apply advanced solutions in environmental management. ”



WASTEWATER AND SURFACE WATER TESTING

Periodically review and inspect wastewater quality at investor connection points, promptly detect and handle violations.



RANDOM SAMPLING AND ANALYSIS

Conduct wastewater analysis sampling from a number of businesses to compare with periodic monitoring results, ensuring accuracy and honesty in environmental reports.



WASTEWATER TREATMENT SYSTEM MONITORING

Check the operation of centralized wastewater treatment plants and internal treatment systems of enterprises to ensure proper operation and meet discharge standards.



RAISE AWARENESS OF ENVIRONMENTAL PROTECTION

Propaganda and guidance for businesses to comply with the law
 Strengthen coordination in inspection and supervision with the community
 Deploy green industrial park projects

INTEGRATING ENVIRONMENTAL GOALS IN ACTIVITIES

1
Propaganda and guidance for businesses:

2
Strengthen public hygiene inspection

3
Implementing the greening program of industrial parks

4
Organize awareness raising activities

MANAGEMENT AND HANDLING OF CONTRAVENTIONS

Strengthen inspection and supervision of environmental reporting: By the end of 2024, most enterprises have seriously implemented environmental protection reports and submitted documents as prescribed. However, there are still a few enterprises that are late or have not fully complied, requiring repeated reminders and supervision.

Handling contraventions: For enterprises violating the industrial park regulations, we will issue a warning note and instruct the enterprise to correct the violations in accordance with regulations. In necessary cases, temporary measures such as closing the discharge point can be applied to prevent negative impacts on the general treatment system of the industrial park.



BIODIVERSITY

Aiming towards a sustainable ecological industrial park, Nam Cau Kien Industrial Park always focuses on biodiversity protection through the following specific measures:

INCREASE GREEN AREA AND GREEN SPACE

Nam Cau Kien Industrial Park is proud to be one of the industrial parks with a green tree ratio higher than the prescribed standards, contributing significantly to improving environmental quality and protecting the ecosystem.

Trees are planned and planted according to the multi-layer, multi-species principle, including shade trees, shrubs, grasses and native plants that can adapt well to climatic conditions.

Expanding green areas not only helps purify the air and reduce the greenhouse effect, but also creates a harmonious landscape and improves the quality of the living and working environment for workers.

Public works are built based on natural materials that are friendly to the environment such as the 37-root banyan garden, Japanese garden, Happiness garden,... with a system of trees, rocks, lakes with many unique styles, fresh space.

33% Total invested area accounts for total industrial park area

DEVELOPING SUSTAINABLE ECOSYSTEMS

30.000 Trees

Planted in Nam Cau Kien Industrial Park in 2024

With a variety of species to protect the environment, maintain ecological balance and create habitats for animals.

300.000 Trees

Accumulated in the 1 million trees plan, reaching 30% of the set target

Tree planting is carried out in sync with the construction of ecological parks in the industrial park, creating a relaxing space, contributing to improving the quality of life for staff and surrounding residents. Green park areas are also arranged in harmony with walking paths and resting areas, contributing to enhancing the value of the landscape and community health.

WATER MANAGEMENT AND CONSERVATION

Water resource protection is one of the top priorities in the Industrial Park.

In addition to ensuring that the wastewater treatment system meets standards before being discharged into the environment, the industrial park also focuses on developing underwater ecosystems to preserve biodiversity.

In 2024, the industrial park will complete the channel and ditch system according to the plan, which will not only serve irrigation and drainage but also create an ideal living environment for aquatic species. The concretization of the canal banks contributes to a clean landscape while enhancing aesthetic value and promoting sustainable development.

Monitoring the water source of the extended channel through the project: Monitoring the quality of the inflowing and outflowing water through the project, ensuring that there are no pollution-causing activities, discharging wastewater, or polluted surface water affecting the habitats of species as well as causing damage to the landscape of the industrial park. The industrial park has also issued strict management regulations for enterprises and contractors in the protection of water sources as well as the receiving water bodies for wastewater.



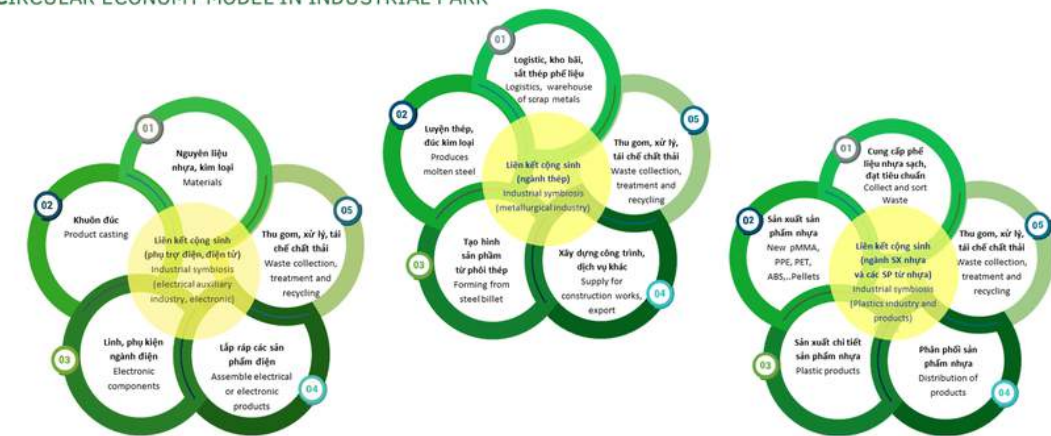
E2. CIRCULAR ECONOMY

2.1. WASTE MANAGEMENT

Right from the early stages of implementing the Nam Cau Kien Industrial Park project, we clearly defined the responsibilities of both the investor and the enterprises within the park in waste management. By applying strict procedures for monitoring, classifying, and treating waste, we have achieved positive results in reducing waste volume, thereby contributing to the development of a green industrial park in line with ESG-oriented sustainable development principles.

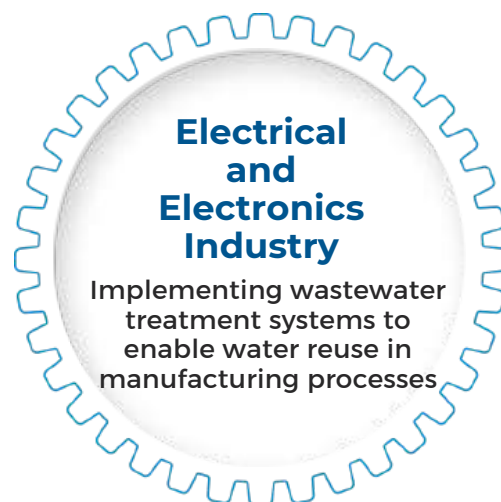


MÔ HÌNH KINH TẾ TUẦN HOÀN TRONG KCN
CIRCULAR ECONOMY MODEL IN INDUSTRIAL PARK



Hình thành và phát triển CHUỖI CỘNG SINH NĂNG LƯỢNG XANH VÀ TIẾT KIỆM TÀI NGUYÊN
Formation and development of SYMBIOTIC CHAINS OF GREEN ENERGY AND RESOURCE SAVING

CURRENTLY, THE INDUSTRIAL PARK HAS SUCCESSFULLY ESTABLISHED THREE CIRCULAR SYMBIOTIC CHAINS AMONG ENTERPRISES, BASED ON THE CIRCULAR ECONOMY MODEL.



With this symbiotic model, waste materials are transformed into valuable inputs, generating additional revenue for businesses. It helps reduce the amount of waste and the demand for raw materials, thereby contributing to environmental protection. Moreover, the symbiosis model fosters a sustainable business environment and attracts foreign investors thanks to strong environmental commitments and economic efficiency.

E2. CIRCULAR ECONOMY

E2. CIRCULAR ECONOMY

As the investor of Nam Cau Kien Industrial Park, Shinec has built and installed a system of facilities for storing domestic waste.



Waste is sorted at the source and collected, transported, and treated by professional units in accordance with regulations. 100% of the daily generated waste is collected in covered bins located in the office area and at the wastewater treatment plant.



All domestic solid waste is transferred to Phu Hung Logistics and Services Joint Stock Company for treatment, with a collection frequency of three times per week.



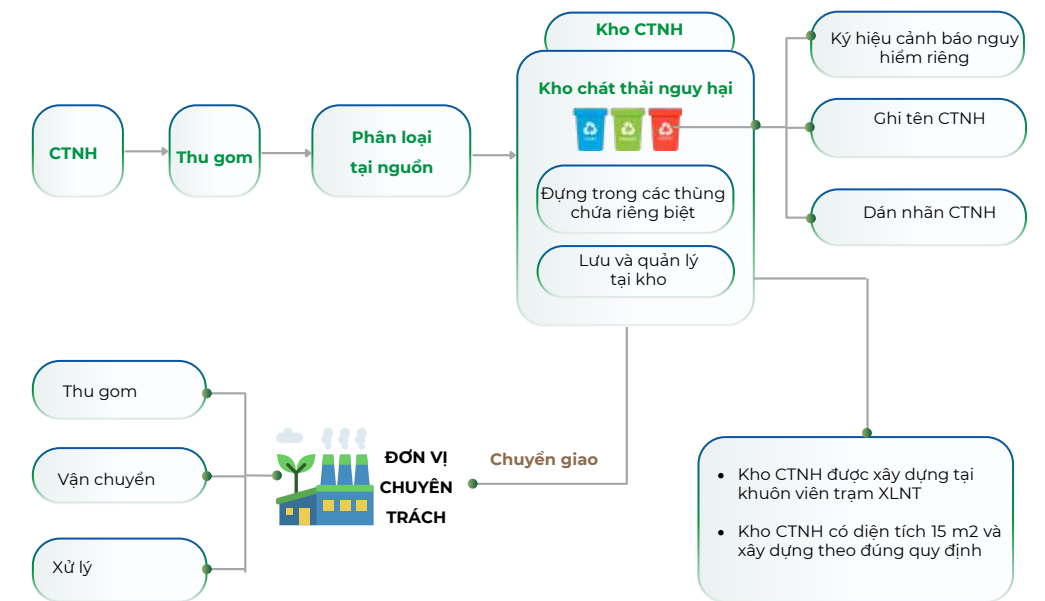
Along the internal roads of the industrial park, Shinec has assigned a team of staff to regularly supervise infrastructure maintenance and carry out road cleaning to ensure hygiene and maintain the landscape of the industrial park.

In addition to its industrial infrastructure development strategy, Shinec also places strong emphasis on hazardous waste management to ensure a green, clean, and safe environment. At the centralized wastewater treatment plant, we have built a 15-square-meter hazardous waste storage facility, equipped with specialized sealed containers. Each container is labeled with an identification code to enable accurate classification by waste category.

To ensure that the collection and treatment process complies with regulations, Shinec collaborates with Dai Thang Trading and Manufacturing Development Co., Ltd. to transport and treat hazardous waste on a scheduled basis twice per year. In 2024, the total amount of hazardous waste generated at Shinec is estimated at approximately 368 kilograms, including 350 kilograms of sludge and 18 kilograms of used ink cartridges.



MINH HỌA QUY TRÌNH QUẢN LÝ CTNH



With a vision for sustainable development and the expansion of the eco-industrial park (EIP) model in Vietnam, Shinec has actively implemented industrial zone and cluster projects in various provinces and cities such as Quang Ninh, Thai Binh, and Gia Lai. In Hai Phong, we have invested in the An Tho Industrial Cluster project and established the headquarters of An Tho Investment Joint Stock Company within the Nam Cau Kien Industrial Park's administrative complex. Shinec not only contributes to expanding the green industrial ecosystem but also affirms its pioneering position in the development of eco-industrial parks in Vietnam.

