

SUSTAINABILITY REPORT 2025



# SHINEC

Strength from within, Sustainable Value Creation



# Founder's message



Vietnam reaffirms its role as a proactive and responsible member of the global economy. Its active participation in international commitments and agreements on sustainable development reflects a strong spirit of cooperation and a long-term strategic vision. At times, short-term interests are carefully reassessed to ensure a balanced alignment between national priorities and global responsibilities, between immediate growth and long-term prosperity. This forward-looking mindset lays a solid foundation for the country's future positioning on the global stage.

The implementation of strategic resolutions aligned with the Vietnam 2045 Vision demonstrates that the nation's development mindset has evolved beyond term-based governance, moving toward the creation of enduring foundations and a sustainable legacy.

In this context, every business decision must not only be economically sound, but also aligned with the trajectory of sustainable development, guided by a strong sense of responsibility toward society, the environment, and future generations.

Positioning itself within the broader global landscape, Shinec recognizes that growth cannot be separated from the green transition and internationally recognized ESG standards. For us, 2025 has been a year of consolidation and strategic preparation. Evolving policies, regulatory procedures, sustainability requirements, and the acceleration of digital transformation have presented significant challenges, while also creating a strong impetus for Shinec to restructure, enhance its governance capabilities, and reinforce the green development pathway it has consistently pursued.

The foundations established during this pivotal period will have a profound impact on Shinec's development trajectory in the years ahead. Building on the strengthened internal capabilities achieved in 2025, we continue to expand our strategic focus on eco-industrial park development, promote circular economy models, and accelerate the application of technology in management and operations. Shinec is progressively integrating sustainability into its investment activities, enhancing infrastructure quality, and creating greater value for stakeholders, while actively contributing to national competitiveness in an era of deep global integration.

Entering 2026, Shinec is accelerating the execution of its sustainability-oriented strategies, which have been consistently developed and pursued over the years. Building on strong internal capabilities and practical experience, we are focused on enhancing corporate governance, advancing digital transformation, and leveraging data-driven approaches in the operation and management of industrial parks. At the same time, we are progressively reducing emissions and advancing toward a more substantive circular economy model.

We firmly believe that, in this new era of national advancement, the role of enterprises extends beyond economic value creation. It is about generating sustainable value, contributing to national competitiveness, and fostering shared prosperity.

With the continued trust and support of our shareholders, partners, customers, and employees, Shinec remains resilient in the face of change, aligned with the pace of the times, and committed to strengthening its position on the journey toward sustainable development.

Sincerely,

Chairman of the board  
PHẠM HỒNG ĐIỆP



2001

Shinec was established.

2001 - 2007

- Investing in industrial production and commerce within the furniture, agriculture, forestry, and fisheries sectors.
- First Place in the Environment and Development Competition

2008

Investment in the Nam Cau Kien Industrial Park project.

2017

Commencing the implementation of ISO 14001 certification in environmental management.

2019

Signing of a cooperation agreement between the Kitakyushu City Carbon Reduction Center and the nAM Cau Kien Eco-Industrial Park pilot initiative.

2023

Approval of the investment plan for Industrial Cluster No. 2 in DakDoa District, Gia Lai Province.  
Decision to approve the investment plan for the An Tho Industrial Cluster project in Hai Phong.

2022

Nam Cau Kien has been certified as a model industrial park.

2021

- Sustainability reporting based on GRI standards is now officially implemented.
- Attained Green Industrial Park certification.
- Pilot implementation of solar energy.

2020

Activities of the Environmental Communication Center in Nam Cau Kien

2024

- Top Three ESG Initiatives in Vietnam
- Top 10 Eco-Friendly, Sustainable Enterprises
- DBAV - Small and Medium Enterprise Excellence Award
- Certification for Industrial Real Estate Developers with Outstanding Green Transformation Strategies
- Green Industrial Park Certification

- Received the School Tourism Certificate from the Hai Phong Department of Tourism.
  - Engaging in the UNIDO Industrial Park Transformation Project
- Approval of the investment plan for the East Dam Ha B Industrial Cluster in Quang Ninh.  
Approval of the investment plan for Phuc Yen Industrial Park in Phu Tho.

2025

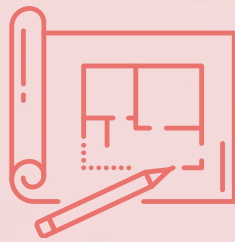
- Top 10 Exemplary Companies Executing Comprehensive ESG Practices  
Finalize infrastructure investment, lease industrial land at Nam Cau Kien
- Solar power expansion and installation
  - Approval of the investment plan for the Thong Nhat 1 Industrial Cluster in Lao Cai.
  - Decision to approve the investment plan for Ninh Diem 1 Industrial Park - Khanh Hoa
  - Approval of the investment plan for Dong Phu 2 IP, Can Tho.



# MILESTONES IN SUSTAINABLE PROJECT DEVELOPMENT 2025

**08 PROJECTS**

Industrial parks and industrial clusters that invest in and operate within Vietnam.



**1000+ HA**

Total area of IPs and clusters under investment ownership

**13.432**

Billion VNĐ

Total investment capital



**07 locals**

Present in various provinces and cities throughout Vietnam.



**03 Years**

Issuing the Sustainable Development Report



**24 Years**

Business establishment and growth



**1064**

Billion VNĐ

Revenue 2025



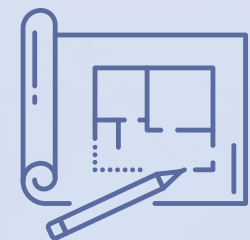
**02 cooperations**

Strategic collaboration aimed at converting two industrial parks into eco-industrial parks within the year.



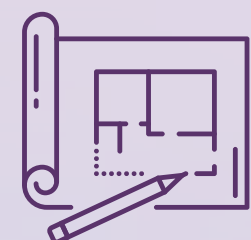
**08+ Operating Systems**

Business systems within the Shinec ecosystem.



**01 Project**

Industrial land has been completely occupied by 105 investors who are operating consistently.



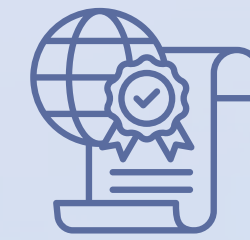
**02 Projects**

New investment projects in eco-IP



**TOP 10**

Exceptional organization executing a thorough ESG strategy - ESG Award 2025



**82%**

Nam Cau Kien IP will comply with UNIDO standards for eco-industrial parks by 2025.



**183%**

Revenue experienced an increase in comparison to 2024.



**112**

Billion VNĐ

Contribution to the state budget.

# CORPORATE GOVERNANCE



SHINEC JSC

100%



The investment project is subject to legal review, environmental impact assessment, and ESG risk assessment prior to implementation.

ESG



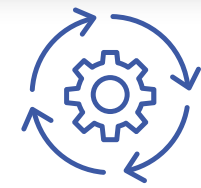
Incorporating ESG objectives into medium- and long-term development strategies.

SUSTAINABLE DEVELOPMENT



Sustainable development reports adhere to GRI and SDG standards.

70%



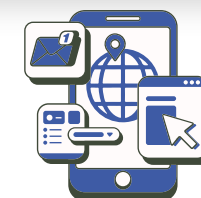
Internal processes have been digitized.

80%



Profiles of enterprises utilizing electronic management systems.

03 PROJECTS



Applying AI in three digital transformation initiatives: Enhancing industrial park surveillance.

4 BILLION VND



Costs of digital transformation



100%

The operational activities adhere to legal regulations.



0 violations

Infringements of environmental, investment, and construction regulations.



100%

Adherence to transparency and prompt reporting requirements.



100%

Financial statements undergo an audit conducted by an independent auditor.



96%

Feedback and suggestions from enterprises within the industrial park are promptly received and processed.

# SUSTAINABLE ECOSYSTEM



## 8 projects

The planning exceeds the standard ratio of green space and water surface.



## 100% project

The project possesses an approved Environmental Impact Assessment (EIA) prior to implementation.



## ISO 14001

For the ninth consecutive year, we have adopted ISO environmental management standards.



## 100%

Enterprises in IP affirm their commitment to environmental protection.



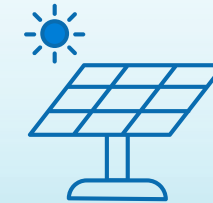
## 0

Environmental incidents and infractions



## 03

The industrial symbiosis model operates efficiently.



## 117,07%

The utilization of renewable energy is anticipated to rise by 2024.



## 10

Ecological projects are comprehensively developed and employ natural materials.



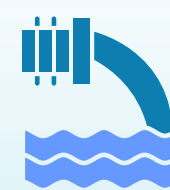
## 100%

Operational management activities adhere to legal regulations.



## 100%

Waste is collected and processed in compliance with regulations.



## 100%

Wastewater complies with Vietnam standards.



## 15,33%

Industrial park area designated for green spaces and water features.



## 32,06%

The ratio of green spaces, water bodies, and technical infrastructure surpasses the standards for a sustainable IP



## 923.01 CO2

Greenhouse gas emissions projected for 2025



## 5044 trees

Trees have been planted. A total of 335,044 trees have been planted cumulatively since 2021.



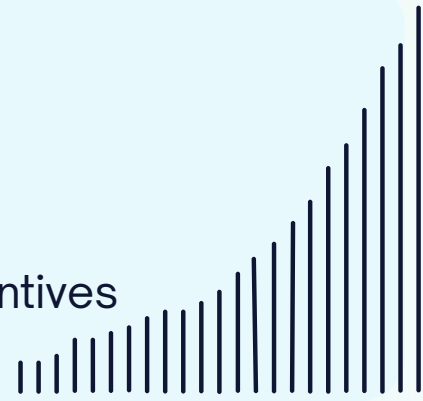
# HUMAN RESOURCE DEVELOPMENT



**157**  
WORKERS

**4.3 billion VND**

Holiday bonuses,  
performance incentives



**26.5 billion VND**

Total compensation  
and benefits

**35%**

The female workforce has risen by 8% in comparison to 2024.

Salary increase in  
relation to 2024

**10.7%**

**4**

Personnel  
advancement

**1.25 billion VND**

Health insurance  
and social  
security expenses



**56 programs**

Professional development and training

Training  
hours

**2355 h**

**100%**

Qualified  
personnel

PROFESSIONAL DEVELOPMENT AND TRAINING

**100%**

13th-month  
remuneration



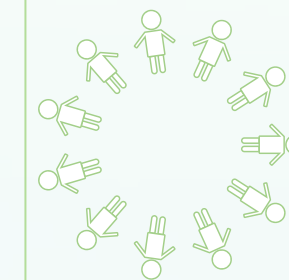
**100%**

Human Resources  
Performance Assessment



**100%**

Employees participate in  
routine health assessments.