E3. SUSTAINABLE INFRASTRUCTURE

3.1. WATER RESOURCE MANAGEMENT

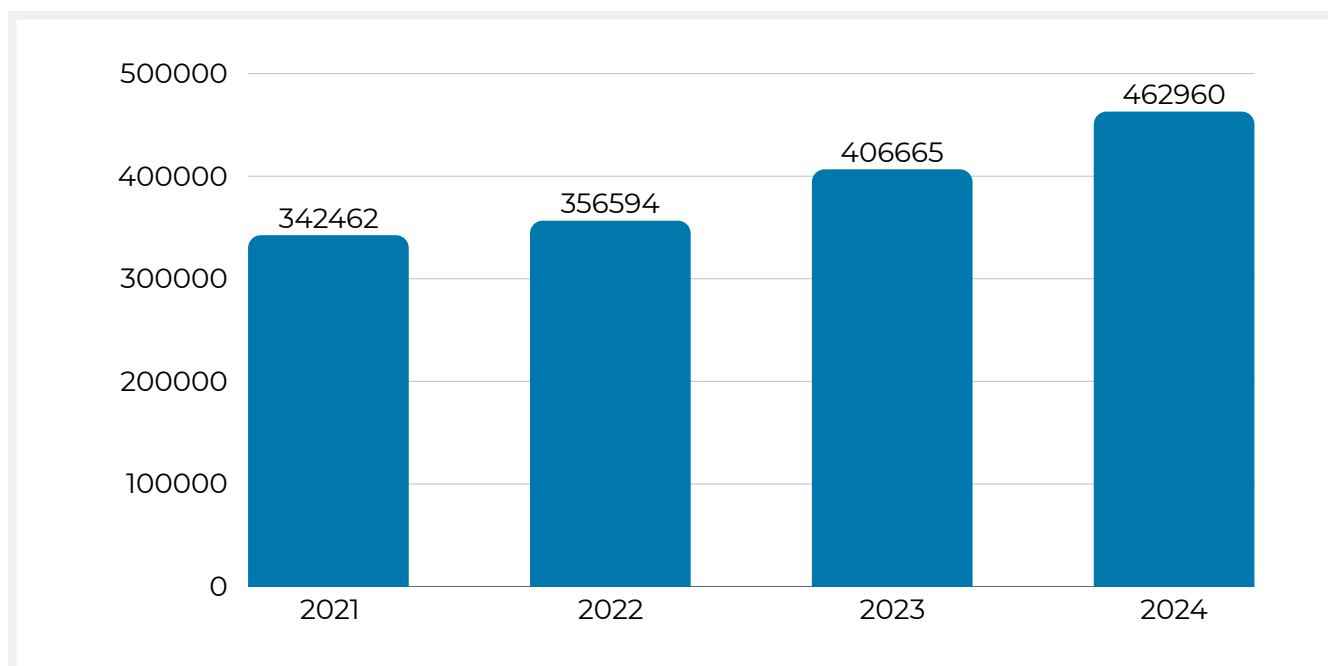
Water resource management is a key component of the company's ESG strategy, aimed at ensuring efficient water use, minimizing negative environmental impacts, and maintaining sustainable development.

Currently, Nam Cau Kien Industrial Park uses clean water supplied by Hai Phong Water Supply and Construction Joint Stock Company in Thuy Nguyen District, with a capacity of 25,000 m³ per day and night.

The clean water supply system is installed along all main roads within the industrial park and extends to the boundary of each investor's premises using HDPE pipes, ensuring 100% coverage for both domestic and industrial water needs. Each month, Hai Phong Water Supply and Construction JSC conducts sampling and analysis to monitor water quality, ensuring compliance with QCVN 01-1:2018/BYT – the National Technical Regulation on Clean Water Quality for Domestic Use.

100% The domestic and production needs of enterprises are fully meet.

CLEAN WATER USAGE – NAM CAU KIEN INDUSTRIAL PARK



COLLECTION AND TREATMENT OF WASTEWATER FROM ENTERPRISES

02 Wastewater treatment system at the centralized wastewater treatment plant

2000 Total capacity m³/day



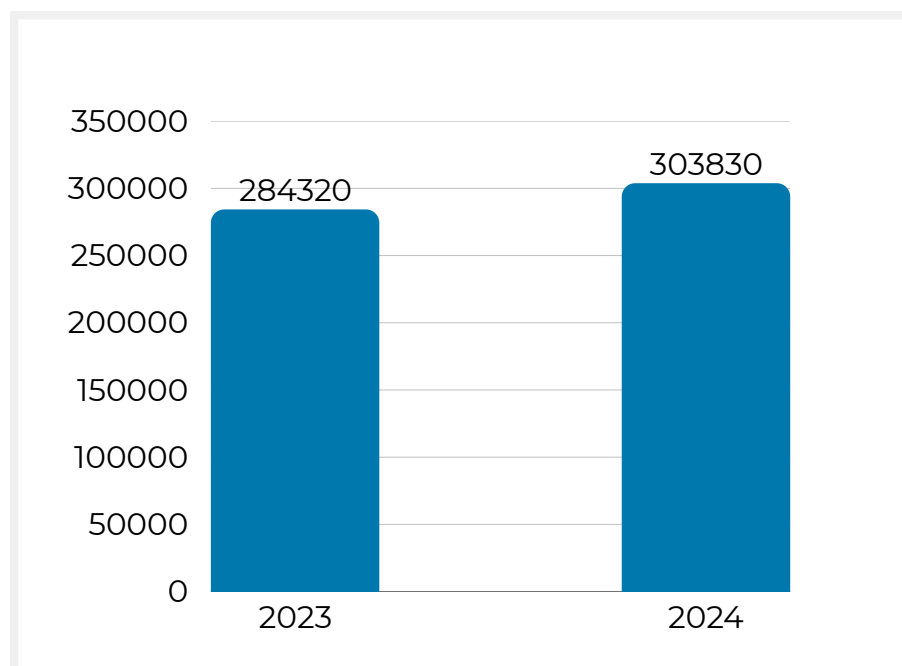
At the boundary walls of each investor's premises, wastewater connection and collection points are installed before the wastewater flows into the industrial park's central pipeline system.

Shinec has invested in the installation of a discharge source monitoring camera system and maintains the continuous operation of the automatic monitoring system.

24/24 The data is continuously transmitted to the Hai Phong Department of Agriculture and Environment.



WASTEWATER – NAM CAU KIEN INDUSTRIAL PARK



To enhance the effectiveness of water drainage management and improve prevention and response to incidents, Shinec has, from the beginning of the year, conducted a comprehensive review, renovation, and upgrade of the entire stormwater drainage system. At the same time, the company has also carried out dredging and clearing of ditches and sewers to ensure the system operates efficiently and is ready to respond to natural disasters.

E3. SUSTAINABLE INFRASTRUCTURE

ENVIRONMENTAL INFRASTRUCTURE RENOVATION AND ECOLOGICAL SPACE DEVELOPMENT



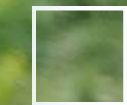
- With the goal of sustainable development, Nam Cau Kien has **implemented numerous infrastructure** renovation projects, placing particular emphasis on environmental quality and ecological landscapes.
- In particular, **the canal system in the office area has been concreted**, alongside landscape improvements, increased green coverage, and diversification of the local ecosystem. The renovated ecological lake not only contributes to environmental regulation but has also become a destination for community visits, tourism, and educational activities.
- In addition, Nam Cau Kien has focused on key investments such as **constructing a waste storage facility for the Lam Dong commune residential area**, developing a concrete road system to connect residential areas with the industrial park, and completing infrastructure connections for secondary enterprises.
- Furthermore, ecological sidewalks and parks have been developed in a synchronized manner, creating a green and sustainable living and working environment for both the business community and local residents.

3.2. COOPERATION IN SUSTAINABLE PROJECT INVESTMENT

- **Shinec Joint Stock Company and Tien Phong Plastic Joint Stock Company** have signed a strategic cooperation agreement.
- These are two prominent brands from Hai Phong, both closely associated with sustainable economic development. Shinec hopes that, through this strategic partnership, the two parties can collaborate across various areas to create synergy, strengthen brand influence, and bring greater value to both businesses and society.
- In **2024**, the two companies jointly invested in the implementation of Phase 2 of the wastewater drainage pipeline system at Nam Cau Kien Industrial Park. This includes a synchronized HDPE pipeline network designed to collect wastewater from all projects and transport it to the park's centralized wastewater treatment system.



SOCIAL



Corporate Social Responsibility

As the investor of industrial and cluster zones, Shinec is fully aware of its responsibilities to the community and society.

We strive to create a friendly and sustainable environment within our industrial parks, generate employment opportunities, and spread positive impacts to the surrounding communities.



APPROACH METHOD

SUSTAINABLE SOCIAL DEVELOPMENT STRATEGY

At Shinec, we define three (03) pillars for our sustainable social development strategy, including:



SUSTAINABLE DEVELOPMENT GOALS

The Social Goals in Shinec's Sustainable Development Strategy include:



CONTRIBUTION TO THE COMMUNITY

Build community amenities such as green parks, cultural spaces for local communities and workers of businesses operating in the industrial park. Provide free medical examination and treatment services to workers. Develop educational promotion funds and scholarships for children of workers in difficult circumstances. Charity programs, humanitarian construction, and contributions to local community development in terms of economy, society, security, order, and environment.



UPLIFTING HUMAN RESOURCES

100% of employees participate in training courses to improve their professional and industrial skills. Over 80% of workers are satisfied with income and welfare policies. Implement strategic human resource development plans to fulfill the enterprise's long-term missions.



ENSURING HUMAN RIGHTS

100% of employees and residents in the industrial park have access to clean water, a clean environment, and green spaces. 100% of children of workers are supported with scholarships and learning resources. Green - clean - beautiful living environment. 100% of workers are fully informed about labor rights and industrial safety. No discrimination based on gender or ethnicity; no violations of labor laws or human rights. Equal opportunities in promotion and employment.



KEY TOPICS AND INITIATIVES

From the above goals, we have identified four (03) key topics in the Social pillar of the Sustainable Development Strategy, including:

1.

Promoting Sustainable Community Development

- **S1-1 Building a Green and Sustainable Community:** Create green spaces, activities, utilities, and social amenities for the community and workers in the industrial park.
- **S1-2 Sharing and Reaching Out:** Promote volunteer activities, educational support, and community aid for difficult situations.
- **S1-3 Enhancing Community Safety:** Improve safety, crime prevention, and social order; reduce risks and promote social responsibility and awareness of environmental protection and social management.

2.

Human Resource Development and Management

- **S2-1 Training and Skill Development Programs:** Organize training programs suitable for the needs of workforce development.
- **S2-2 Evaluating Labor Welfare and Equality:** Assess welfare policies and provide solutions to ensure a fair and inclusive working environment.

3.

A Happy Working Environment

- **S3-1 Total Health Care Programs:** Provide health check-ups and mental well-being programs, improve health indicators and overall happiness of workers.
- **S3-2 Ensuring a Safe Working Environment:** Regularly assess risks and enforce safety measures.
- **S3-3 Building Green and Meaningful Workplaces:** Design green, meaningful workplaces that provide a positive and rewarding work experience.
- **S3-4 Ensuring Legal Compliance and Equal Opportunities:** Promote fair, effective, and equal working environments for all.

SI. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

BUILDING SUSTAINABLE GREEN COMMUNITIES

1.1. CONTINUING THE CULTURAL SPACES OF THE GENERAL

To uphold the Vietnamese tradition of “When drinking water, remember its source,” Nam Cau Kien Industrial Park has created a topographic model of the Dien Bien Phu Campaign. This model features a banyan tree gifted by General Vo Nguyen Giap to Nam Cau Kien Industrial Park in 2010, combined with 37 banyan roots symbolizing the year when, at the age of 37, Comrade Vo Nguyen Giap was appointed by President Ho Chi Minh as the General Commander of the Vietnam People’s Army.