**0**

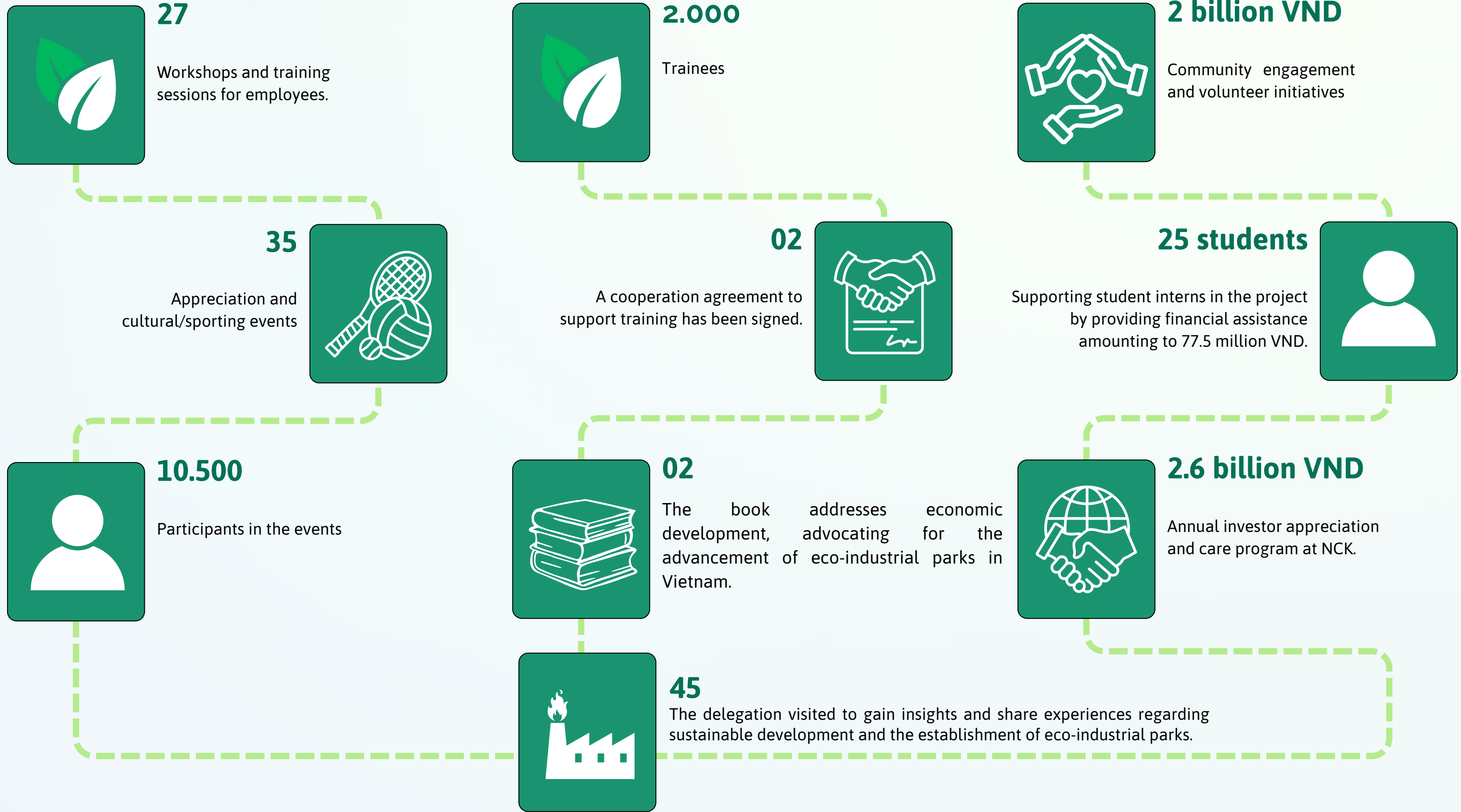
Inequality, conflict, and  
workplace incidents arise.



**6**

Travel, extracurricular pursuits

# COMMUNITY DEVELOPMENT



# COMPANY OVERVIEW

## Business sectors

- Investing in, developing, and managing infrastructure for industrial clusters and zones.
- Industrial infrastructure and services

## Vision

Achieving a position among the top 10 industrial real estate development firms in Vietnam.

## Mission

It serves as a paradigm that positively reshapes Vietnam's approach to investing in industrial infrastructure, elevating the brand of Vietnamese industrial parks on the global stage.

## Corporate philosophy

Embracing "Heart" as the foundational principle for business management and economic development; conducting business on land – contributing to the land.

## Development orientation

Developing industrial parks and clusters with low emissions.

## Environmental Management System

ISO 14001:2015

## Business development divisions for initiatives within the Shinec ecosystem

- An Tho Investment JSC
- Shinec Joint Stock Company
- Shinec Gia Lai Corporation
- Shinec JSC - Branch in Quang Ninh province



## Contact details

- Representative offices in Hai Phong, Quang Ninh, Lao Cai, Khanh Hoa, Gia Lai, and Can Tho.
- Email: [info@shinec.com.vn](mailto:info@shinec.com.vn)
- Website: [www.shinec.com.vn](http://www.shinec.com.vn)
- Phone number: (+84) 2253 645 990

- Dong Phu Industrial Park JSC
  - Thai Do Industrial Park JSC
  - Lao Cai Industrial Development Investment JSC
  - Ninh Khanh Land Development JSC
- and partnerships

# COMPANY OVERVIEW

**24** year  
**AMBITION TO ATTAIN NEW HEIGHTS**

## Project development advancement

As of December 31, 2025, Shinec has successfully managed and operated the Nam Cau Kien Industrial Park, investing in eight projects across Vietnam, encompassing a total land area exceeding 1,000 hectares and a cumulative investment of VND 13,431.873 billion.

## Expansion strategy through 2030

Shinec's total planned land area for development spans 3,500 hectares, incorporating industrial parks and expanded industrial clusters both nationally and internationally.

## Primary activities

- Formulate strategies and allocate resources for the development of technical infrastructure systems, including internal transportation, electricity supply, water supply, drainage, telecommunications, and service facilities.
- Leasing of industrial land, factories, warehouses, and infrastructure facilities to facilitate the production activities of secondary enterprises.
- The organization is tasked with managing, operating, and maintaining the technical infrastructure system, thereby ensuring stable and secure operations within the industrial park.
- Facilitating investment processes by connecting with services and providing facilities to support investors' operations within the industrial park.
- Fostering investment, enticing both domestic and international enterprises, and cultivating production connections and industrial ecosystems within industrial parks.
- Implement strategies for environmental management, wastewater treatment, energy conservation, and advocate for the eco-industrial park model.

New investment in  
Eco - Industrial Park.

Transforming Eco -  
Industrial Park

Investing in industrial  
clusters founded on an  
ecological model.



Hai Phong city

NAM CAU KIEN INDUSTRIAL PARK

AN THO INDUSTRIAL CLUSTER

Quang Ninh province

DAM HA INDUSTRIAL CLUSTER

Lao Cai province

THONG NHAT 1 INDUSTRIAL PARK

Phu Tho province

PHUC YEN INDUSTRIAL PARK

Gia Lai Province

DAK DOA INDUSTRIAL CLUSTER II

Khanh Hoa province

NINH DIEM 1 INDUSTRIAL PARK

Can Tho city

DONG PHU II INDUSTRIAL PARK

Map of industrial parks and clusters in Vietnam

# STATEMENT ON SUSTAINABLE DEVELOPMENT STRATEGY

As a company engaged in the development and investment of industrial park infrastructure, Shinec recognizes sustainable development as a fundamental principle underpinning its investment, management, and operational strategies. The 2025 ESG report illustrates Shinec's commitment to incorporating environmental, social, and governance (ESG) factors into its business practices, consistent with its position as an infrastructure investor and its dedication to sustainable industrial park development, progressively transitioning towards an eco-industrial park model.

**Sustainable Development Strategy** Position ESG as a central development strategy.

3 years Corporate governance framework for sustainable business operations

3 years Utilizing the GRI reporting framework for sustainable management.

3 years Issuing the Sustainable Development Report

2 awards Comprehensive and innovative enterprises in ESG



BRAND VIEWPOINT

## The sustainability objectives that Shinec

01

We are dedicated to the development and operation of industrial parks and clusters in accordance with established ecological models, utilizing renewable energy, optimizing resource management, and minimizing carbon emissions.

02

Concentrate on cultivating a sustainable business community, enhancing the quality of human resources, advancing gender equality, and collaborating with local communities through social welfare initiatives.

03

Adhere to legal regulations, uphold transparency standards, execute digital transformation in management, and comply with ESG regulations to enhance operational efficiency.

Shinec has developed an investment decision-making framework grounded in the principles of legal compliance, economic efficiency, and the integration of environmental, social, and governance factors to ensure sustainable long-term investment value.

# MATERIAL TOPICS

## Materiality assessment methodology

Shinec identifies the key issues that have a significant impact on its business operations and stakeholders. This process is generally conducted in alignment with GRI Standards and the company's governance requirements.

- 1 Identify a list of prospective topics informed by industry research, global trends, and legal mandates.
- 2 Collect feedback from stakeholders, including customers, investors, employees, government representatives, and the community.
- 3 Evaluate the degree of impact and the level of interest (construct a significance matrix).
- 4 Verify and assess information (incorporate it into the sustainable development strategy).
- 5 Published in sustainability reports adhering to international standards.

Shinec's leadership and the Sustainable Development – ESG Council evaluated sustainability themes for 2025 in relation to business operations, referencing international standard frameworks (GRI, UN SDGs), Vietnamese legal regulations, and engaging with stakeholders. The findings were utilized to pinpoint critical ESG issues, establishing the foundation for the development of the company's sustainable development strategy, KPI system, and action plan.



**Matrix of Principal Themes**

Stakeholders

- |   |  |  |
|---|--|--|
| 1 Implementing sustainable, climate-resilient, and adaptive infrastructure. | 5 Cultivating internal ESG human resources and competencies. | 8 Value chain management and ESG responsibilities in relation to secondary businesses. |
| 2 Climate change mitigation, emissions control, and energy management       | 6 Employee safety, health, and well-being                    | 9 Accountable corporate governance and investment decision-making                      |
| 3 Circular economy and resource efficiency                                  | 7 Community Engagement and Social Responsibility             | 10 Risk Management, Compliance, and Information Transparency in ESG                    |
| 4 Biodiversity and Sustainable Land Utilization                             |  |  |

# MATERIAL TOPICS

## List of Key Issues under Material Topics

### 1 **Implementing sustainable, climate-adaptive, and resilient infrastructure.**

Investing in, constructing, and operating industrial parks and cluster infrastructure, as well as environmental facilities, in a sustainable manner to enhance their resilience to climate change and natural disaster risks.

### 2 **Climate change mitigation, emissions control, and energy management**

Manage energy consumption and emissions resulting from the construction and operation of industrial parks and clusters; progressively implement climate impact mitigation strategies within regulated parameters.

### 3 **Circular economy and resource efficiency**

Advancing the efficient use of resources, waste management, and the establishment of circular models within industrial parks and clusters, aligned with infrastructure conditions and planning.

### 4 **Biodiversity and Sustainable Land Utilization**

Minimize the effects of industrial park investment activities on land resources and ecosystems; enhance green spaces, water bodies, and restore the landscape within the project area.

### 5 **Cultivating internal ESG human resources and competencies.**

Enhancing the professional capabilities and ESG comprehension of personnel to effectively facilitate the investment, construction, and management of industrial parks and clusters.

### 6 **The safety, health, and welfare of employees.**

Ensuring safe working conditions while safeguarding the health and welfare of workers engaged in the construction and operation of industrial park and cluster infrastructure.

### 7 **Community Engagement and Social Responsibility**

Fostering harmonious relationships with local communities in which projects are executed, through consultation and the reception and resolution of feedback, enhances the socio-economic development of the area.

### 8 **Value chain management and ESG responsibilities in relation to secondary businesses**

Establish requirements, regulations, and coordination mechanisms to promote compliance with environmental, safety, and legal standards among secondary businesses in industrial parks and clusters, within the purview of the infrastructure investor's responsibilities.

### 9 **Responsible corporate governance and investment decision-making.**

Incorporating environmental, social, and legal compliance considerations into the decision-making process for investing in, developing, and expanding industrial parks and clusters is essential for ensuring long-term efficacy and sustainable development.

### 10 **Risk Management, Compliance, and Information Transparency in ESG**

Managing legal, environmental, and social risks associated with the investment, construction, and operation of industrial parks and clusters; ensuring adherence to legal regulations and transparency in information disclosure.





## GOVERNANCE

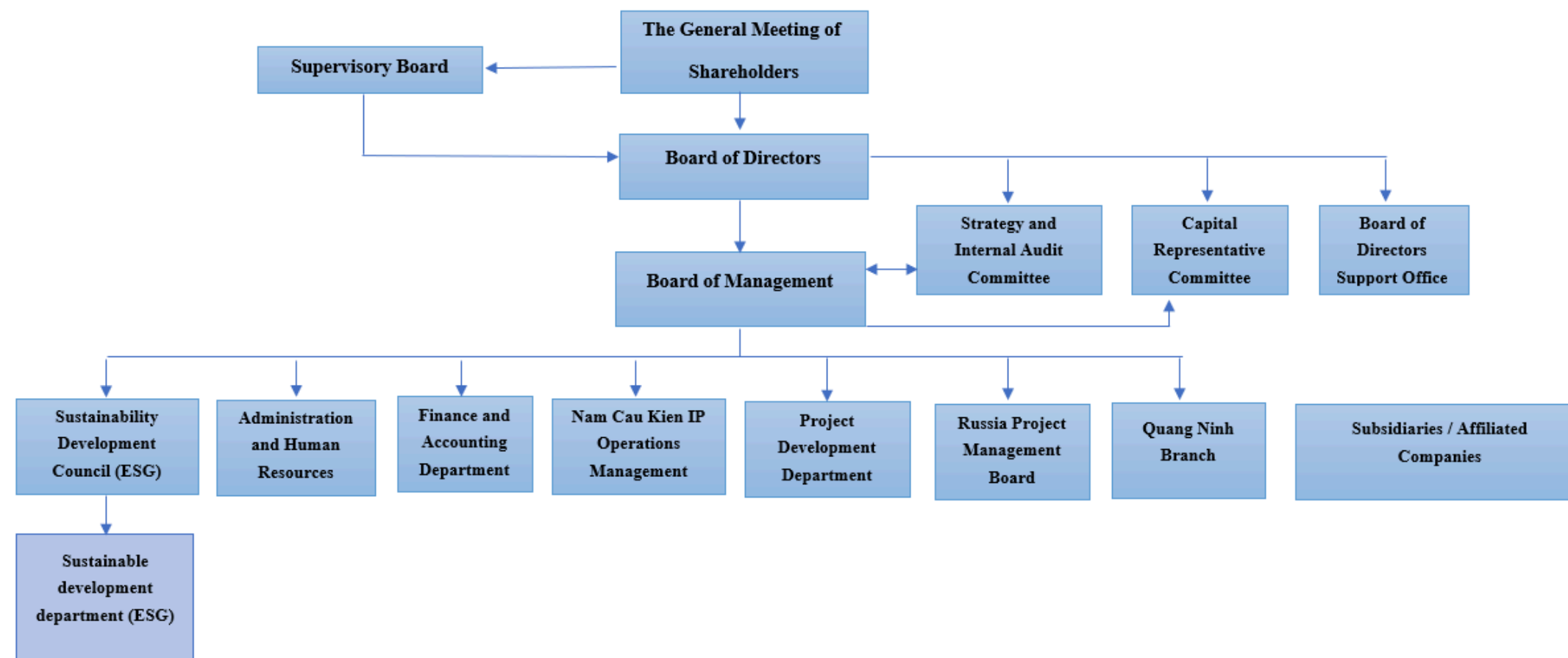
Governance plays a foundational role in implementing a company's sustainable development strategy, particularly in the context of deep economic integration and increasingly stringent requirements for transparency, regulatory compliance, and accountability to stakeholders. An effective governance system not only ensures stable operations and mitigates risks but also builds trust with investors, partners, and the broader community.