The Industrial Park has also established the Memorial Garden of General Vo Nguyen Giap to honor his great contributions and to preserve and promote his vision of building Vietnam’s economy in harmony with sustainable environmental protection — a message he conveyed to the leader of Shinec Joint Stock Company.

The Industrial Park has also established the General Vo Nguyen Giap Memorabilia Garden to commemorate his invaluable contributions and to uphold his vision of developing Vietnam’s economy in alignment with sustainable environmental protection — a message he entrusted to the leader of Shinec Joint Stock Company.

After its completion, the General’s Cultural Space at Nam Cau Kien Industrial Park was recognized by the Vietnam Cultural Heritage Association as a cultural heritage site honoring General Vo Nguyen Giap. It was also officially acknowledged by the Vietnam Records Organization as the first industrial park in Vietnam to establish a cultural space dedicated to the General.



To carry forward the cultural and heritage values associated with General Vo Nguyen Giap, in 2024, Nam Cau Kien Industrial Park completed the construction of the General’s Memorial House — a solemn space designed in a modern style blended with traditional elements. The memorial aims to preserve and honor the historical legacy and leadership spirit of General Vo Nguyen Giap. It features valuable documents, photographs, and memorabilia, creating a peaceful and sacred atmosphere that pays tribute to the General’s immense contributions to the nation.



These two projects have contributed to the creation of a unique cultural space system, offering local residents and visitors the opportunity to explore, experience, learn, and gain a deeper understanding of national history and culture. In doing so, they help foster a sense of pride, patriotism, and national spirit — values that are increasingly rare to encounter in today’s society.

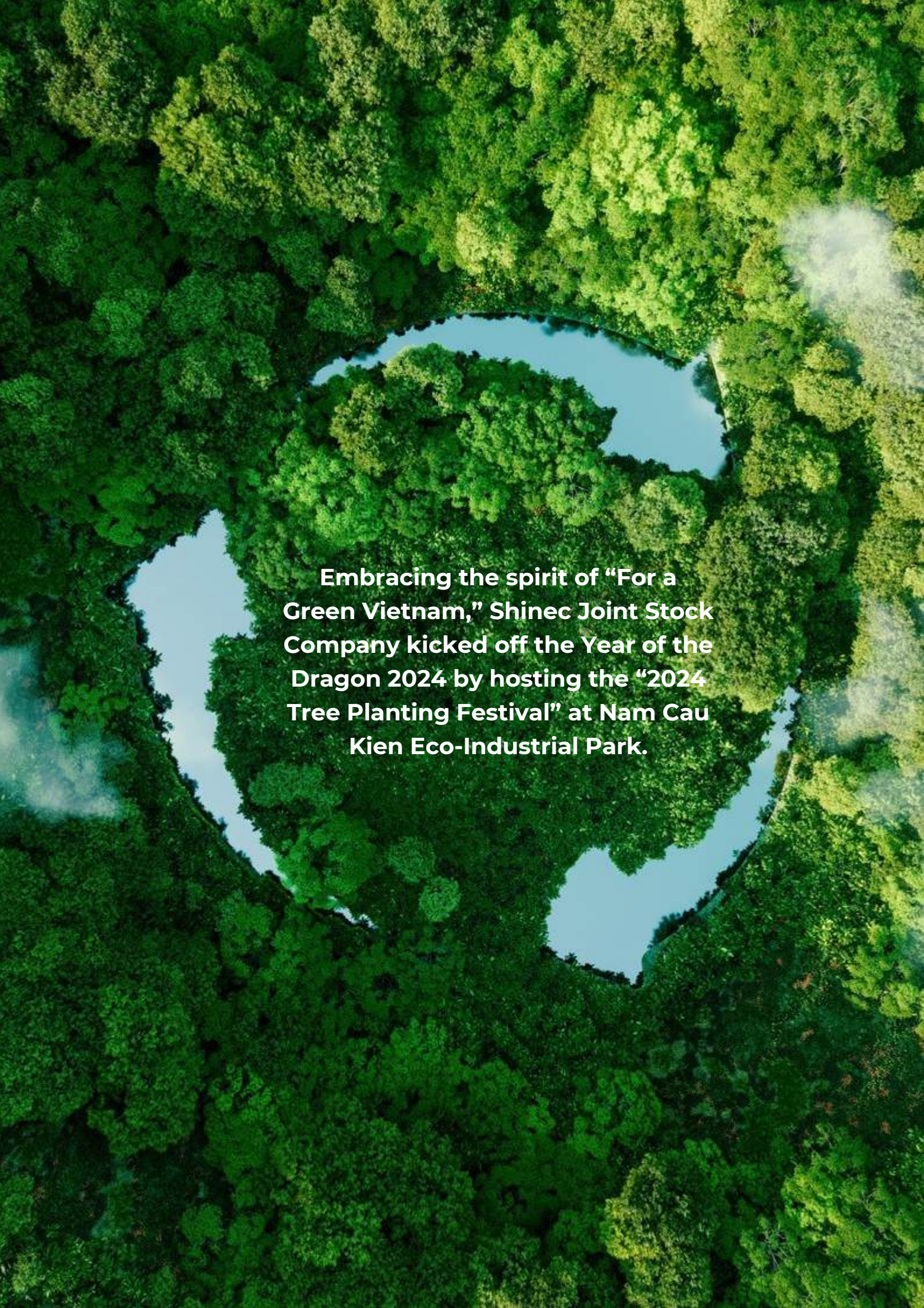
At the same time, it reaffirms Nam Cau Kien Industrial Park’s commitment to preserving and promoting traditional values, bridging the nation’s heroic past with the park’s vision for a sustainable future.

1.2. CONSTRUCTION OF NAM CAU KIEN HERITAGE FOOTBALL FIELD – A LEGACY THAT CONNECTS PASSION

After a dedicated construction process driven by the tireless efforts of the workers, the NCK Heritage Football Field was officially inaugurated on April 18, 2024.

Affirming its position as a premier destination for sports and cultural activities within Nam Cau Kien Industrial Park, the NCK Heritage Football Field is located within the industrial park’s campus, covering an area of 3,500 square meters. The field is divided into two standard-sized pitches, each measuring 30x50 meters, and is designed to meet international standards. It features FIFA-certified Paspalum grass, providing a smooth, safe, and non-slip playing surface. A protective netting system has been installed to ensure maximum safety, while high-performance LED lighting delivers sufficient illumination for evening matches, creating optimal conditions for professional-level gameplay.





Embracing the spirit of “For a Green Vietnam,” Shinec Joint Stock Company kicked off the Year of the Dragon 2024 by hosting the “2024 Tree Planting Festival” at Nam Cau Kien Eco-Industrial Park.

SI. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

BUILDING SUSTAINABLE GREEN COMMUNITIES

1.3. “NAM CAU KIEN TREE PLANTING FESTIVAL”: STRIVING TOWARDS THE GOAL OF PLANTING ONE MILLION TREES

The event not only continues to contribute to the national initiative of planting one billion trees, but also serves as a catalyst for spreading a spirit of proactive environmental action. It fosters a broad transformation in awareness and responsibility for sustainable development — particularly among businesses, entrepreneurs, and workers in Hai Phong, and more broadly among communities across the country.

The festival not only continues to make an important contribution to the national “One Billion Trees” program, but also serves as a driving force in spreading a spirit of positive action. It plays a vital role in promoting a comprehensive shift in awareness and responsibility toward sustainable environmental development — particularly among the business community, entrepreneurs, and workers in Hai Phong, and more broadly among people across the country.

At this festival, Shinec Joint Stock Company planted nearly 1,000 trees of various kinds — including 15 banyan trees, 200 pink trumpet trees, 400 pomelo trees, and 400 mango trees. In 2024, as part of its effort to complete the green landscape system within Nam Cau Kien Industrial Park and to “package” the Nam Cau Kien Eco-Industrial Park product in alignment with ESG (Environmental, Social, and Governance) principles, Shinec planted more than 30,000 additional trees. This initiative has further increased the park’s green coverage, surpassing the current rate of 31%.



By the end of 2024, approximately 300,000 trees had been planted throughout the entire industrial park. This initiative will continue in the coming years, with the goal of reaching one million trees in the near future.



SI. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

BUILDING SUSTAINABLE GREEN COMMUNITIES

1.4. PROGRAM IN RESPONSE TO WORLD ENVIRONMENT DAY

The company also carried out awareness campaigns through banners, slogans, posters, and environmental-themed meetings with the active participation of staff and businesses within the industrial park. We organized a range of activities, including environmental sanitation campaigns, tree planting, waste collection and treatment, storm drain cleaning, dredging of drainage systems, and advocacy for reducing the use of non-biodegradable plastic bags and single-use plastic products. The campaign also encouraged avoiding plastic waste disposal into the environment.



With the goal of becoming a leading eco-industrial park in Vietnam and replicating this model nationwide, we regularly organize seminars and workshops with the participation of government agencies to disseminate information and provide guidance to investors and local communities on environmental protection regulations. At the same time, we actively promote environmental awareness through various media channels — including television news segments, discussions on eco-industrial park development, Facebook posts, and promotional videos on the park's official YouTube channel.

DEMONSTRATING ACTIVE PARTICIPATION IN THE ENVIRONMENTAL ACTION MONTH INITIATED BY THE TRADE UNION OF THE ECONOMIC ZONE



On June 5, 2024, businesses within the industrial park responded to the United Nations Environment Programme (UNEP) by embracing the theme of World Environment Day — “Land Restoration, Desertification and Drought Resilience.” Through various communication activities, they raised awareness and called for collective action to protect the environment. The program encouraged the adoption of practical solutions and innovative research to improve environmental management by individual investors. It also continued to promote environmental protection initiatives, including the widespread implementation of the “One Million Trees” planting campaign.



SI. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

BUILDING SUSTAINABLE GREEN COMMUNITIES

1.5. CULTURAL AND ARTISTIC PERFORMANCE PROGRAM: “THE ASPIRATION OF SUCCESSORS”

Amid the vibrant atmosphere celebrating major national holidays in April and May — including **the 70th anniversary of the Dien Bien Phu Victory** (May 7, 1954 – May 7, 2024) and the Red Flamboyant Flower Festival – Hai Phong 2024 — Shinec Joint Stock Company, in collaboration with the Hai Phong Veterans Association, organized the epic art performance “The Aspiration of Successors” on the evening of April 28 at the Tan Trao Banyan Tree Square within Nam Cau Kien Industrial Park. The program was held to honor the legacy of General Vo Nguyen Giap — a symbol of patriotism and the indomitable fighting spirit of the Vietnamese people.

The program welcomed over **300 guests**, including representatives from government agencies, local authorities, businesses, and residents, with a total budget of 4 billion VND.

Alongside the art program, Shinec JSC announced its 2023 **ESG Sustainable Development Report**, reaffirming its commitment to green growth and community-oriented investment. The event became even more meaningful as **the cultural heritage space honoring General Võ Nguyên Giáp** was officially recognized by the Vietnam Cultural Heritage Association, and entrepreneur Phạm Hồng Điệp was honored for his record-setting achievements in poetry and music composition. These highlights contributed to a day filled with inspiration, pride in history and the arts, and a strong spirit of innovation.

Through the program, Nam Cau Kien Industrial Park affirmed its role as a convergence point of heritage, art, and innovation. The event not only enriched the spiritual life of Shinec’s staff but also spread pride and inspiration to the surrounding community. It serves as a driving force for building a sustainable living and working environment, where positive values are shared and a bright future for the entire industrial park and society is nurtured.



The "Aspiration of the Successor" program was organized on a large and grand scale.



The Vietnam Records Organization awarded a record for the General's Cultural Space.

1.6. ECOLOGICAL SERVICES

With the orientation of developing into a green industrial park that is environmentally friendly and aligned with the circular economy model, Shinec not only focuses on its core products— industrial land and factory leasing—but also provides a range of essential services such as recruitment support and workforce training, legal and environmental consulting. Additionally, various amenities such as canteens, convenience stores, coffee shops, and retail points have been developed to form an integrated commercial complex within Nam Cau Kien Industrial Park.