# GOVERNANCE AND RESPONSIBLE INVESTMENT DECISION-MAKING

## Corporate governance framework

Shinec's governance framework is structured according to a well-defined hierarchical model, ensuring independent oversight, operational efficiency, and transparent accountability across management levels. Beginning in June 2025, Shinec will revise its organizational structure and establish a Sustainable Development – ESG Council to standardize governance, enhance specialization, improve internal controls, and fulfill the requirements of risk management, legal compliance, and ESG strategy. The new model distinctly separates the industrial park operations from project development sectors, strengthens interdepartmental coordination, clarifies management authority, and enhances the effectiveness of sustainable management throughout the entire industrial park and cluster ecosystem.



Corporate governance framework

## Principles of Project Management

For industrial parks and clusters, as well as member projects directly managed and operated by Shinec, the Company implements a cohesive coordination mechanism through internal documentation, including decisions that define the functions, responsibilities, and authorities of each unit or project.

- Shinec's member units operate as independent legal entities, complying with applicable laws as well as the Company's internal governance and control frameworks.
- Shinec has established reporting, coordination, and monitoring mechanisms to ensure consistency in governance, risk management, and the implementation of sustainable development strategies.
- In joint ventures or equity investments where Shinec does not directly oversee operations, the Company participates in governance in accordance with cooperation agreements established with its partners.
- These projects are governed by the specific mechanisms of their respective legal entities and are not subject to Shinec's direct control.
- Relevant information is disclosed in the ESG reports of the consortium or the entity responsible for management, thereby ensuring transparency and alignment with Shinec's scope of responsibility.

# SUSTAINABLE DEVELOPMENT MANAGEMENT

## Sustainability Development Council (ESG)

Accountable for the strategic direction, approval, oversight, and ensuring the effective implementation and adherence to Sustainable Development Goals (ESG) throughout the entire Shinec ecosystem. Members include the Chairman of the Board and the CEO of Shinec.

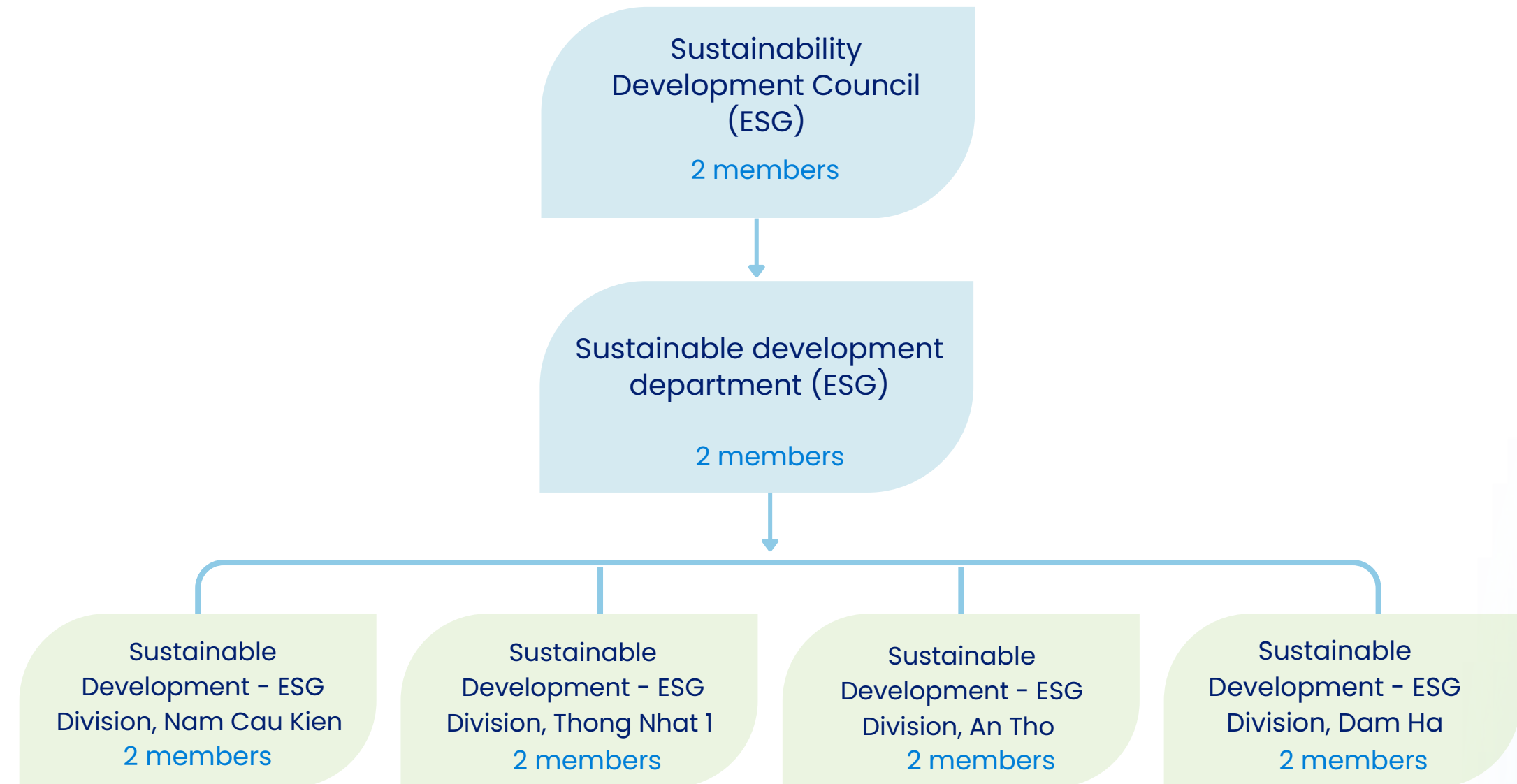
## Sustainable development department (ESG)

Delivering strategic counsel, instituting governance frameworks, coordinating execution, monitoring progress, and compiling reports on Sustainable Development – ESG for the Shinec ecosystem; ensuring consistency, transparency, effectiveness, and adherence to governance standards and stakeholder expectations.

## Sustainable Development - ESG division

Implement ESG strategies, policies, and standards across all departments; manage and provide ESG data and reports; proactively propose initiatives to enhance the effectiveness of sustainable development; and coordinate monitoring to ensure the accuracy, transparency, and timeliness of information in compliance with Shinec regulations and applicable laws.

Sustainable Development Governance Framework



The Sustainable Development - ESG unit will be expanded as necessary.

### Commitment to Legal Compliance

Adhere strictly to all regulations as outlined by both Vietnamese and international standards.

### Commitment to Ethical and Transparent Business Practices

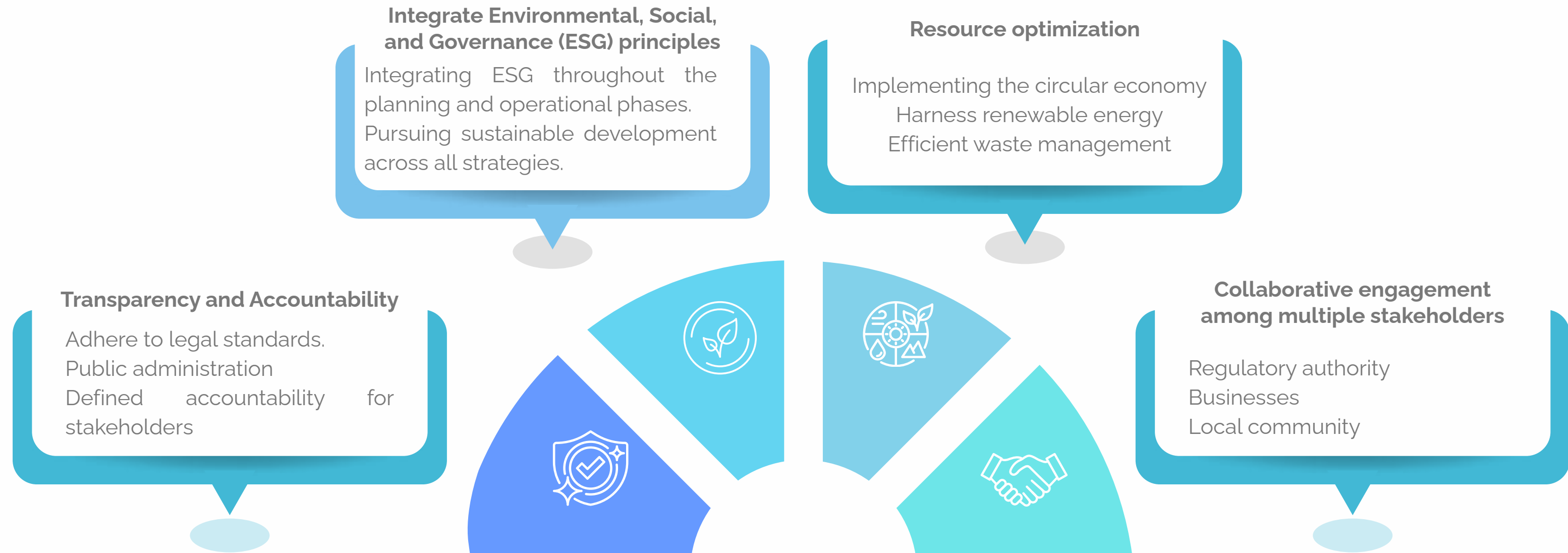
Upholding the principles of transparency and accountability, while encouraging partners and secondary enterprises to fulfill their social responsibilities.

### Integration of Compliance into Governance and Sustainable Development

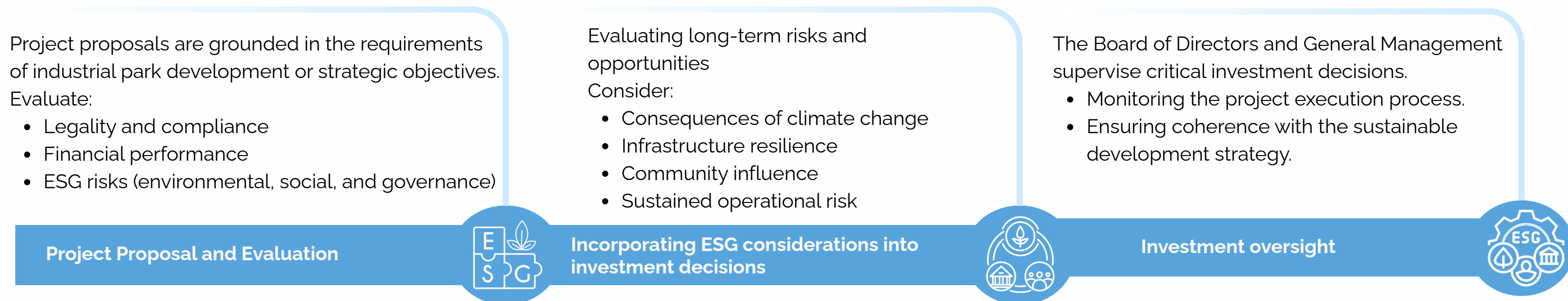
Compliance requirements are embedded in the governance framework and investment decision-making processes.