In addition, the industrial park also offers various supporting services such as security, advertising, marketing consulting and event organization, lighting system design and installation, transportation services, and more—aimed at fully meeting the needs of investors within the park.

We are also developing a chain of Eco Service Complexes located in the central zone of the industrial park, connecting its two development phases. These complexes provide a full range of amenities and services to support workers and enhance their quality of life.

SHARING

T O G O further

Shinec Joint Stock Company has affirmed its pioneering role in charitable activities through a program to donate gratitude houses to disadvantaged families in Quang Binh Province. Among the nine “Comradeship Gratitude Houses” initiated by the Veterans’ Association of Quang Binh for war veterans facing severe housing difficulties, Shinec JSC — a member of the Veterans’ Association in Thuy Nguyen District, Hai Phong City — provided funding for the construction of **five houses, with a total contribution of 300 million VND.**

The construction of “Comradeship Gratitude Houses” is one of Shinec’s practical initiatives, demonstrating care, responsibility, and appreciation for veterans who devoted their youth and strength to the struggle for national unity. It also serves as a meaningful opportunity to help veteran members facing housing difficulties to stabilize their lives.

GIVING TET GIFTS



Tet Gift-Giving Program for Families in Difficult Circumstances



Groundbreaking Ceremony for the 2024 “Brotherhood Compassion” House Construction



Support for Building Compassionate (Comrade) Houses

1
billion VND
FOR COMMUNITY PROGRAMS

133
GIFT PACKAGE
THE PROGRAM “A WARM SPRING FOR THE HIGHLANDS”

05
GRATITUDE HOUSE
THE PROGRAM “BROTHERHOOD COMPASSION”



Giving Tet gifts to people in difficult circumstances in Dam Ha district with a value of **4 million VND**. Donating **10 million VND** to support the Dam Ha Enterprise Fund.

Attended the “Warm Spring in the Highlands” program in Cao Bang province alongside the Hai Phong Security Department, Vietinbank Le Chan Branch, Vietnam Lottery Company (Vietlott), and Hung Cuong Steel Trading Joint Stock Company for three days from December 20 to 22, 2024. **The delegation presented 133 gift packages** (each valued at 500,000 VND) to households in difficult circumstances in the district and **donated 250 million VND to support five families in rebuilding temporary and dilapidated houses.**

After Typhoon Yagi, when all infrastructure systems in the area suffered heavy damage, Shinec Joint Stock Company demonstrated a spirit of sharing and solidarity with the community.

On October 22, 2024, **Shinec sponsored three computers for Lam Dong Kindergarten**, a practical action aimed at helping the school restore damaged teaching equipment. Although modest, this gift carries a message of mutual support, helping the teachers quickly regain confidence and continue their teaching work.

This is not only part of the ongoing social responsibility activities that Shinec always undertakes but also a testament to its commitment to accompany the community, contributing to building a better living and working environment.

S1. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

JOINING HANDS TO PROTECT THE COMMUNITY

1.1. ENSURING TRAFFIC SAFETY FOR THE COMMUNITY



Establishment of the Shinec Joint Stock Company Self-Defense Squad

APPLICATION OF INFORMATION TECHNOLOGY IN ENSURING TRAFFIC SAFETY

In 2025, in alignment with the national spirit of embracing technology and digital transformation in business and production activities, Nam Cau Kien Industrial Park will implement a security camera system integrated with AI technology. This system will monitor and oversee equipment as well as the park's infrastructure, thereby reducing reliance on manual supervision and ensuring accuracy and timely response in emergency situations.

0 Accident case

Serious accident occurring on the internal roads

100% Minor incident

Was promptly detected and handled thanks to the close coordination between the forces



Lakeview City Urban Area (District 2)

With over 12,000 workers employed at the industrial park, and a wide variety of vehicles operating within the Nam Cau Kien internal area, Shinec has implemented the following measures to ensure internal traffic safety in the industrial park:

- **The maximum speed limit for vehicles traveling** on internal roads within the industrial park is set at 40 km/h;
- **Warning signs and hazard lights have been installed** at entrances and exits near construction areas of the factories;
- **Traffic flow is managed** at the factory gates to prevent local congestion and ensure the safety of vehicles passing through the factory area;
- Internal roads within the factory premises have **designated lanes for workers** to move safely within the compound.

The industrial park controls internal traffic with a modern team and equipment: security personnel manage vehicle entry and exit; cameras cover all routes with 24/7 surveillance; and various directional signs are installed. Traffic safety measures on internal roads include enforcing speed limits, regulating maximum stopping and parking times, and ensuring no material spills or obstacles that could cause congestion or danger to workers using the roads.

In addition, to ensure businesses feel secure investing and developing in the area, we place utmost importance on safeguarding the lives and property of enterprises. Accordingly, Shinec has established a Self-Defense Unit within the Industrial Park Management Board. Alongside the security forces, this unit actively patrols the area, drills disaster prevention and emergency response plans, and handles accidents. This on-site force is crucial for promptly responding to and managing incidents, thereby helping to minimize damage for investors.

Over the past year, Nam Cau Kien Industrial Park has achieved impressive results in ensuring internal traffic safety and asset protection. Specifically, thanks to the 24/7 surveillance camera system and a modern security team controlling entry and exit, no serious accidents have occurred on internal roads. Furthermore, 100% of minor incidents were detected and promptly addressed through close coordination between security personnel and the self-defense militia. These figures clearly demonstrate Shinec's commitment to creating a safe working environment, contributing to complete peace of mind for investors and the business community within the industrial park.

24/7 Camera system

Continuous monitoring, tracking, and supporting rapid incident response

S1. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

In addition to ensuring traffic safety, Shinec has also completed the establishment of an Operations Center for Fire Prevention and Fighting – Rescue – Security and Order. A specialized fire prevention and fighting team has been organized with a standardized structure and professional training. This team works in close coordination with investors and the local fire and rescue police in the event of any incidents within the industrial park.

The industrial park's fire prevention and fighting team is **composed of 17 members and equipped with 2 specialized fire trucks**. Every month, the team conducts training and drills for all personnel to ensure timely updates on new regulations and to maintain a high level of skill and technical proficiency in fire prevention, fighting, and rescue operations.



At the beginning of 2024, a fire broke out at an enterprise within the industrial park. Upon receiving the alert, the industrial park's on-site fire prevention and fighting team promptly implemented initial response measures. The emergency information was then swiftly relayed to the Thuy Nguyen District Police and the Fire Prevention, Fighting and Rescue Police Department of Hai Phong City. This enabled the mobilization of additional personnel and equipment, forming a coordinated firefighting team involving all relevant parties.

At the beginning of 2024, a fire incident occurred at an enterprise within the industrial park. Upon receiving the alert, the industrial park's on-site fire prevention and fighting team promptly implemented initial response measures. The emergency information was then swiftly communicated to the Thuy Nguyen District Police and the Fire and Rescue Police Department of Hai Phong City. This allowed for the rapid mobilization of personnel and equipment, forming a closely coordinated firefighting team among all involved parties.



JOINING HANDS TO PROTECT THE COMMUNITY

1.2. ENSURING FIRE PREVENTION AND SAFETY FOR THE INDUSTRIAL PARK

Thanks to the Cluster-wide Fire Safety Technical Drill, businesses not only improved their professional skills but also helped foster a fire safety culture that spreads throughout the entire industrial park. This contributes to building a collective strength to effectively respond to emergencies, protect the community, and promote sustainable and comprehensive development in the future.



In addition, Nam Cau Kien Industrial Park organized a Cluster-wide Fire Safety Technical Drill, attracting the participation of 35 enterprises in the area. The event was held with the aim of raising awareness about fire prevention and safety, as well as enhancing emergency response skills. During the drill, participating teams practiced a variety of fire safety exercises—ranging from operating modern firefighting equipment and coordinating effectively in incident response, to executing rapid response strategies in hazardous situations.

ESTABLISHING AN EFFECTIVE FIRE PREVENTION AND SAFETY NETWORK

- **It is not only an opportunity** for enterprises to practice and enhance their professional skills, but also a platform for networking and learning from fire safety experts and relevant partners.
- **The event contributes** to strengthening coordination among units in the area and building an effective fire safety network to protect both assets and lives.
- **It also conveys** a strong message about the importance of fire prevention and safety for the well-being of businesses and the community, affirming Nam Cau Kien Industrial Park's commitment to creating a safe working environment and promoting sustainable development.

35 Enterprises

Participate in the Fire Safety Drill



S1. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

JOINING HANDS TO PROTECT THE COMMUNITY

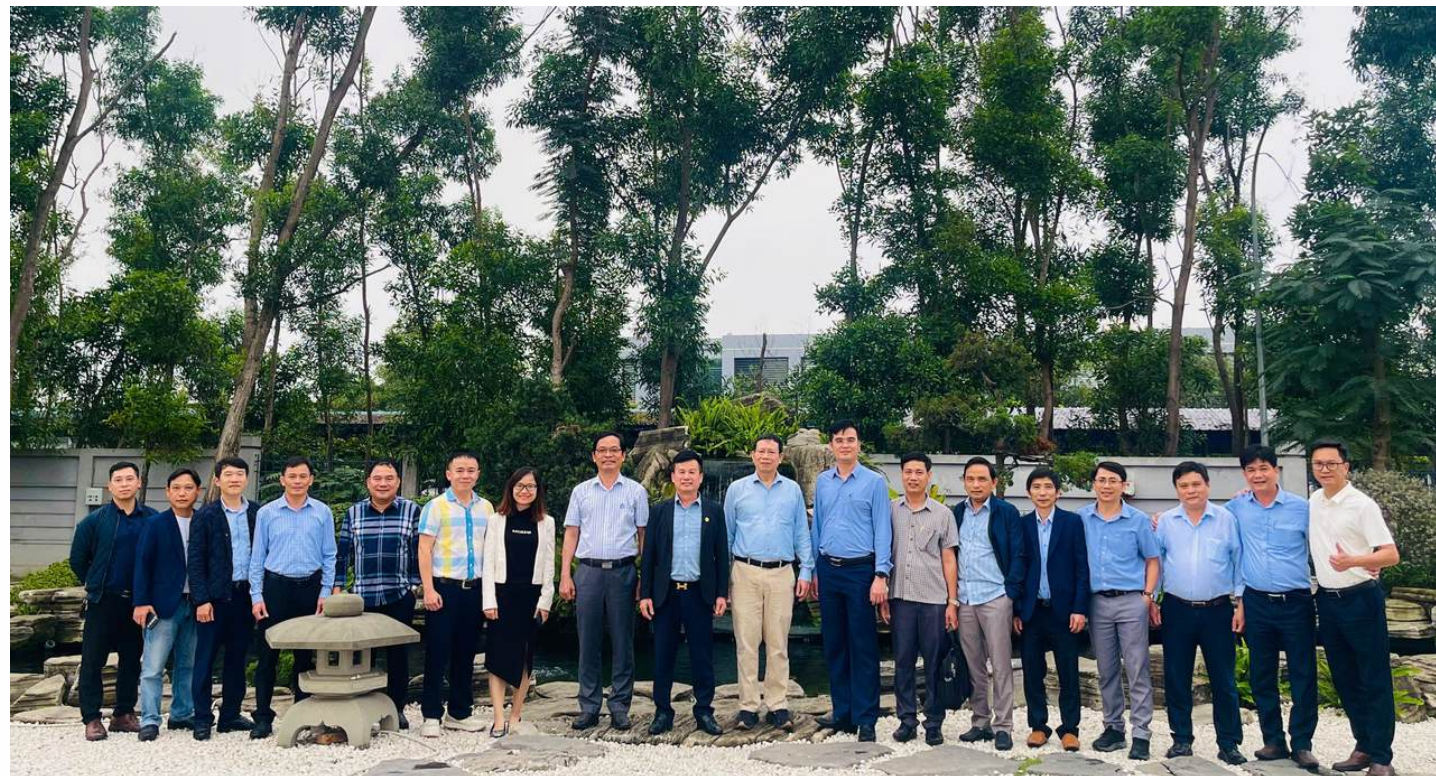
1.3. DEVELOPMENT OF THE ENVIRONMENTAL COMMUNICATION CENTER

In 2024, the Nam Cau Kien Environmental Communication Center affirmed its vital role in spreading knowledge and experience related to environmental protection. The center welcomed nearly 200 visiting delegations for tours, study programs, and hands-on experiences—ranging from students and university groups to international organizations such as UNIDO, USAID, veterans' associations, and diplomatic missions. By the end of 2024, nearly 40,000 learners had been trained and participated in educational programs at the center, contributing to improved awareness and skills in environmental management. The center's strong development not only creates a space for knowledge exchange but also reinforces Nam Cau Kien Industrial Park's commitment to building a green, sustainable, and modern ecosystem.