# PRINCIPLES OF MANAGEMENT AND INVESTMENT DECISION-MAKING

## Principles of sustainable project execution



## Project evaluation and authorization process for industrial parks/scientific industrial parks



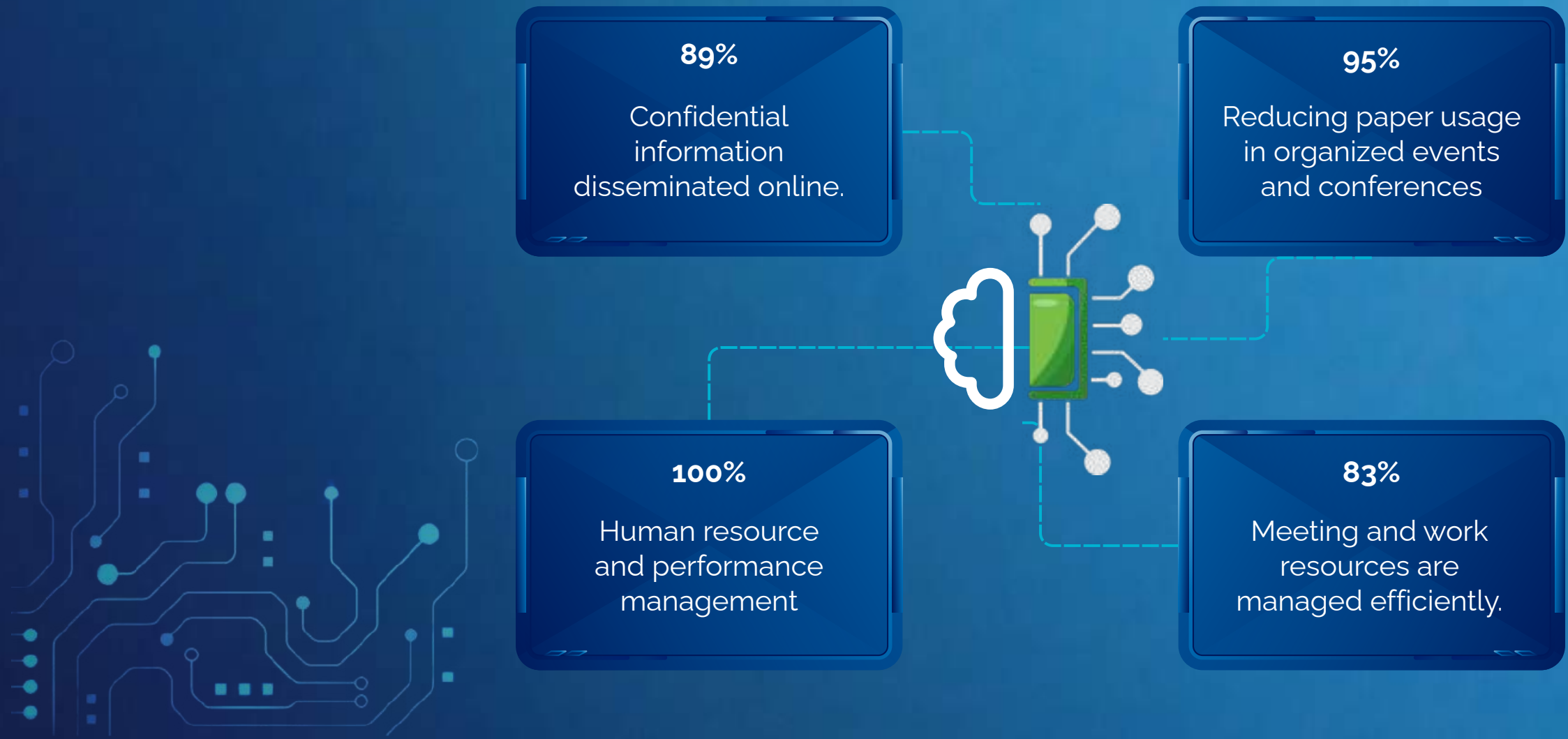


## DIGITAL TRANSFORMATION

In 2025, Shinec identified "Entrepreneurship – Training – Technology" as the cornerstone of its development strategy. The Company will continue to advance digital transformation in industrial park management and operations, aiming to establish a smart and transparent industrial park model aligned with ESG standards. Shinec will also expand its pilot programs for software-based monitoring of electricity consumption, emissions, and security across industrial parks, ensuring continuous and efficient management.

**Enterprise Digital Management Platform**

The implementation of a digital management platform in 2023 aims to optimize workflows and human resource management processes, reduce administrative procedures, and enhance operational efficiency. All personnel are trained on the system, ensuring consistency, transparency, and real-time progress monitoring. The digitization of data and documentation mitigates risks associated with manual storage, accelerates processing, and improves information retrieval.





## Developing intelligent industrial parks

Since January 2025, Shinec has progressively developed a smart industrial park model by leveraging AI and management software to monitor, coordinate infrastructure, and ensure security. The Company has deployed automated barrier systems and smart sensors to control vehicle access, regulate traffic flow, and detect abnormal intrusions. In addition, facial recognition systems have been implemented for timekeeping and access control, enhancing accuracy and security in workforce management.



- ✓ Install automated barriers to regulate vehicle access.
- ✓ Camera systems, intelligent sensors, and facial recognition technology are employed in security and personnel management.
- ✓ Monitor internal traffic and identify unauthorized access.



# DIGITAL TRANSFORMATION



## THE "SHINEC DIGITAL GREEN ECONOMY" PLATFORM.



### Key Functions:

- Greenhouse gas emissions management
- Smart energy management
- Wastewater monitoring and treatment
- Smart security surveillance
- Management dashboard on web and mobile platforms

Supporting businesses in CBAM compliance: Shinec offers a platform service that includes real-time environmental data, consolidated carbon footprint reports, and standardized outputs for CBAM declarations. Businesses can leverage this data to demonstrate that emissions have been reduced or are effectively managed, thereby minimizing carbon taxes incurred at EU border crossings.

Since March 2025, Shinec has initiated the development of a digital industrial park management platform to drive digital transformation across its industrial park (IP) and industrial cluster (IC) projects. The system comprises modules for greenhouse gas emissions management, smart energy management, wastewater monitoring, and security surveillance, supported by web- and mobile-based management dashboards. It also enables initial emissions inventory calculations and supports ESG reporting for enterprises.



### March 2025

Executed a strategic cooperation agreement with GGI Technology and TPIsoftware, implementing equipment and gathering data in Nam Cau Kien.

### June 2025

Signing of agreements to implement a digital management platform for five industrial parks and clusters by Shinec.



### June 2025

Announcing the "Digital Solution for Carbon Emission Management in Nam Cau Kien Industrial Park - Advancing Towards a Carbon Credit Market."



# RISK MANAGEMENT, COMPLIANCE, AND INFORMATION TRANSPARENCY

## Complaint management and reporting system

Establish and uphold processes to mitigate actual or potential adverse effects stemming from the Company's operations and projects directly overseen by the Company. Develop systems for receiving and addressing feedback, evaluation and management procedures, as well as monitoring and preventing recurrence.

## Enhancing financial governance and regulatory compliance

Shinec has established and enacted its 2025 Financial Regulations to rigorously oversee financial activities, expenditures, and resource allocation, thereby ensuring complete adherence to all pertinent financial and tax-related laws and regulations.

Shinec has met all its tax obligations and has been subjected to a tax audit conducted by an independent third party.

## Ongoing oversight by the board of directors

Regular monitoring of legal compliance, financial obligations, and the attainment of sustainable development goals is performed. Reports on production and business operations, ESG reports, and the management plan for the upcoming year are discussed, reviewed, and voted on in an open and transparent manner.



## Principles of Risk Management

Given the opportunities and challenges associated with the construction and development of the Shinec Industrial Park, we assert that risk management is an indispensable tool to assist Shinec in achieving the following objectives:

Proactively aligning business activities accordingly.

Establishing a transparent business environment with efficient legal procedures will empower investors to confidently execute their projects.

Prompt identification of risks, acknowledging opportunities within those risks, facilitating the timely capture and mitigation of negative impacts.

Preserving and elevating brand reputation is our most valuable asset.

Corporate risk management policies and strategies are prioritized.



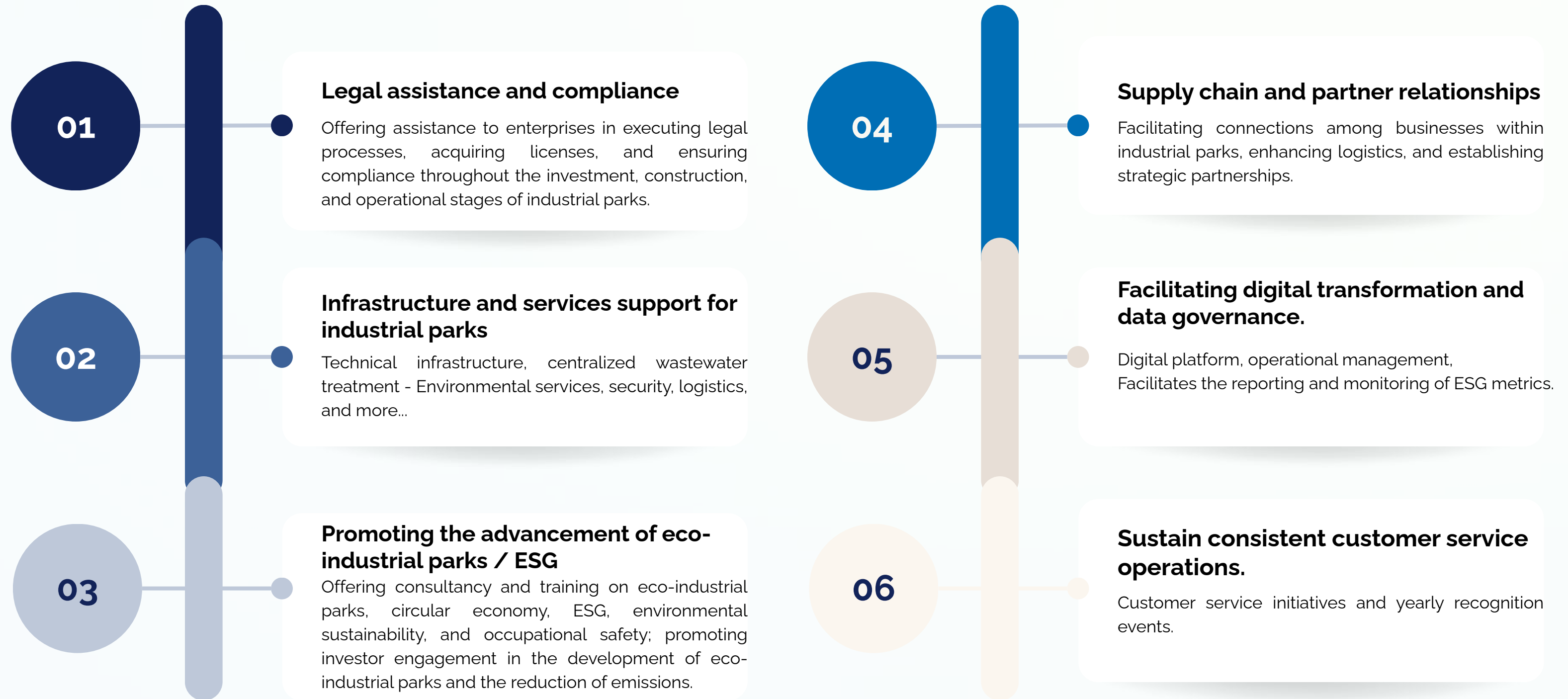
# RISK MANAGEMENT, COMPLIANCE, AND INFORMATION TRANSPARENCY

## Identifying risks to the enterprise.

Risk	Key Impact in 2025	Management Measures
<b>Project Implementation</b>	Changes in international regulations and policies, along with market fluctuations, may delay project timelines, reduce leasing demand, and impact investment efficiency.	Adjust plans flexibly; update legal regulations; monitor market trends; integrate ESG factors and green infrastructure to enhance investment attractiveness.
<b>Project Governance &amp; Operations</b>	Simultaneous expansion of multiple projects increases pressure on governance capacity, workforce, and resource coordination.	Strengthen internal governance; provide staff training; establish project management structures and financial control systems.
<b>IP Technical Infrastructure</b>	Risk of operational disruptions due to technical failures, system overload, or extreme weather conditions.	Conduct periodic maintenance; assess risks; monitor infrastructure; invest in real-time environmental and security monitoring systems
<b>Finance – Green Capital</b>	Difficulty accessing preferential funding if green finance criteria and project reporting are not fully standardized	Complete ESG documentation; integrate environmental and energy criteria into financial appraisal processes.
<b>Branding</b>	Risks during the transition phase of brand identity and corporate information updates.	Issue official announcements; provide guidance on the implementation of the new brand identity; communicate updates to partners and customers.
<b>Information Security &amp; Data</b>	Risks related to misinformation or inconsistent data management	Establish communication protocols; control information flow; standardize data; promote digital transformation.
<b>Environmental Management</b>	Risk of regulatory non-compliance if environmental management systems fail to keep pace with project expansion	Maintain environmental management systems; conduct regular monitoring; enhance team capacity.
<b>Labor &amp; Human Resources</b>	Potential workforce shortages, labor disputes, or declining employee engagement during project expansion	Improve welfare policies; strengthen recruitment; provide training and support for project personnel.
<b>Community Relations</b>	Potential complaints or conflicts of interest from local communities	Conduct community consultations; ensure transparent communication; coordinate with local authorities.
<b>Supply Chain &amp; Secondary Enterprises</b>	Risks of workplace accidents or environmental incidents from enterprises operating within the industrial park.	Require enterprises to comply with HSE standards, conduct periodic inspections; coordinate with authorities for supervision

# TENANTS COMPLIANCE OVERSIGHT IN INDUSTRIAL PARKS

## Policies to assist secondary investors in industrial parks



# TENANTS COMPLIANCE OVERSIGHT IN INDUSTRIAL PARKS

## Environmental compliance oversight

Shinec acknowledges that adherence to laws and pertinent regulations is a prerequisite for enterprises within the industrial park. As both the investor and operator, Shinec implements a compliance control mechanism starting from the investor selection phase, extending through the stipulations outlined in land and factory lease agreements.

### Regulatory framework

- Requirements for integrated compliance from the outset include: investor selection criteria and land/factory lease agreements.
- On-site monitoring: Environmental conditions, Occupational safety, Legal compliance
- Mechanism for addressing violations: Warning – request for correction, notification to relevant authorities (if necessary), management actions in accordance with the terms of the executed contract.
- Incorporate provisions into executed contracts that promote the utilization of green energy, engagement in industrial symbiosis, eco-friendly enterprises, and industrial parks.



## Environmental management of industrial parks

### Principle

- Compliance is a prerequisite for operation, not a discretionary incentive.
- Shinec oversees adherence to regulations in its capacity as both the investor and operator of the industrial park.

Compliance Assessment oftenants	2025 Results
Submission of Environmental Impact Assessment (EIA) reports to the industrial park developer	>81%
Wastewater quality (based on unannounced inspections)	Largely compliant
Percentage of industrial park documentation processed in compliance with timeline and quality requirements	92%
Assessment of tenant management in alignment with the Company's sustainability criteria	Good compliance
Violations of industrial park regulations	02 minor incidents, fully rectified

- Engage in inspection and monitoring teams for environmental protection initiatives at secondary enterprises.
- Participated in the evaluation of environmental impact assessment reports and environmental permits for 15 enterprises.
- Research and enhance company regulations regarding investor management: Revising sustainable development policies.

# ENVIRONMENT AND INFRASTRUCTURE OF SUSTAINABLE INDUSTRIAL PARKS





## Sustainable and resilient operation of industrial park infrastructure

We recognize that sustainable infrastructure and resilience to climate risks are core elements ensuring stable production for secondary businesses, while contributing to long-term local economic growth. Therefore, the company focuses on legal compliance; rational planning and investment in infrastructure; climate change adaptation and operational disruption reduction; ensuring infrastructure services for secondary businesses; and sustainable infrastructure development.

# COMPLY WITH ENVIRONMENTAL PROTECTION REGULATIONS

## Annual environmental protection assessment

- Overall environmental compliance: Good
- Operational and reporting compliance: Fully compliant with legal requirements
- Annual inspections and audits: Enterprises demonstrate good compliance with environmental protection regulations
- Annual environmental protection reporting: Reports are complete, submitted in full
- Environmental protection fees: Reports, payments are submitted fully and on time
- Recognition: Honored as a leading entity promoting the development of eco-industrial parks in Vietnam

## Environmental protection personnel framework



07 persons  
Nam Cau Kien



06 persons  
IP, IC projects

Environmental protection fee  
for wastewater: Total payment  
of 101 million VND (in 2025)

## Environmental protection initiatives are currently being executed

- Regular updates on environmental regulations and standards.
- Established procedures for monitoring legal compliance and wastewater treatment operations.
- Wastewater treatment system operated and monitored 24/7, ensuring stable and effective performance in 2025.
- Environmental team conducts inspections twice weekly, including ad-hoc sampling, water quality analysis, monthly consumption tracking, and early incident detection to ensure uninterrupted system operation.

## Operational project responsibilities

- Operate waste treatment facilities in accordance with procedures, ensuring treated waste meets environmental standards.
- Implement measures to control noise, vibration, and manage waste in compliance with legal regulations.
- Take responsibility and immediately suspend discharge activities upon detecting environmental parameter exceedances for timely remediation.
- Fully comply with Environmental Permit requirements and promptly report incidents to competent authorities



# STRATEGIC PLANNING AND INVESTMENT IN TECHNOLOGICAL INFRASTRUCTURE

## Eco - infrastructure development

25% of IP area

Projects that incorporate a ratio of technical infrastructure and green space exceeding 25% qualify as Eco-Industrial Parks (EIPs) in Vietnam, a criterion that also extends to industrial cluster projects.

02 projects

The company spearheaded the proposal and secured approval for the investment in two new eco-industrial parks in Can Tho and Khanh Hoa, a model characterized by elevated legal requirements and environmental standards.

20 collaborations

Strategic collaboration fosters the sustainable advancement of industrial park infrastructure and real estate.



## Strategic partnerships enhance ecological infrastructure.

### Industrial Park and Cluster Project Development Strategy

Transform and invest in the operations of 2 industrial parks into eco - models.  
8 new industrial park development projects

### Digital transformation in business management, industrial parks

Developing the "Shinec Digital Green Economy" platform to oversee industrial park operations; implementing the application across 6 projects.

### Developing sustainable services and supply chains

Collaboration in advancing foreign direct investment (FDI), linking domestic direct investment (DDI), and enhancing logistics.  
Enhancing supply chain connectivity, broadening cross-border trade, and offering support services for industrial advancement.

### Investing in sustainable, advanced technology, eco-friendly infrastructure

Upgrading environmental protection infrastructure, including the phase 2 wastewater treatment plant and investments in natural gas/LNG and high-tech nano-coating, for various projects. Investing in floating solar power on lakes and rooftops to provide 30MW of electricity to the Dam Ha Industrial Cluster, with a total investment exceeding 600 billion VND.

### Educational, communication initiatives to improve climate change adaptation

Establishing an Industrial Safety Experience Center and advancing an industrial and urban real estate initiative within the Nam Cau Kien Industrial Park, the first of its kind in Vietnam.

05 collaborations

07 collaborations

03 collaborations

04 collaborations

01 cooperation

# ADAPTING TO CLIMATE CHANGE AND MINIMIZING OPERATIONAL DISRUPTION

## Climate risk evaluation

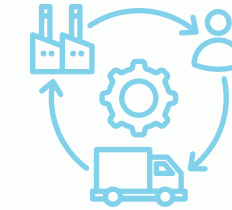
The company's projects are situated in regions with varied natural attributes and land conditions, including coastal zones, areas repurposed from agricultural or aquaculture use, and locations adjacent to production forests, necessitating tailored planning and infrastructure solutions.

- At the Nam Cau Kien Industrial Park in Hai Phong, climatic factors including heavy rainfall, storms, localized flooding, and increasing temperatures are incorporated into risk management and infrastructure operations to ensure stable business continuity.
- Investments in drainage systems, infrastructure, and green spaces are intended to enhance resilience against extreme weather and flooding.
- Enhancing risk management and ensuring stable operations while minimizing production disruptions for enterprises within industrial parks.
- For ongoing development projects, climate change considerations are incorporated from the initial planning and infrastructure design phases, fostering increased resilience and reducing long-term operational disruptions.

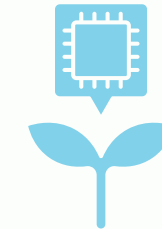
## Strategies to enhance resilience

- Design a high-capacity stormwater drainage system that is distinct from wastewater management.
- Organize retention ponds and green spaces to enhance rainwater absorption and mitigate the urban heat island effect.
- Maintain power backup strategies and emergency response protocols for natural disasters.
- Formulate a response plan and disseminate it internally to secondary businesses upon the issuance of extreme weather warnings.
- Implement environmental impact mitigation strategies from the outset of land clearance and infrastructure development.
- In 2025, the industrial park operated steadily, with no significant disruptions attributed to climatic factors.

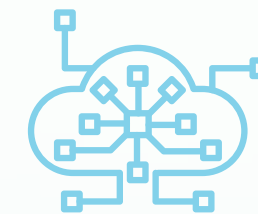
## Ensuring infrastructural support for secondary enterprises



Establishing value chain linkages between industrial parks and sustainable supply enterprises.



Pilot implementation of artificial intelligence in security alerts and industrial park emission monitoring.



Regular technical operations monitoring system



Routine maintenance of roadways, electrical systems, water supply, and wastewater management.



Our technical team is prepared to address issues and offer support to businesses.



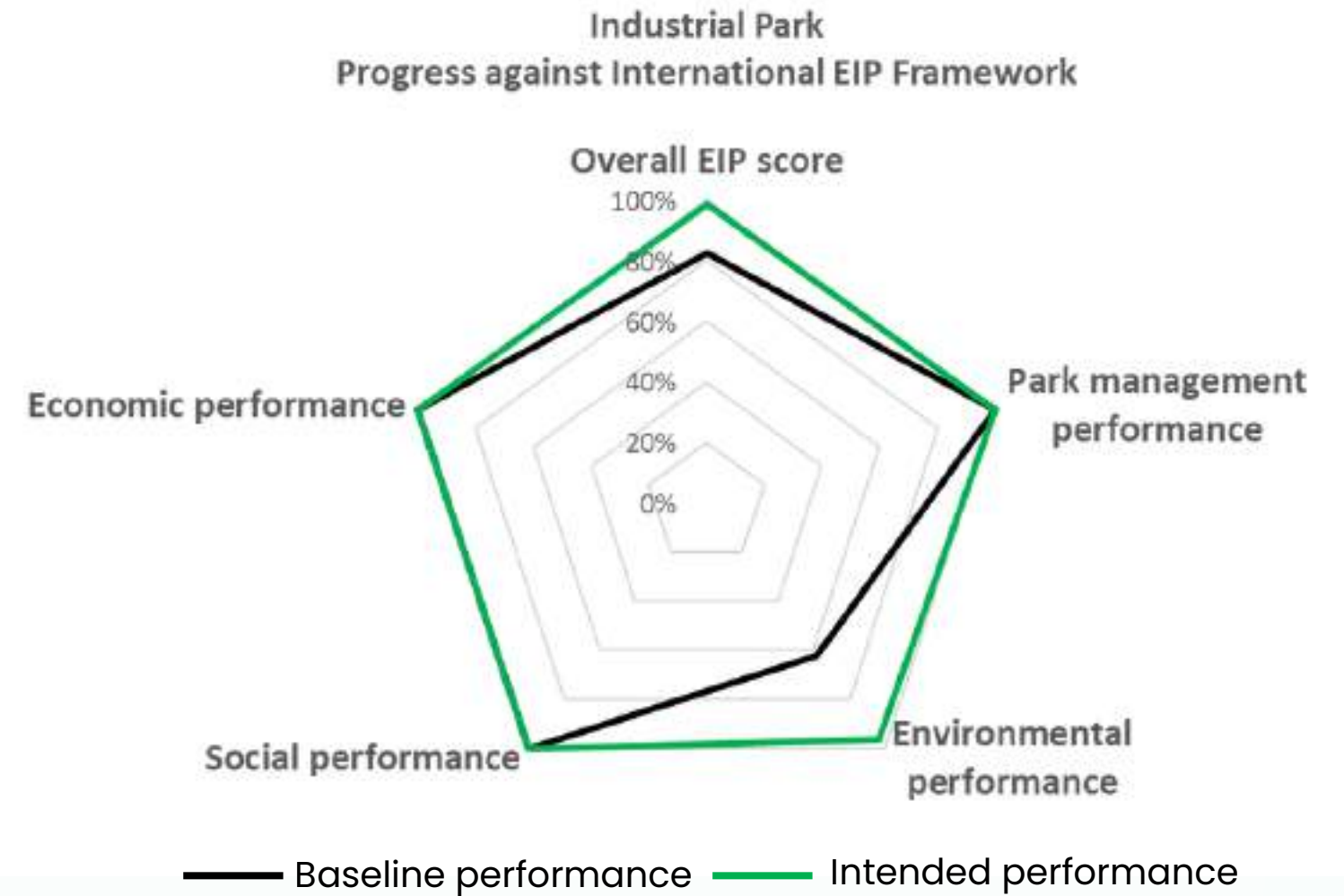
A round-the-clock channel for gathering feedback and assisting businesses.