40.000 trainees
200 delegations



Welcoming student delegations to visit and study the Nam Cau Kien Eco-Industrial Park model



University delegations, high school groups, associations, and others visit and gain hands-on experience at the industrial park



S1. PROMOTING SUSTAINABLE COMMUNITY DEVELOPMENT

JOINING HANDS TO PROTECT THE COMMUNITY

1.4. EMPOWERMENT AND GENDER EQUALITY



Organizing a Gender Equality Workshop at Nam Cau Kien: Nam Cau Kien Industrial Park, the Vietnam Business Coalition for Women's Empowerment (VBCWE), and Shinec Joint Stock Company jointly organized the workshop titled "Empowering Female Workers in Industrial Enterprises – Creating Social Value within ESG."

The workshop conveyed a meaningful message to businesses about the essential values that contribute to sustainable development. It highlighted the importance of maintaining a stable and skilled workforce—of which female workers constitute a significant and vital proportion—as a key factor in enhancing enterprise competitiveness in the new development landscape.

Shinec became a member of the Vietnam Business Coalition for Women's Empowerment (VBCWE), with the aim of raising awareness about gender equality and empowering female workers in enterprises located within industrial parks and clusters.

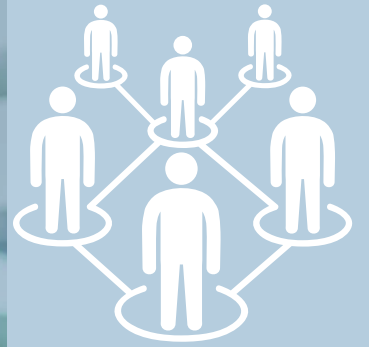


Gender Equality Workshop at Nam Cau Kien



S2. HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT

2.1. TRAINING AND SKILLS DEVELOPMENT PROGRAMS



“ With the motto of building a sustainable workforce, Shinec has continuously promoted training activities to expand employees' knowledge, develop their skills, and enhance their competencies. We are committed to providing staff with opportunities to develop skills that align with their roles and professional responsibilities. ”

Amid significant changes introduced in the 2024 Amended Land Law, we recognized this as a crucial moment to update and thoroughly understand the new legal regulations. **A legal training session on the 2024 Amended Land Law was successfully held**, led by none other than Dr. Pham Hong Diep – Chairman of the Board, lawyer, and Red Star Award-winning entrepreneur.

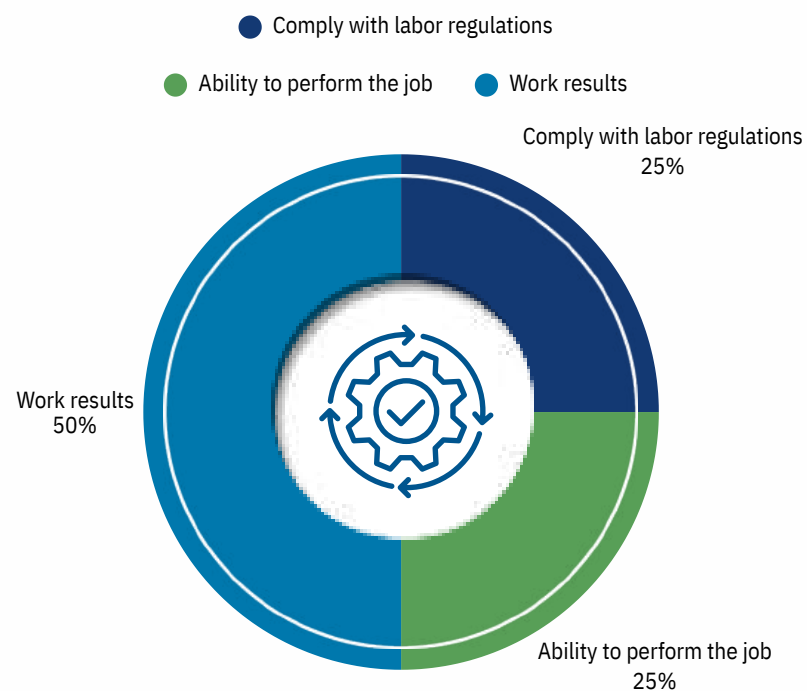
The session focused on presenting the newly revised regulations of the Land Law, clearly explaining the rights and obligations of land users, and helping participants grasp the key changes in the legislation. Attending the session were staff, employees, and member units, with the goal of enhancing legal competency and ensuring compliance with the law in their daily work practices.



In addition, as safety risks are becoming increasingly common in industrial environments, equipping individuals with knowledge and skills in fire prevention, firefighting, and rescue operations has become a crucial factor in ensuring the safety of both businesses and the community. Acknowledging this importance, Shinec Joint Stock Company coordinated with the Hai Phong Fire Prevention, Fighting and Rescue Police Department to organize an **intensive training session for businesses operating in Nam Cau Kien Industrial Park.**

S2. HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT

2.2. TRANSPARENT AND FAIR PERFORMANCE EVALUATION



S3. A HAPPY WORKING ENVIRONMENT

At Shinec, we are committed to ensuring that employees receive fair wages for their working hours and strive to offer salaries above the regional minimum wage levels stipulated in Decree No. 74/2024/NĐ-CP. We uphold employee rights and welfare through the Collective Labor Agreement and the Company's Trade Union.

We address the issue of overtime by limiting working hours and implementing overtime pay policies in accordance with current regulations. Each year, the company reviews salary levels to ensure that our compensation packages remain competitive within the industry.

Our scheduled salary adjustments comply with the wage increase policy registered with the Hai Phong Economic Zone Authority. In addition, we consider early salary raises in cases of special rewards, innovation incentives, or exceptional business performance. Beyond adjustments based on government-decreed minimum wage increases, the company may also implement extraordinary salary increases for individuals with outstanding achievements in business activities.

COMMITMENT

The company is committed to operating in compliance with Circular No. 19/TT-BYT dated June 6, 2011, issued by the Ministry of Health, which provides guidelines on occupational hygiene management, employee health, and occupational diseases.

Quy trình đánh giá hiệu quả công việc của cán bộ nhân viên Công ty được thực hiện như sau:



S3. A HAPPY WORKING ENVIRONMENT

“ We aim to build an environment that uplifts and empowers employees, helping them feel that their work is valued at Shinec. Accordingly, we provide 100% of our full-time employees with the following comprehensive benefits to boost morale and maintain their long-term engagement with the company.”

Employee Benefits

Paid Leave

- Annual leave
- Sick leave
- Maternity leave
- Marriage/Funeral leave
- Public holidays
- Company Foundation Day leave
- Personal leave

Other Welfare Benefits

- Meal allowance
- Transportation and housing support
- Company trips and sightseeing tours
- Employee care and visit policy
- Other welfare benefits

Insurance and Health

- Health insurance
- Social insurance
- Unemployment insurance
- Annual general health check-ups

Bonuses

- Lunar New Year (Tet) bonus
- Anniversary bonuses
- Productivity bonus
- Performance-based/special bonus
- Other allowances



3.1. COMPREHENSIVE HEALTH PROGRAM

As part of our sustainable development strategy and commitment to the overall well-being of the business community, we have launched the Comprehensive Health Program to improve quality of life and foster a dynamic, safe working environment for all staff and employees. Recognizing the importance of both physical and mental health in enhancing work efficiency and internal engagement, Shinec has implemented a range of practical and diverse solutions.

Firstly, the company has provided Healthcare insurance cards from Bao Viet Insurance to 100% of its staff and employees, ensuring that everyone has access to high-quality healthcare services. This initiative enables proactive disease prevention and supports quick recovery from work-related stress and health issues.

100% Staff and employees

Having access to high-quality healthcare services

03 Friendly Football Matches

Attracted a large number of the company's staff and employees, as well as participants from other businesses within the industrial park.



Ảnh chụp tại sự kiện Tết Sum Vầy Đoàn Chia Sẻ

S3. A HAPPY WORKING ENVIRONMENT

3.2. ENSURING A SAFE WORKING ENVIRONMENT

To effectively implement occupational safety and prevent workplace accidents, Shinec, along with other businesses and investors within the industrial park, strictly adheres to measures that ensure labor safety. This includes maintaining safe working environments, providing proper tools and protective equipment, preventing incidents, and conducting awareness activities. Key actions include:

- Fully equipping staff and workers with personal protective gear (such as gloves, uniforms, masks, etc.);
- Installing safety regulation boards, fire and explosion prevention instructions, and operational guidelines at each department and work area;
- Disseminating information and raising awareness on environmental protection and occupational safety among employees;
- Organizing training sessions for workers on regulations and standards related to environmental management, occupational safety, and chemical safety;
- Implementing disease prevention measures;
- Requiring all factories in the industrial park to strictly comply with labor safety regulations.

In-house Fire Prevention and Fighting Training Session



Nam Cau Kien and its investors are consistently updated and actively committed to strictly complying with legal regulations, with a strong awareness of applying production and environmental management systems based on the standards of the International Organization for Standardization (ISO) for quality management.

ISO 14000 Environmental management standards

0 Staff and employees

Company employees who sustain work-related injuries resulting in time off from work.



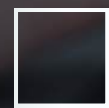
3.3. ENHANCING THE MENTAL WELL-BEING OF EMPLOYEES

At Shinec, we are committed to enhancing the mental well-being of our staff and employees by creating a happy and inspiring work environment every day. To build a meaningful workplace, the company has organized a variety of cultural and recreational activities, enriching the spiritual experiences of all employees.



TOPICS

GOVERNANCE



Effective Management System

Management plays a foundational role in implementing a company's sustainable development strategy, especially in the context of deep economic integration and stringent demands for transparent governance, legal compliance, and accountability to stakeholders. Therefore, building a strong, transparent, and effective management system is a core factor enabling Shinec not only to meet ESG requirements but also to enhance its long-term competitive capacity.

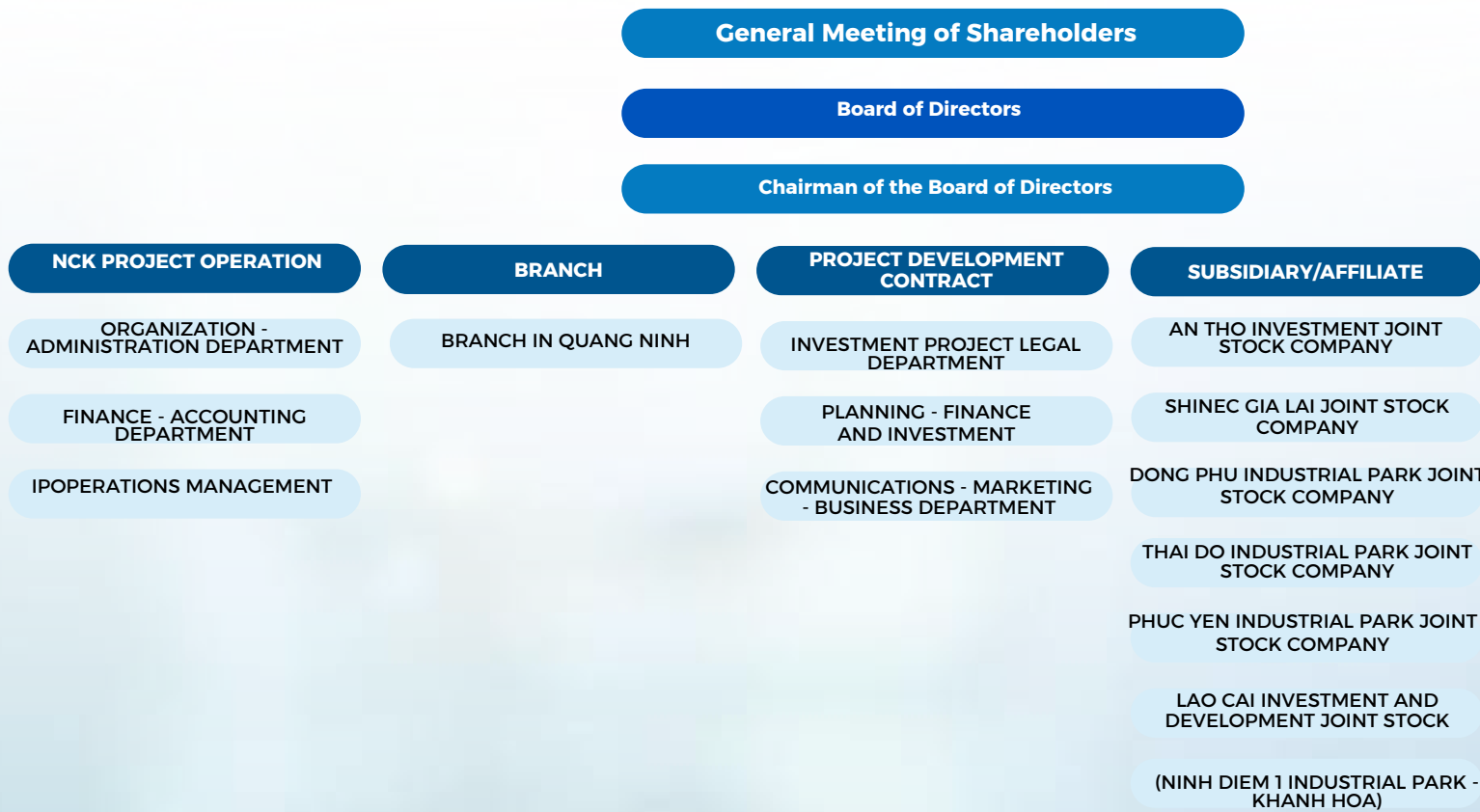


G1. CORPORATE GOVERNANCE AND BEHAVIOR

CORPORATE GOVERNANCE STRUCTURE



Shinec applies a management model based on a clear decentralized structure, ensuring transparency and operational efficiency.



Shinec has undertaken a reform of its organizational structure.

At the end of 2024, in line with the country's lean organizational direction, Shinec finalized its organizational structure to better suit business conditions and the company's operational realities. Specifically:



Effectiveness

- The Project Operations Division of Nam Cau Kien Industrial Park was strengthened and optimized across departments.
- The Quang Ninh branch continues to be maintained, playing a key role in market expansion and connecting projects in the Eastern Dam Ha B area.
- The Project Development Council was restructured with dedicated committees to ensure project development strategies closely align with new market demands and sustainable investment trends.
- Subsidiaries and affiliated companies were restructured to optimize management models while focusing on key strategic projects.



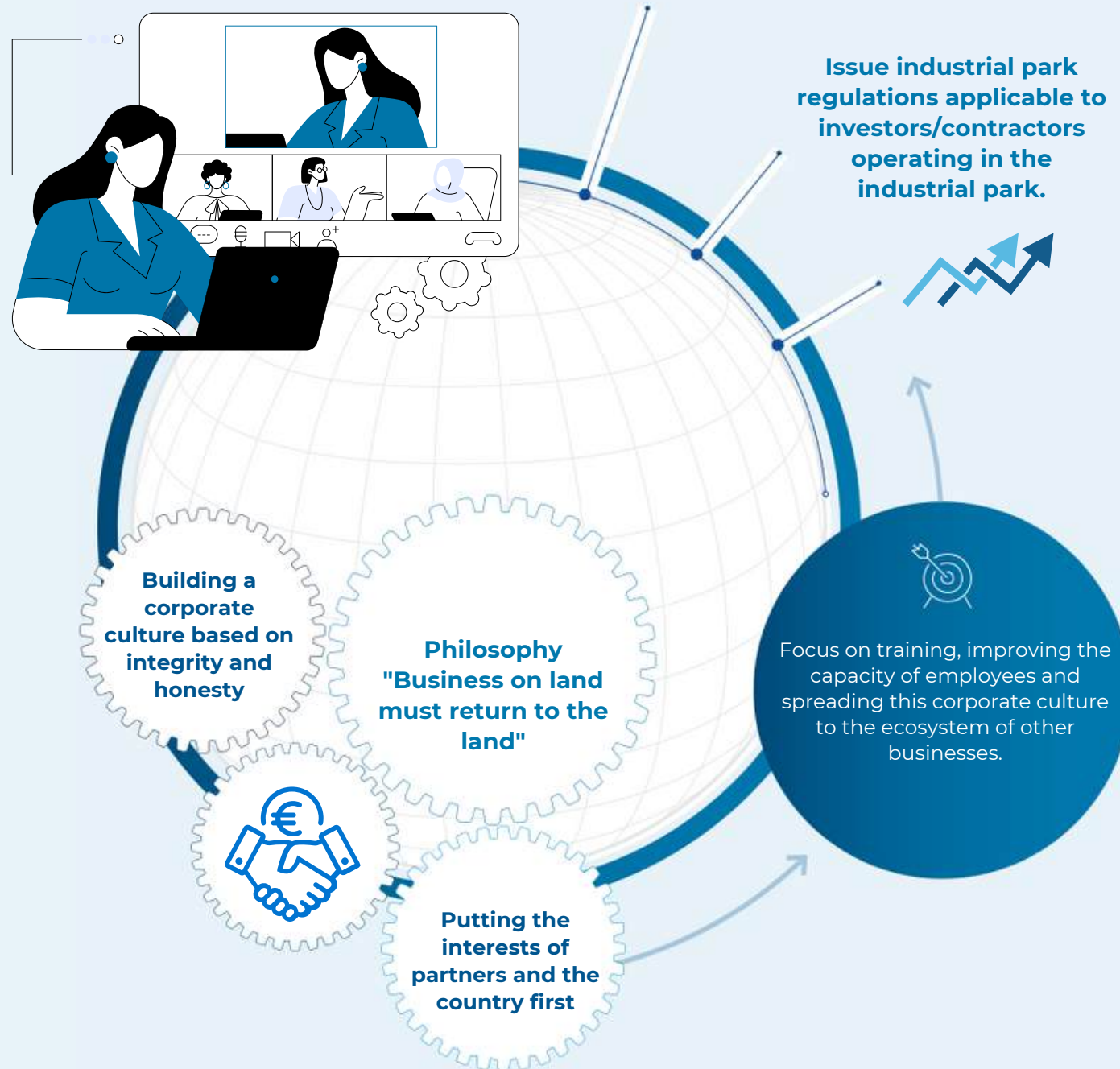


BEHAVIOR

CORPORATE CULTURE

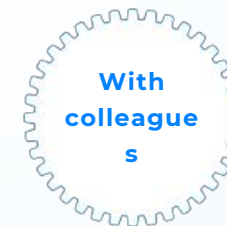
Issue internal labor regulations applicable to all company employees.

Issue industrial park regulations applicable to investors/contractors operating in the industrial park.



For investors/contractors/service units: Contractors are required to commit to complying with the provisions of law and internal regulations of the Industrial Park on a number of key aspects such as: environment, traffic, labor safety, fire and explosion prevention and control.

For company employees: Compliance with the following codes of conduct not only contributes to building a professional working environment, but also demonstrates corporate culture, enhancing the company's reputation and value in the community and market.



- Always promote the spirit of solidarity, support each other in work, build a professional working environment and effective cooperation.
- Communicate politely, courteously, use appropriate language, avoid actions or statements that hurt or offend the honor and dignity of colleagues.



- Maintain a professional, enthusiastic, and dedicated attitude when working with customers and partners; listen to opinions in an open-minded manner, and strive to meet legitimate requests within the scope of authority.
- Do not request or receive any personal benefits from customers or partners related to the company's business activities, ensuring transparency and ethics in all transactions.



- Employees must maintain a respectful, polite and professional attitude when communicating and behaving with managers, avoiding actions or words that may affect the reputation and general working environment.
- When performing work under the direction of direct managers, employees must comply with instructions and perform tasks seriously. In case of different opinions, employees can present their opinions in a constructive manner for their superiors to consider, but must still comply with instructions while waiting for the final decision.

CORPORATE GOVERNANCE STRUCTURE

The Sustainable Development Board (ESG Board) was established in 2023 to carry out the tasks of implementing and managing the company's sustainable development commitments. The Board's mission is to propose and promote sustainable development activities of the company. The ESG Board plays an important role in implementing eco-industrial projects, optimizing resources and minimizing negative impacts on the environment.

In 2024, the ESG Board will focus on expanding sustainable initiatives, applying modern technology and cooperating with strategic partners to achieve the goal of long-term, environmentally friendly development.

The list of members of the Sustainable Development Committee includes:

STT	NAME	POSTISION	POSITION IN THE PROJECT COMMITTEE
1	Mr Pham Hong Diep	Chairman of the Board	Project Leader
2	Mr Hoang Tuan Anh	General Director	Committee Chair
3	Ms Bui Thi Loan	Head of Finance–Administration Department	Head of Department – General Coordinator
4	Ms Vu Thi Lan Nhi	Project Legal Officer	Deputy Head of Department
5	Ms Hoang Thi Ngoc Anh	Environmental Management Specialist	Project Development Specialist
6	Ms Do Thi Thu Hai	Environmental Management Specialist	Project Development Specialist
7	Ms Bui Minh Hien	Business Specialist	Project Development Specialist
8	Ms Pham Thi Phuong Thanh	Environmental Management Specialist	Project Development Specialist
9	Mr Vu Le Viet Anh	Environmental Management Specialist	Project Development Specialist



Functions and tasks:

1. Research and propose ESG initiatives to the leadership team in governance activities to ensure that all operations at Shinec are aligned with the goal of sustainable development.
2. Collect, manage, and provide project-related information to ensure effective implementation and continuous improvement throughout the execution process.
3. Develop plans and coordinate communication with relevant stakeholders to ensure close collaboration in implementing sustainable development initiatives.
4. Serve as the central unit in formulating, applying, and improving the company's sustainable development processes and plans.
5. Promote the deployment of new products on e-commerce platforms, such as Life Care, Flight Delay Insurance, Electronic Device Insurance, Motorbike and Car Insurance; as well as foster partnerships with fintech companies and payment intermediaries to build a financial-insurance service ecosystem.
6. Evaluate project quality, manage, and adjust the sustainable development model in accordance with practical needs.
7. Implement and regularly update changes to sustainable development strategies and plans according to each stage of the company's development.

Shinec is committed to upholding transparent competition principles through three key pillars:



CORPORATE GOVERNANCE STRUCTURE

Shinec continuously innovates and applies digital transformation in corporate governance, aiming toward a smart, efficient, and sustainable operating model. The company has implemented the Base digital management platform to optimize workflow and human resource management processes, thereby enhancing operational efficiency and minimizing cumbersome administrative procedures. All personnel are thoroughly trained to use this system, ensuring consistency and transparency in operations.