# INITIATIVES TO ADVANCE THE ECO-INDUSTRIAL PARK MODEL

## Global Technical Assistance Program for Industrial Park Transformation



The Nam Cau Kien Industrial Park has been chosen to participate in the initiative aimed at transforming eco-industrial parks, titled "Scaling up the eco-industrial park approach to promote the circular economy in Vietnam," which is being executed by the United Nations Industrial Development Organization (UNIDO). Involvement in this project enables Shinec to leverage international tools, expertise, and resources to enhance the Nam Cau Kien eco-industrial park model for future applications. The project is currently in its implementation phase (2024-2025), with a variety of activities in progress. In 2026, the project will continue to support the industrial park through initiatives such as assisting businesses in assessing greenhouse gas emissions and developing mitigation strategies, as well as exploring the potential for industrial symbiosis in heat recovery within the park.



## Activities Shinec is participating in during the program (2024-2025)

### Inventory of greenhouse gas emissions from industrial parks

Kick - off greenhouse gas (GHG) emission inventory activities for the industrial park, assisting ten enterprises in Nam Cau Kien with the inventory process, and identifying opportunities for emission reduction within the project.



Engage in workshops and seminars conducted by UNIDO in the provinces and the Nam Cau Kien.

### 20 CE opportunities

Develop a robust monitoring program for the implementation of the circular economy, and identify 20 opportunities for the circular economy (CE) and associated industries for enterprises within industrial parks.



Engage in the acquisition of knowledge and the sharing of experiences regarding circular economy and water circularity in Singapore and South Korea.

### Meet 82% of the criteria.

The Nam Cau Kien Industrial Park has been evaluated for adherence to the standards set forth by the International Framework for Eco-Industrial Parks version 2.0; it attained a score of 82% and has the potential to achieve 89%.



Engage in and contribute to the formulation of relevant policy documents aimed at advancing the development of science and technology industrial parks in Vietnam.

# INITIATIVES TO ADVANCE THE ECO-INDUSTRIAL PARK MODEL

## Coordinate the preparation of the application dossier for industrial park certification and recommend policies.

- In 2025, Shinec engaged proactively with local departments, agencies, and specialized entities to:
- Discuss, revise, and elucidate the criteria relevant to eco-industrial parks;
- Offer feedback and recommendations to enhance specific technical elements and implementation strategies to better align with the practical functioning of industrial park infrastructure.
- Addressing challenges and barriers associated with the evaluation, assessment, and verification of criteria;
- Propose local support mechanisms to enhance the initial implementation of the eco-industrial park model.

## Prepare documentation for the approval of an investment policy for an industrial park modeled after the Science and Technology Industrial Park.

- In 2025, Shinec actively collaborated with central and local authorities to finalize legal documents, conduct appraisals, and obtain investment approvals for projects focused on eco-industrial parks, including:
- Discuss and elucidate the legal requirements pertaining to investment, planning, environmental considerations, and land use.
- Enhance and refine the dossier by incorporating aspects of resource conservation, environmental infrastructure, and a focus on sustainable development.
- Coordinate initiatives to address any challenges that emerge during the evaluation process to ensure advancement and adherence.

Consequently, in 2025, Shinec obtained **two investment approval decisions** for industrial parks in Khanh Hoa province and Can Tho city, encompassing a total area exceeding 475 hectares, with a focus on **eco-industrial parks**. This reflects the acknowledgment by the regulatory authorities of its responsible infrastructure development model, which incorporates environmental considerations and sustainable governance from the project's preparatory phase.



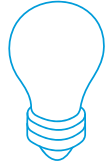
**CLIMATE CHANGE MITIGATION  
EMISSIONS CONTROL  
ENERGY MANAGEMENT**

Mitigate greenhouse gas emissions



# ENERGY MANAGEMENT

## The primary energy sources



Grid power



Photovoltaic energy



Petrol, diesel



LPG



CO2 fire suppression

## Electrical energy management

Shinec's energy consumption predominantly supported the operation of IP infrastructure, office buildings, and shared technical facilities, including wastewater treatment systems, public lighting, and industrial park security. Additional forms of energy, if applicable, will be incorporated as the facilities and equipment become operational.

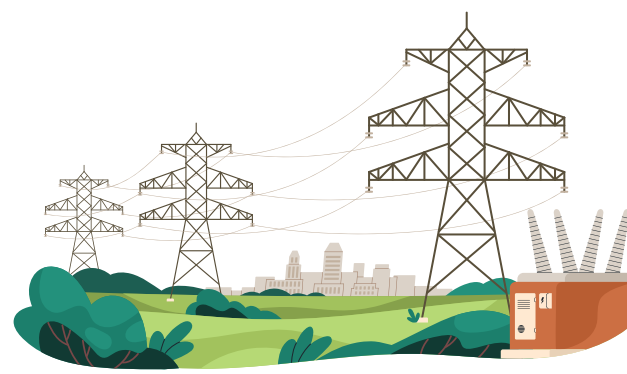
Shinec persists in executing comprehensive solutions for the management and optimization of energy consumption in operations directly overseen and conducted by the company, including:

- Evaluate and regulate electricity consumption quotas, swiftly identify areas of inefficient energy use, and recommend suitable corrective actions.
- Replace the lighting systems in the infrastructure of the industrial park, offices, and technical areas with energy-efficient lighting solutions, and implement smart lighting systems integrated with solar power.
- Incorporating renewable energy utilization strategies and energy-efficient solutions into the design and development processes of projects grounded in the eco-industrial park model.
- The software application oversees and tracks energy consumption, regulates actual electricity usage at each measurement point, and computes direct emissions.



# ENERGY MANAGEMENT

## Sustainable energy solutions



Since 2021, we have commenced the implementation of a rooftop solar power project at the Nam Cau Kien IP administrative complex.

**356,37 MWh**

(Output capacity)

An additional rooftop solar power installation with a total capacity of 146 kWh, 315 lighting fixtures producing 227 kWh, a battery storage system with a capacity of 215 kWh.

**30 MW**

Investing in the development of a 30MWp floating solar power plant on the lake, along with a rooftop solar power system, will establish a reliable and sustainable energy source for the Dam Ha Industrial Cluster.

**Energy Strategy**

Incorporate solar power investment initiatives and sustainable energy solutions into the development of industrial parks and clusters.



Solar power has been implemented



Solar power has been implemented



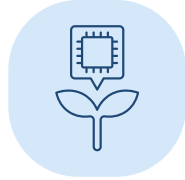
Signing a cooperation agreement and executing a solar power initiative at the Dam Ha B Industrial Cluster, supplying electricity for the project and its surrounding region.



Solar power has been implemented.

# EMISSION MANAGEMENT

## Implementing an intelligent governance platform

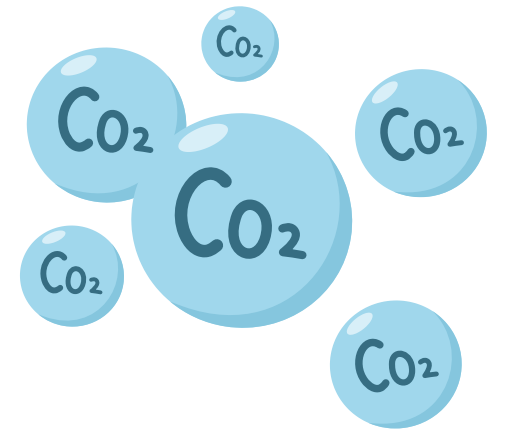


The company is implementing essential technology platforms and thoroughly digitizing its operational management system, which encompasses energy consumption management, real-time data computation and analysis, and equivalent emission assessment.

## Total greenhouse gas emissions in 2025



923.01 tons of CO2 equivalent



Continuous monitoring of total actual electricity consumption



Automated analysis of emission data derived from real-time system information

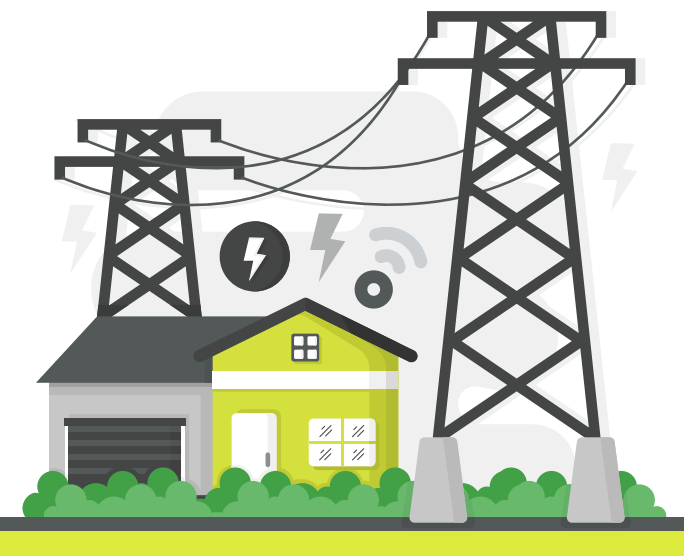


Industrial park infrastructure

## Greenhouse gas emissions assessment

Greenhouse gas emissions resulting from activities under the Company's operational control, encompassing subsidiaries and project entities managed by Shinec, are assessed. For joint venture projects or investments beyond operational control, Shinec refrains from consolidating emissions but contemplates disclosing information at a suitable level. GHG emissions for scope 1 and 2 are calculated; further data for range 3 will be gathered in subsequent years.

For the second consecutive year, Shinec is voluntarily conducting a greenhouse gas inventory using a phased approach. Shinec's expansion plan for 2025 encompasses: investing in the enhancement of the fundamental infrastructure of the NCK, implementing project procedures, operating wastewater treatment facilities, and addressing emissions primarily resulting from grid electricity consumption.



# CIRCULAR ECONOMY & RESOURCE EFFICIENCY



# WATER MANAGEMENT AND WASTEWATER RECYCLING

## Water resource management

Water resource management is an essential element of ESG strategies, focusing on efficient water utilization, minimizing environmental impact, and promoting sustainable development. Organizations must optimize water consumption, recycle and treat wastewater, implement water-saving technologies, and diligently monitor usage and pollution levels. Engaging with stakeholders further enhances management efficiency and reinforces social responsibility.



Capacity: 25,000 m<sup>3</sup>/ day



Water quality complies with QCVN 01-1:2024/BYT standards.



Consistent water quality assessment

## Total annual water usage

(Unit: m <sup>3</sup> / year)	2023	2024	2025
Water supply	406,665	462,960	607,848
Amount of water discharged	284,320	303,830	459,900
Water circulation	Watering plants, washing roads, landscape lake (3000 m <sup>3</sup> ).	landscape lake	landscape lake
	Circular economy in business production	Circular economy in business production	Circular economy in business production
Water evaporation, leakage, incidents, fire prevention and control.			

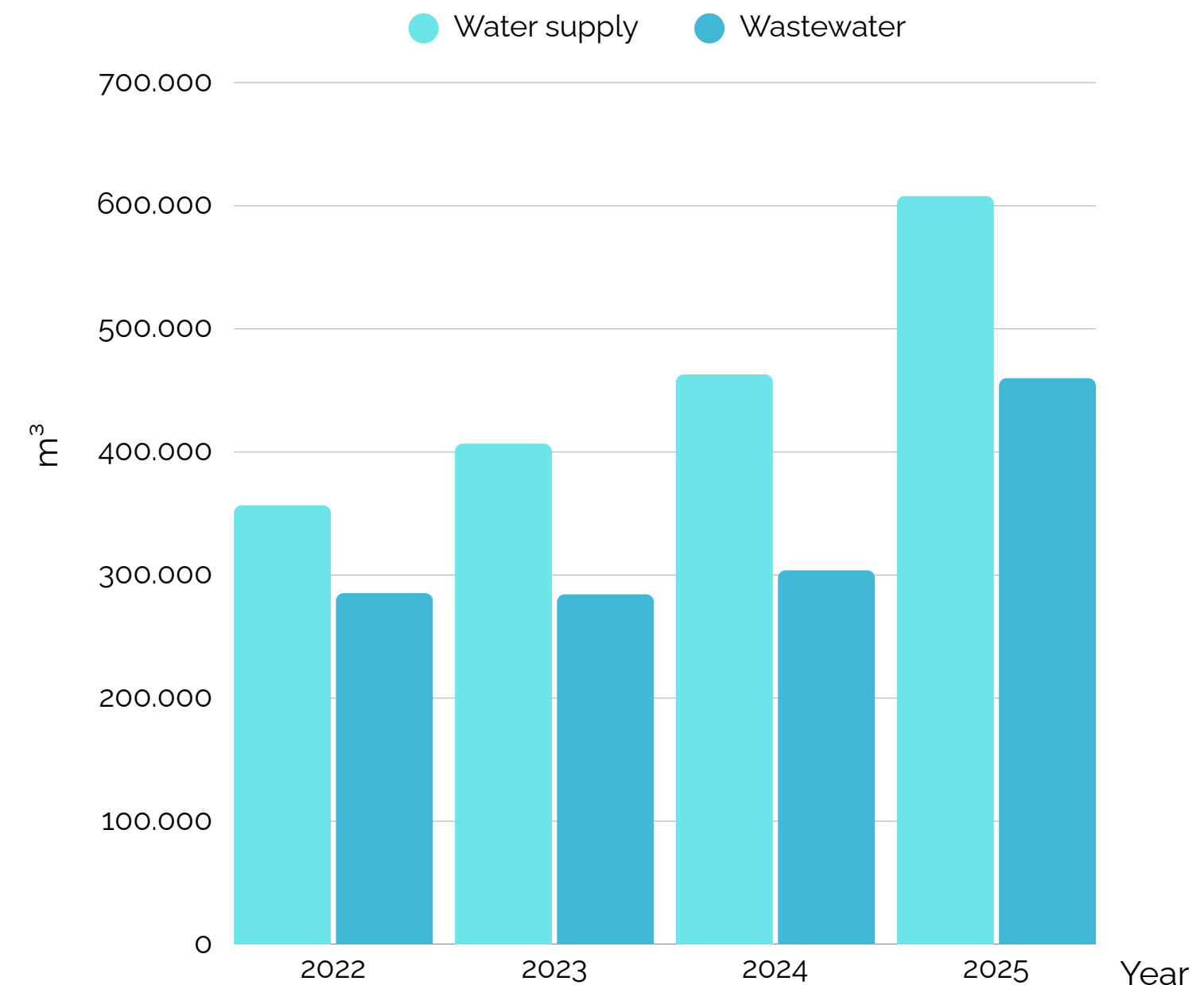


Chart of Water Consumption and Wastewater Management

# WATER MANAGEMENT AND WASTEWATER RECYCLING

## Wastewater Treatment Operations

The industrial park thoroughly collects all wastewater within the park and operates its wastewater treatment system stably. Surveillance cameras monitoring wastewater sources and a continuous automatic monitoring system operate reliably, transmitting complete data to the Department of Agriculture and Environment. All monitoring indicators for wastewater quality are within permissible limits.



Treated effluent



Capacity: 2,000 m<sup>3</sup>/day



Water quality complies with QCVN 40:2011/BTNMT standards



Water quality monitoring is performed quarterly.



Emergency reservoir capacity: 3,000 m<sup>3</sup>/day

## Improved oversight of the processing system

The monitoring system of the wastewater treatment plant employs Shinec's proprietary software, which assesses six parameters to periodically or unexpectedly evaluate the wastewater quality at the connection points between factories and the industrial park's system.



## Wastewater reclamation

Since 2022, Shinec has been piloting the recycling of treated wastewater, directing the water to a storage lake that not only enhances the industrial park's landscape but is also reused for fish farming and creates picturesque streams within the Japanese garden area adjacent to the 3000m<sup>3</sup> wastewater treatment plant.



# WATER MANAGEMENT AND WASTEWATER RECYCLING

Protecting water resources ranks among the highest priorities at the industrial park. In addition to ensuring that wastewater treatment systems comply with standards prior to environmental discharge, the industrial park emphasizes the development of aquatic ecosystems to safeguard biodiversity.

## Monitoring water resources in the expanded canal as part of the project

Monitoring the residential water channel system that traverses the industrial park prior to its discharge into the Cam River. The industrial park enforces measures to prevent polluting activities, wastewater discharges, or surface water contamination that could impact local habitats or lead to landscape degradation.

01

Implement stringent regulations to oversee businesses and contractors in safeguarding water sources and wastewater receiving bodies.

02

Establish a coordination mechanism and commitment to environmental protection with secondary businesses and contractors, ensuring strict compliance with regulations regarding wastewater discharge, water source protection, the preservation of the ecological landscape within the IP.

03

Conduct regular inspections of wastewater treatment systems as well as rainwater and wastewater collection systems; swiftly identify, report, and address instances of wastewater discharge that fail to meet established standards.

04

Establish communication channels with local communities to swiftly identify pollution from industrial areas, ascertain causes, and coordinate remedial measures.

## Restoring the ecological environment on either side of the canal

In addition to overseeing and safeguarding the canal segment traversing the IP, Nam Cau Kien invests in and revitalizes the area surrounding the canal, establishing green spaces through the following initiatives:

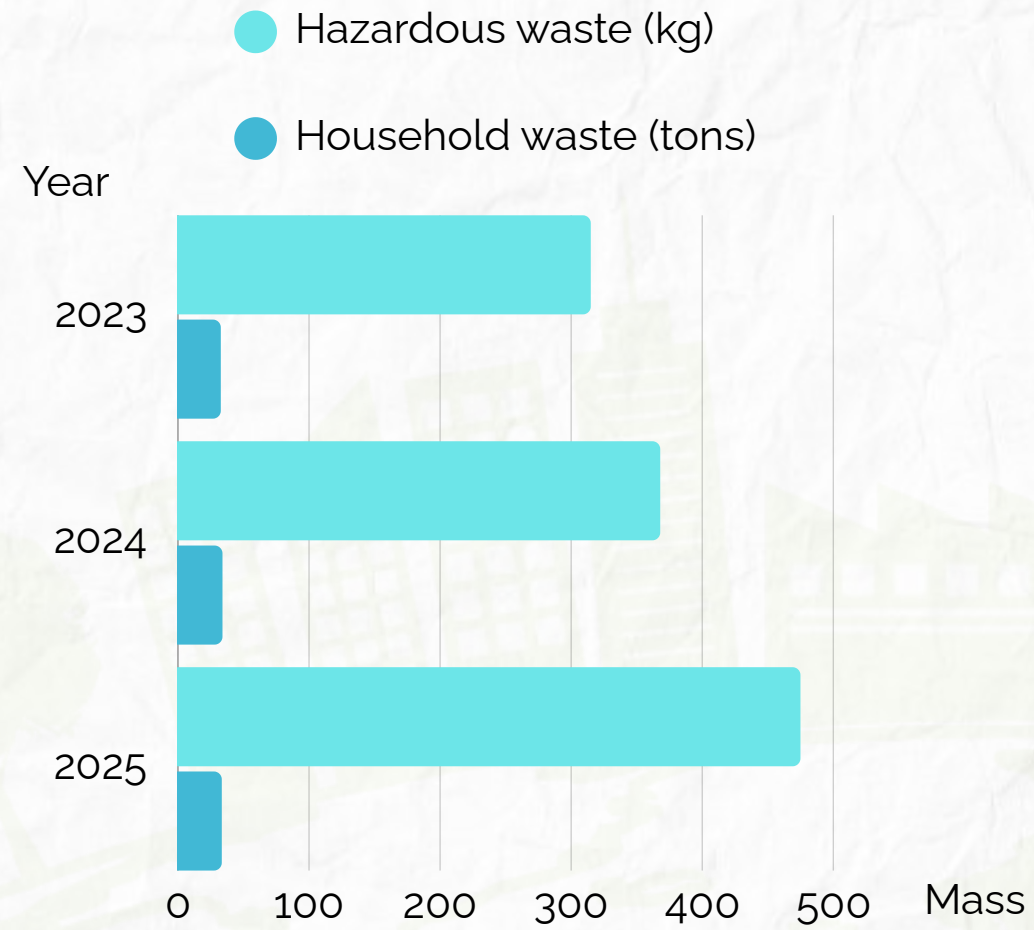
- Renovate and strengthen the banks while enhancing the landscape on either side of the canal.
- Planting supplementary trees and vegetation along the canals enhances green space and improves the microclimate.
- Establishing an ecological environment that integrates sightseeing and experiential opportunities for visitors and partners exploring the industrial park.
- Enhancing the landscape value, safeguarding the water environment, and establishing an ecological focal point for the industrial park.



# WASTE MANAGEMENT

## Shinec Waste Management

Waste produced from Shinec's operations and other enterprises within the industrial park encompasses domestic waste, industrial solid waste, hazardous waste, and sludge from the wastewater treatment system. The company implements effective waste management strategies grounded in a circular economy model to promote reuse and reduce environmental emissions. Waste is categorized and transported to the processing unit in compliance with regulations.



Volume of waste collected, transferred for recycling, and processed.

Managing yearly waste production

Category	2023	2024	2025	Measures
Hazardous waste (kg/year)	315	368	475	Transferred for treatment and recycling within the industrial park; mainly generated from sludge of the wastewater treatment plant
Domestic waste (tons/year)	32.68	33.96	33.43	Transferred to licensed contractors for treatment; generated from office operations and IP infrastructure
Non-hazardous industrial waste (kg/year)	0	0	520	Transferred to licensed contractors for treatment, recycling within the IP
Recycling organic waste (kg/year)	0	0	600	Using biodegradable food waste as fertilizer for plants in office grounds, as feed for fish in landscaped ponds.

## Recycling organic waste

Pilot project for recycling food waste into fertilizer: Shinec partnered with Green Tech Joint Stock Company to investigate and implement the sorting and processing of organic waste, as well as the accumulation of carbon credits from waste management activities, in compliance with current quality standards. Launched in July 2025, the initiative has generated over 600 kg of bio-fertilizer.



# WASTE MANAGEMENT

## Industrial park waste management

Environmental management and monitoring within industrial parks are continually enhanced to ensure adherence to legal regulations and to sustain a green, clean, aesthetically pleasing environment, thereby fostering the development of an eco- workplace.

Shinec has implemented regulations mandating that businesses and contractors collect and store waste in designated areas, prohibiting littering or waste accumulation on roads and public spaces within the industrial park. Additionally, it enhances the inspection, monitoring, and enforcement of violations to ensure environmental cleanliness and the overall aesthetic of the landscape.

## Total volume of solid waste produced and transferred for treatment in the industrial park (Based on data submitted by enterprises)



Gather all waste produced from business operations and categorize it in accordance with regulations.



Enhancing activities related to reuse, recycling, and emission reduction within the organization.



Transfer the waste to a designated unit responsible for its collection and processing.



Encourage enterprises to assess their internal environmental conditions and inform customers and transportation companies about adherence to environmental protection regulations when entering and exiting IP.

Waste management planning in industrial parks facilitates the swift collection and treatment of waste, thereby minimizing its discharge into the environment.



# BIODIVERSITY AND ECOLOGICAL RESTORATION

## Evaluating the project's influence on biodiversity

### Construction phase

- Land leveling activities may result in the short-term loss of existing vegetation.
- Noise and dust generated by construction activities may temporarily impact small animals in the vicinity.

### Operational phase

- Elevated industrial production can exert significant pressure on the ecological environment if not managed effectively.
- Risks associated with wastewater and air emissions.

### Recovery orientation

- Restoring the fundamental ecological functions of the region.
- Enhance the quality of artificial environments by incorporating green spaces and water features.
- To partially offset the decline in ecosystem value resulting from investment and infrastructure development.

## Strategies to enhance and foster ecological balance



Plant additional trees in multiple layers, forming a network of green spaces within the IP



Develop a system of landscaped lakes and ecological corridors, creating habitats for common species.



Stringent management of waste generation plays a crucial role in preserving environmental quality and enhancing the self-recovery capacity of ecosystems.



The project area primarily comprises agricultural land, production forest land, and previously exploited barren land, and is not situated within nature reserves, special-use forests, or protected forests. The project has met its obligation to reforest and adhered to regulations regarding forest land-use conversion, while also executing construction and land clearance in accordance with environmental impact mitigation measures.