DEVELOPING A SMART ECO-INDUSTRIAL PARK (SMART EIP)

Applying AI technology and advanced management software to monitor, coordinate infrastructure management activities, and ensure industrial park security.



- Enhance monitoring efficiency
- Timely forecast and respond to emerging incidents
- Optimize operational costs
- Improve sustainability in industrial park management



GOVERNANCE EFFICIENCY AND INVESTMENT ATTRACTION AT NAM CAU KIEN INDUSTRIAL PARK

As of the end of 2024:

100% Occupied industrial land area

In 2024:

13 Successfully attracted clients

50% FDI Clients

31,8 Industrial Land (ha)

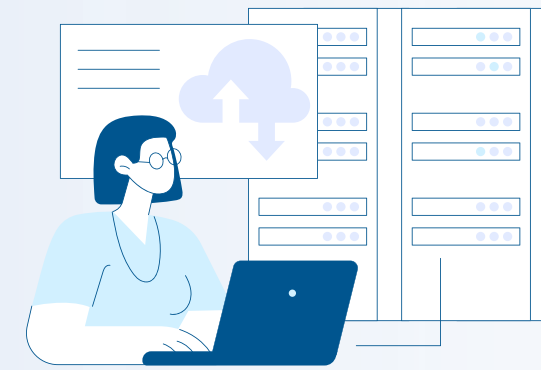
List of Priority Investment Sectors: Clean industries, modern technology applications, high automation, and minimal negative environmental impact.

Comparison with 2023:

Land and Infrastructure Rental Prices: **7,2%** Increased compared to 2023.

→ **The industrial park continues to affirm its position as an attractive and reliable investment destination.**

G2. RISK MANAGEMENT AND COMPLIANCE








PRINCIPLES

Principles of Risk Governance

- Proactively orient business activities towards effectiveness and alignment with strategic goals
- Foster a transparent and investor-friendly business environment with streamlined legal and investment procedures, ensuring peace of mind for investors in project implementation
- Timely identify risks, recognize opportunities within risks to promptly seize advantages and mitigate adverse impacts
- Brand reputation is our greatest asset — the Nam Cau Kien Industrial Park (NCK IP) brand is closely associated with the image of a smart, eco-friendly industrial park, integrating a circular economy model with environmental protection.

Identification, Risk Assessment, and Control Measures in 2024

STAKEHOLDERS	IDENTIFYING RELATED CHALLENGES	LEVEL OF IMPACT	IMPLEMENTATION PLAN
 INVESTMENT LEGAL RISK	<ul style="list-style-type: none"> • Amendments, supplements, and the entry into force of several legal documents directly affecting the industrial real estate sector, such as: the revised Land Law 2024, the Law on Bidding, the Law on Real Estate Business 2023, and new regulations on mergers and streamlining of the administrative apparatus. 	<ul style="list-style-type: none"> • New regulations on land recovery and financial obligations; land price allocation, land lease, duration, and ownership rights. • Procedures related to real estate business operations and regulations on construction works. • Credit-related policies. 	<ul style="list-style-type: none"> • Conduct research, propose feedback, and proactively engage in dialogue with regulatory authorities. • Proactively develop financial plans, administrative procedures, and project timelines in accordance with legal frameworks. • Develop long-term strategies for land lease and land use. • Regularly update legal information and provide in-depth legal consultancy.
 GEOPOLITICAL RISK	<ul style="list-style-type: none"> • Economic war tensions between countries and new regulations on import and export of goods. 	<ul style="list-style-type: none"> • Level of investment by enterprises. • Increased costs of importing machinery and equipment. 	<ul style="list-style-type: none"> • Conduct research and monitor geopolitical trends. • Prepare contingency plans for land leasing, infrastructure construction, and capital mobilization to cope with political risks. • Leverage support programs for model transformation and technical assistance in project implementation. • Invest in security technologies and cybersecurity, especially in the context of economic conflict. • Prepare response plans for situations such as trade embargoes, labor mobility restrictions, visa policy changes, etc.

STAKEHOLDERS	KEY CONCERNS	ENGAGEMENT APPROACH	VALUE PROVIDED BY SHINEC
 FINANCIAL RISKS	<ul style="list-style-type: none"> • Difficulties in accessing green finance sources 	<ul style="list-style-type: none"> • Mobilizing financial resources to expand projects 	<ul style="list-style-type: none"> • Combining multiple funding sources from strategic partners or investment funds • Seeking green finance from reputable organizations and banks; leveraging preferential credit funds for eco-industrial park infrastructure development • Cost control from project feasibility assessment to investment, construction, and operation
 PROJECT INVESTMENT RISKS	<ul style="list-style-type: none"> • Challenges in attracting foreign direct investment (FDI) 	<ul style="list-style-type: none"> • Tightened FDI policies in many countries and global economic instability have made it difficult for Shinec to expand its investor network. 	<ul style="list-style-type: none"> • Shinec has been intensifying international trade promotion efforts and participating in investment conferences abroad to seek new cooperation opportunities.
 ENVIRONMENTAL RISKS	<ul style="list-style-type: none"> • Environmental quality monitoring • Environmental protection works and operational incidents • Enterprise compliance • Risks of natural disasters and climate change 	<ul style="list-style-type: none"> • Wastewater from factories • Breakdowns in wastewater collection, treatment, and drainage systems • Enterprises violating environmental regulations or due to incidents 	<ul style="list-style-type: none"> • Shinec has issued internal environmental control regulations • Established a mobile team to monitor environmental safety and security 24/7 • Established a rapid response team to coordinate with enterprises in disaster and fire prevention, recovery, and conduct regular drills • Developed storm response scenarios and coordinated with enterprises for asset management and on-duty readiness
 SUPPLY CHAIN REGULATIONS IN SUSTAINABLE DEVELOPMENT	<ul style="list-style-type: none"> • Sustainable development policies ensure compliance with sustainability standards 	<ul style="list-style-type: none"> • Regulations on ESG standards and the Environmental Protection Law place higher requirements on Shinec regarding emission management and resource optimization. 	<ul style="list-style-type: none"> • Shinec has proactively updated new standards, conducted periodic environmental impact assessments, and applied advanced technologies to monitor emissions at Nam Cau Kien Industrial Park. • Actively implements green projects, clean energy initiatives, and develops plans for a low-emission industrial park.

G2. RISK MANAGEMENT AND COMPLIANCE

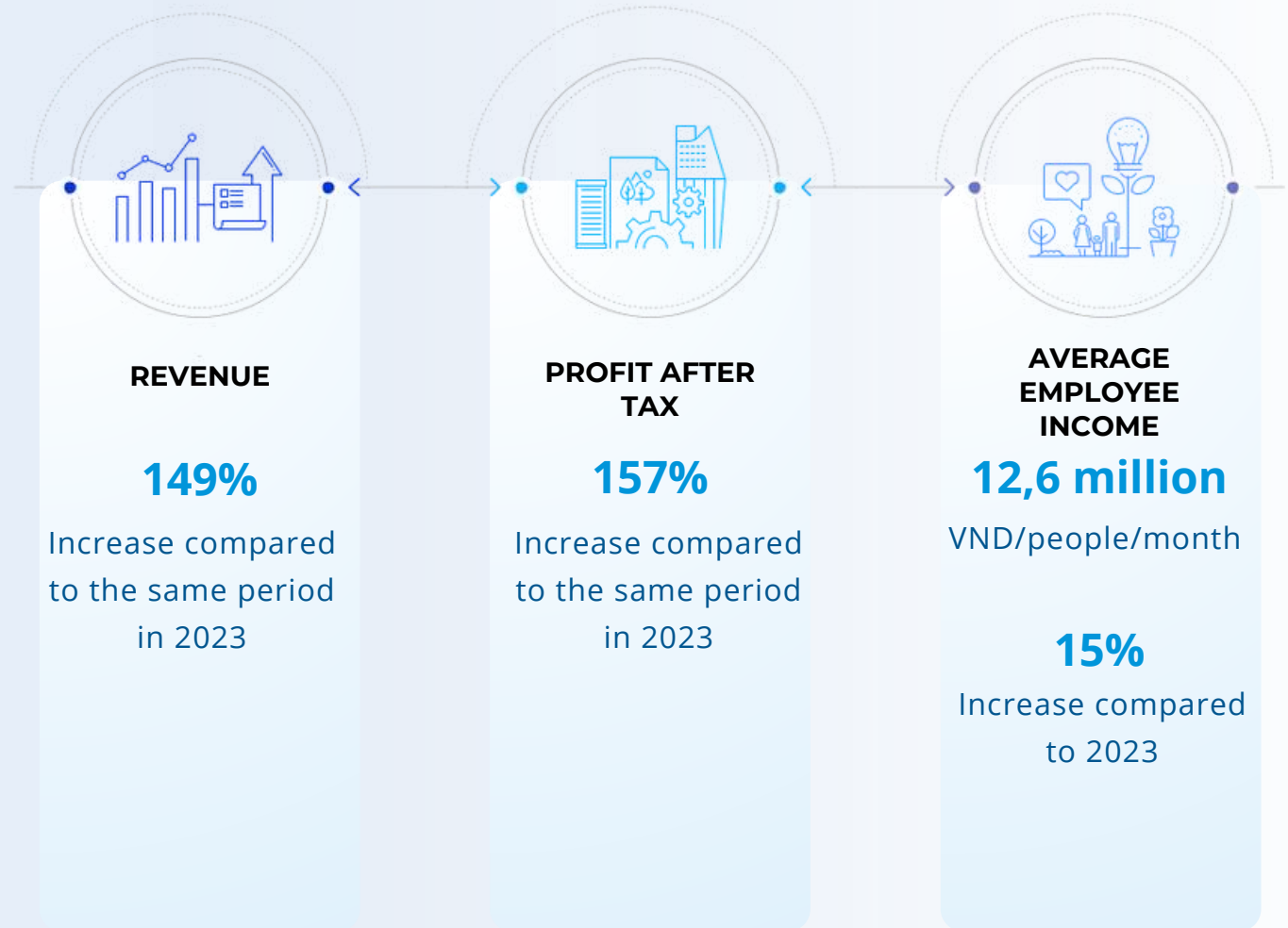
Risk Management Objectives for 2025

Shinec proactively implements risk management plans to ensure compliance and seize investment opportunities.

1. The company takes the initiative in executing action plans to adapt to organizational changes, regulatory reforms on administrative procedure simplification, and the management of specific categories by competent authorities, while internally adjusting corporate governance structures to become more appropriate and effective.
2. **Modifications and adjustments** to environmental protection legal documents; issuance of criteria for Eco-Industrial Parks (EIPs).
3. **Risks related to brand identity changes:** Involving interactions with stakeholders via email, company information in traditional publications, and documents exchanged with enterprises.
4. **Human resource risks:** Expansion of projects to attract local workers; assignment of personnel from headquarters to train, support online, and directly operate projects during the construction phase.
5. **Information risks:** Controlling false information that may harm the company's brand image, issuing official communications and verified correction documents to relevant parties.
6. **Market risks:** International market tax policies may impact the cost structures of industrial park clients.

COMPLIANCE

In 2024, we remain committed to **being a pioneer in promoting an efficient economy closely linked to sustainable development.** We fully uphold our responsibilities to society and the community by creating stable and sustainable employment opportunities for workers, contributing to local economic development, and fulfilling our tax obligations to the state.

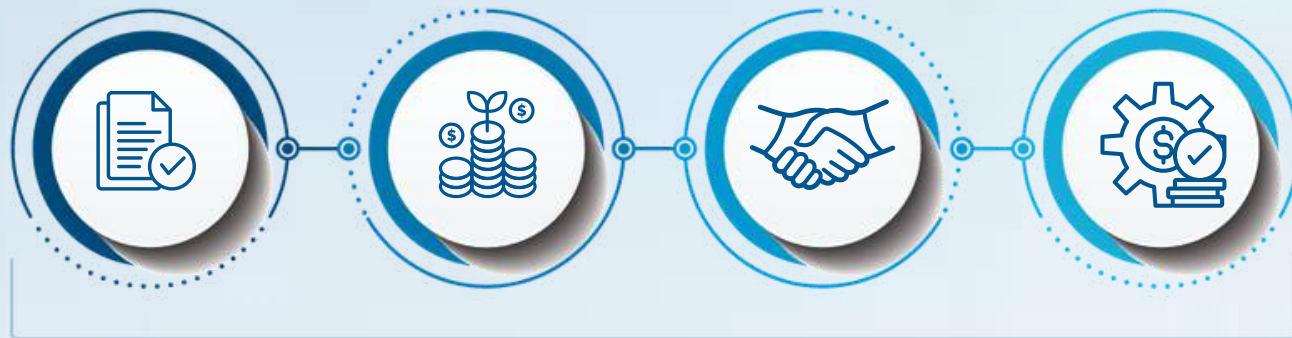


Shinec always upholds transparency and legal compliance as the guiding principles in financial governance:

- Proactively engages in dialogue** with regulatory authorities to contribute ideas for tax policies that are suitable for both businesses and the broader economy.
- Establishes a robust internal control system** to minimize tax risks, ensuring all financial activities are transparent and compliant with legal regulations.
- Fully, accurately, and punctually** declares and pays taxes in accordance with Vietnamese laws.
- Actively cooperates with tax authorities,** discloses financial information, and participates in regular evaluations to ensure consistency in tax policies.

G2. RISK MANAGEMENT AND COMPLIANCE

TRANSPARENCY IN TAX REPORTING AND MONITORING



Build ESG reports with clear, transparent tax information, demonstrating responsibility to society and the economy.

Disclose tax information in financial statements to create trust with investors and stakeholders.

Periodically review and adjust tax policies to ensure compliance with legal regulations and business practices.

Conduct Tax Audit by independent 3rd party.

100% EMPLOYEES UNDER THE SCOPE OF COLLECTIVE BARGAINING AGREEMENTS

POLICY TO PROMOTE COLLECTIVE BARGAINING RIGHTS AND FREEDOM OF ASSOCIATION



The company complies with relevant conventions and ensures the right to form trade unions and engage in collective bargaining.




The company's internal labor policy recognizes the right to join trade unions without discrimination.



Cooperate with labor organizations to build a fair and transparent working environment.

G3. GOVERNANCE FRAMEWORK STANDARDIZATION



In order to realize the commitment to sustainable development and ensure transparency in project management, Shinec builds and applies a standardized project management framework, closely integrating environmental, social and governance (ESG) criteria into each stage of the project implementation process. This management framework not only helps improve operational efficiency and optimize resources, but also ensures compliance with legal regulations, meets the requirements of stakeholders and creates sustainable value for the community. 



Transparency and accountability

The entire project management and implementation process complies with legal standards and open governance principles, ensuring clear accountability to stakeholders.

Optimize resource utilization

Applying circular economic models, increasing the use of renewable energy, and effectively managing and treating waste to minimize environmental impacts.

Integrating ESG criteria

Environmental, social and governance factors are integrated right from the planning, implementation and operation stages, aiming at sustainable development and minimizing negative impacts.

Cooperate and accompany with stakeholders

Strengthen coordination with state management agencies, businesses and local communities to develop harmonious and sustainable development solutions.



ACTIVITIES FOR IMPLEMENTING THE PROJECT GOVERNANCE FRAMEWORK STRUCTURE.

- **Participate in programs to support the transformation of governance models according to ESG** and the transformation of the Eco-industrial Park model, and increasingly perfect the model for replication in projects.
- **Training and consulting on the development of ESG development strategies:** This program is part of the Project to Enhance the Competitiveness of the Vietnamese Private Sector (IPSC) initially implementing consulting.
- **Participated in the project supporting the transformation of Eco-Industrial Parks (EIPs)** under Decision No. 1737/QĐ-BKHĐT dated August 13, 2024, which approved the technical assistance project document titled 'Scaling up the Eco-Industrial Park Approach to Promote the Circular Economy in Vietnam,' funded through non-refundable Official Development Assistance (ODA) by the Swiss State Secretariat for Economic Affairs (SECO).
- **International relations:** Coordinate with the communications and marketing department to jointly promote the Eco-industrial Park/Cluster model to the international market, thereby seeking cooperation and investment opportunities from large corporations in the world. Approach funding organizations, ESG green certificates, carbon certificates.
- **Brand communication:** Complete the brand identity of Shinec, Focus on promoting Shinec brand products to the outside and building connections with Shinec member units.
- **Regarding management and operation:** Complete, update, supplement the Company's Rules, Regulations, and Regulations
- **Enhance cooperation, exchange, and learning from partners.**





ACTIVITIES FOR IMPLEMENTING THE PROJECT GOVERNANCE FRAMEWORK STRUCTURE.

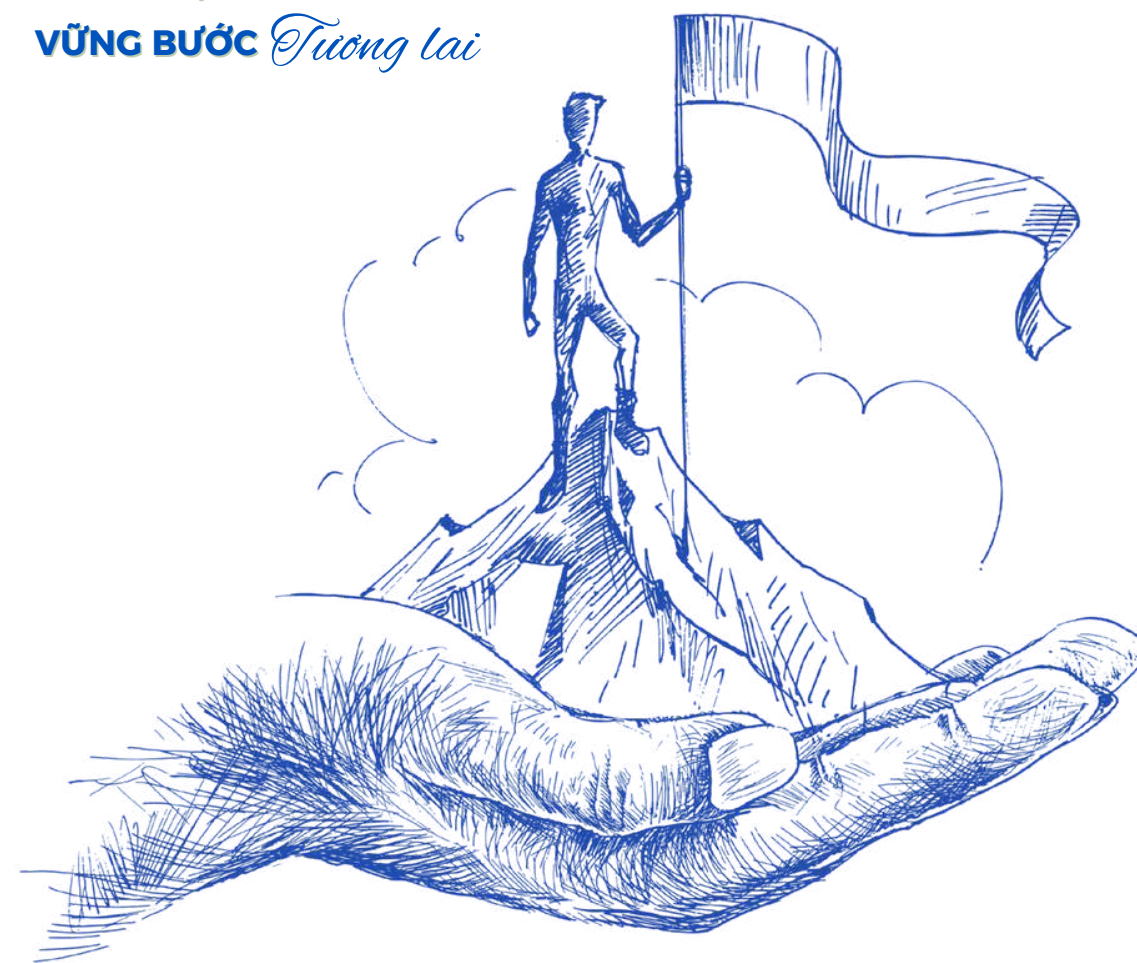




CHAPTER

03

VƯỢT NGÀN CHÔNG GAI
VỮNG BƯỚC *Tương lai*



GRI CATEGORY



GRI Criteria	Interpretation	Chapter
GRI 2: General Disclosures		
GRI 2-1	Organizational details	Chapter 1
GRI 2-3	Reporting period, frequency and contact point	Chapter 1
GRI 2-9	Governance structure and composition	Chapter 2
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Chapter 2
GRI 2-17	Collective knowledge of the highest governance body	Chapter 2
GRI 2-22	Statement on sustainable development strategy	Chapter 1
GRI 2-23	Policy commitments	Chapter 2
GRI 2-29	Approach to stakeholder engagement	Chapter 1

GRI Criteria	Interpretation	Chapter
GRI 3: Material Topics		
GRI 3-1	Process to determine material topics	Chapter 1
GRI 3-2	List of material topics	Chapter 1
GRI 2-9	Governance structure and composition	Chapter 2
GRI 201: Economic Performance		
GRI 201-1	Direct economic value generated and distributed	Chapter 2
GRI 205: Anti-corruption		
GRI 205-2	Communication and training about anti-corruption policies and procedures	Chapter 2
GRI 301: Materials		
GRI 301-1	Materials used by weight or volume	Chapter 2



GRI Criteria	Interpretation	Chapter
GRI 302: Energy		
GRI 302-1	Energy consumption within the organization	Chapter 2
GRI 302-3	Energy intensity	Chapter 2
GRI 302-4	Reduction of energy consumption	Chapter 2
GRI 303: Water and Effluents		
GRI 303-3	Water withdrawal	Chapter 2
GRI 303-4	Water discharge	Chapter 2
GRI 303-4	Water consumption	Chapter 2
GRI 305: Emissions		
GRI 305-1	Direct (Scope 1) GHG emissions	Chapter 2
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Chapter 2

GRI Criteria	Interpretation	Chapter
GRI 306: Waste		
GRI 306-3	Waste generated	Chapter 2
GRI 306-5	Waste directed to disposal	Chapter 2
GRI 401: Employment		
GRI 401-1	New employee hires and employee turnover	Chapter 2
GRI 401-2	Benefits provided to full-time employees	Chapter 2
GRI 403: Occupational Health and Safety		
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Chapter 2
GRI 403-5	Worker training on occupational health and safety	Chapter 2
GRI 403-6	Promotion of worker health	Chapter 2



GRI Criteria	Interpretation	Chapter
GRI 403: Occupational Health and Safety		
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationship	Chapter 2
GRI 404: Training and Education		
GRI 404-1	Average hours of training per year per employee	Chapter 2
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Chapter 2
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Chapter 2
GRI 405: Diversity and Equal Opportunity		
GRI 405-1	Diversity of governance bodies and employees	Chapter 2

GRI Criteria	Interpretation	Chapter
GRI 406: Non-discrimination		
GRI 406-1	Incidents of discrimination and corrective actions taken	Chapter 2
GRI 408: Child Labor		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	Chapter 2
GRI 409: Forced or Compulsory Labor		
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Chapter 2
GRI 411: Rights of Indigenous Peoples		
GRI 411-1	Incidents of violations involving rights of indigenous peoples	Chapter 2
GRI 413: Local Communities		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Chapter 2