# BIODIVERSITY AND ECOLOGICAL RESTORATION



## Policies and strategies for the management and protection of biodiversity

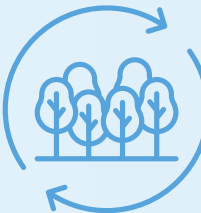
Industrial parks formulate and execute environmental management policies, biodiversity policies, and sustainable development policies, embedding biodiversity protection and the sustainable utilization of natural resources as a fundamental principle throughout the investment, construction, and operation of industrial park or cluster projects.

### Referenced in sustainable development policy



The company is dedicated to sustainable development in accordance with global and national Net Zero objectives, striving to minimize environmental impact while contributing to the principles of a green and circular economy. Additionally, it aims to generate long-term value for shareholders, employees, customers, the community, and future generations.

### Referenced in biodiversity policy



Adhere to legal requirements; evaluate biodiversity prior to, throughout, and following project investment; safeguard, rehabilitate, and enhance the industrial park ecosystem in a cohesive manner.

## Green space and ecological design

Incorporate biodiversity protection elements into the EIA report, encompassing ecological status evaluation, impact identification, and recommended mitigation strategies in compliance with legal regulations.

Implement routine environmental monitoring, concentrating on elements that influence the ecosystem, including wastewater, air emissions, solid waste, and green spaces.

The monitoring results are submitted to the management agency, providing a foundation for modifying management measures to mitigate impacts on the environment and biodiversity.

Collaborate with local authorities and specialized agencies to enhance awareness among businesses in industrial parks regarding environmental protection and biodiversity.

The proportion of green space designated in several of Shinec's projects

Ongoing Projects	Green Space & Water Surface Area
Nam Cau Kien industrial Park	15.33%
Project in Gia Lai province	13.03%
Project in Lao Cai province	12.93%
Project in Quang Ninh province	12.91%
Project in Hai Phong city	12.76%
Project in Khanh Hoa province	11.59%
Project in Can Tho city	11.65%



# BIODIVERSITY AND ECOLOGICAL RESTORATION

The objective is to plant one million trees



5,044 trees

The trees are scheduled for planting in 2025.



33,5%

A cumulative total of 335,044 trees has been planted since 2021, representing 33.5%.

The project incorporates a judicious distribution of green spaces and water bodies, ensuring that the landscape and environment adhere to contemporary standards for green space ratios. This approach fosters the establishment of habitats for prevalent species and enhances the area's microclimate. The green spaces are consistently maintained with eco-friendly fertilizers, preventing any soil pollution.

The projects are designed to achieve a green space ratio that surpasses the standard, increasing the total area of green spaces, water bodies, and technical infrastructure by 25% beyond the Industrial Park's requirements.

## Key implementation initiatives



The initiative encompasses tree planting, reforestation, and the release of fish to enhance water resources.



The initiative encompasses tree planting, reforestation, and the release of fish to enhance water resources.



Shinec is actively supporting the Navy in the initiative to plant 1 million trees in the c, as part of MBbank's HiGreen program.



Cherry Blossom Festival Tree Planting Initiative in Nam Cau Kien



### **Integrating industry with the ecological environment**

Landscape lakes are integrated within the green space system of the industrial park, providing not only picturesque focal points and relaxation areas for employees but also functioning as vital ecological infrastructure. This water system aids in regulating the microclimate, facilitating rainwater management, and establishing habitats for aquatic species, birds, and insects, thus fostering a balance between industrial development and biodiversity conservation.



# SOCIETY AND HUMAN PEVELOPMENT



Contribution  
to Society

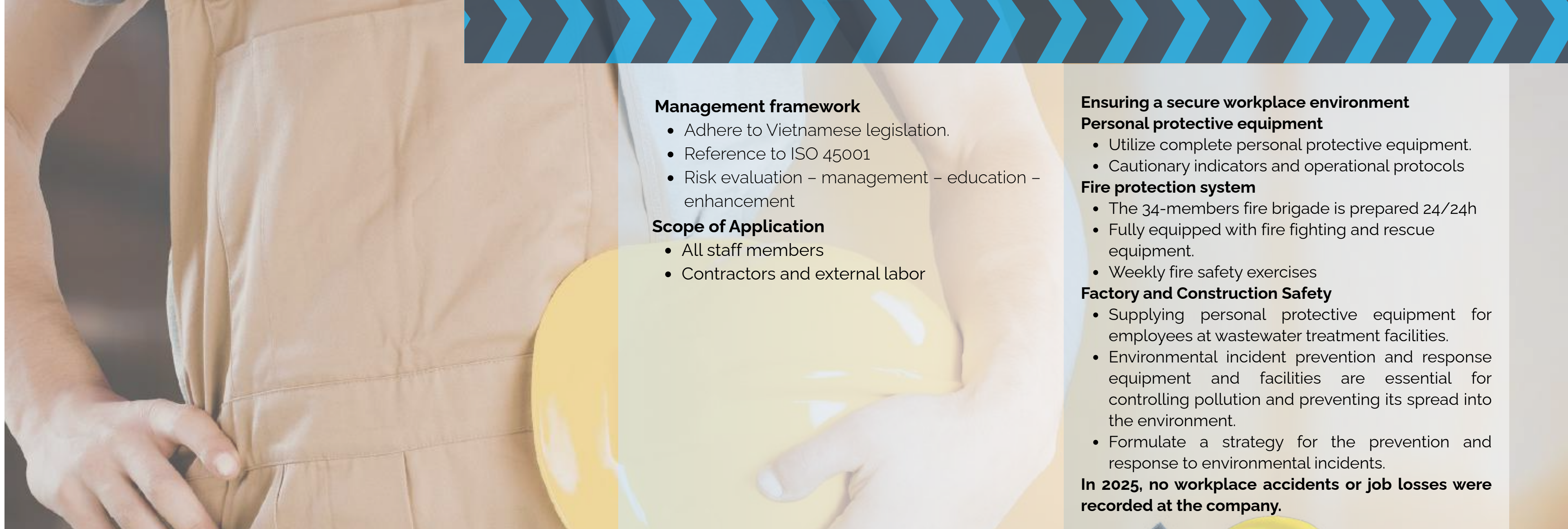


Enhancing  
human resources



Upholding  
Human Rights





#### Management framework

- Adhere to Vietnamese legislation.
- Reference to ISO 45001
- Risk evaluation – management – education – enhancement

#### Scope of Application

- All staff members
- Contractors and external labor

#### Ensuring a secure workplace environment

##### Personal protective equipment

- Utilize complete personal protective equipment.
- Cautionary indicators and operational protocols

##### Fire protection system

- The 34-members fire brigade is prepared 24/24h
- Fully equipped with fire fighting and rescue equipment.
- Weekly fire safety exercises

##### Factory and Construction Safety

- Supplying personal protective equipment for employees at wastewater treatment facilities.
- Environmental incident prevention and response equipment and facilities are essential for controlling pollution and preventing its spread into the environment.
- Formulate a strategy for the prevention and response to environmental incidents.

**In 2025, no workplace accidents or job losses were recorded at the company.**

## A SECURE, HEALTHY, AND EQUITABLE WORKPLACE

- Shinec acknowledges occupational safety and health as a crucial component of sustainable production and business operations. A management system has been implemented to prevent workplace accidents and occupational diseases while enhancing working conditions for employees.
- Shinec performs occupational health and safety hazard identification for every job position, production and business activity, and work area. The hazards assessed encompass physical, chemical, biological, and psychosocial risks.





**Integrating training with risk management practices**

The company's occupational safety and health training programs are developed in accordance with the findings from hazard identification and risk assessment for each job position. The training content emphasizes critical risks, including electrical safety, working at heights, fire prevention and control, chemical safety, and incident response, integrating theoretical instruction with practical on-site training.

Category	Training Course
General Knowledge	Occupational Safety and Health (OSH) Law, safety regulations
Hazard Identification	Electrical hazards, working at height risks, chemical hazards, noise exposure
Preventive Measures	Safe work procedures, Personal Protective Equipment (PPE)
Emergency Response	First aid, rescue operations, fire prevention and firefighting (PCCC), environmental incident response
Occupational Health	Occupational diseases, industrial hygiene

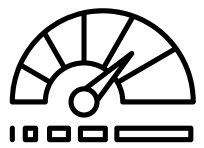
Target Group	Scope
Direct workers	100%
Indirect workers	100% – indirect training provided
Management (all levels)	Role-based, specialized training
Safety and Hygiene	In accordance with regulations
Contractors / Outsourced workers	Before and during work; commitment signing and environmental & incident management deposit

# COLLABORATING TO SAFEGUARD THE COMMUNITY

## Promoting traffic safety within the community.



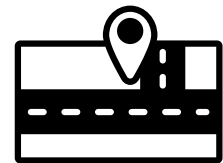
With nearly 10,000 employees in the industrial park and a diverse array of vehicles operating within the Nam Cau Kien area, Shinec has instituted the following measures to guarantee internal traffic safety.



The maximum speed limit for vehicles within the IP is 40 km/h.



Caution indicators, emergency lights



Traffic rerouting



Cameras and artificial intelligence systems o



The security team at the iIP oversees traffic.

## Flood and storm mitigation, along with search and rescue operations

The industrial park oversees infrastructure and addresses storm-related challenges by forming a flood and storm prevention team and collaborating with businesses to ensure prompt assistance. Throughout the year, no damage was reported, and traffic and business operations remained stable during and after the storms.

The fire-fighting team at the industrial park comprises 34 members and is outfitted with 2 specialized fire trucks. Biweekly, the team holds training sessions for all personnel, ensuring they remain informed about new regulations and uphold a high standard of skills and techniques in fire prevention and rescue. Each year, the organization executes a strategy for disseminating information and conducting firefighting and rescue drills for employees within the industrial park.

- 02 activities** Organize a public awareness campaign regarding the 2025 Fire Prevention and Fighting Law, encompassing regulations on fire safety, fire prevention strategies, techniques, and escape methods in the event of a fire or explosion.
- 01 activity** Executing fire fighting and rescue drills for corporations and industrial parks, encompassing unannounced drills and exercises for special events.
- 10 activities** Oversee fire safety measures, monitor electrical short circuits, and organize on-site firefighting equipment and teams to support significant events and festivals within the IP
- Annual** Routine maintenance and examination of the system.
- Weekly** Fire safety drill at the premises.

## Ensuring fire safety and conducting rescue operations



# HEALTHCARE - THE WELL-BEING OF WORKERS

## WORKERS

Prioritizing employee welfare enhances their quality of life and fosters individual commitment and growth within the organization.

**100% of employees**

The collective labor agreement has been announced and executed.

**100% of employees**

Employees are entitled to a 13th-month salary, holiday, Lunar New Year bonuses, as well as performance-based incentives.



**96% of employees**

Satisfied with the work environment and employee benefits.

**100%**

Employees are afforded the opportunity to engage in both domestic and international training programs, with expenses covered by the company.

**100%**

Employees undergo routine health assessments.

**10.7%**

Salaries are anticipated to rise on average in comparison to 2024. They are determined by the completion rate and performance throughout the year.

**0**

Discrimination and coerced labor in the workplace.

**100%**

Employees receive training and are equipped with the essential protective gear to carry out their responsibilities safely.

**100%**

Employees are entitled to holidays and leave as mandated by law and may engage in annual recreational, cultural, sports, and tourism activities.



# HEALTHCARE - THE WELL-BEING OF WORKERS

## WORKERS



### All staff members are in good health

To safeguard employee health and prevent occupational diseases, the company implements occupational health services tailored to the nature of its operations and associated risks, ensuring adherence to Vietnamese laws and regulations regarding occupational safety and hygiene.



All employees receive regular health check-ups.



Establish an annual health insurance initiative.



Maternity leave encompasses comprehensive welfare and insurance coverage, along with the option to resume employment.



Employees are compensated for medical expenses.

### Enhancing spiritual well-being

At Shinec, we are dedicated to promoting the well-being of our employees by fostering a joyful and inspiring work environment each day. To cultivate a meaningful workspace, the company organizes a diverse array of cultural and recreational activities, enriching the overall experiences of all employees.

# ENHANCING SPIRITUAL WELL-BEING



**100%**  
Employees  
engage in events.



**10 activities**  
Engage in soccer tournaments,  
pickleball competitions, and  
various other contests.



**06**  
Extracurricular  
pursuits, travel



**77%**  
Annual tourism engagement  
rate by project



Engage in cultural and artistic endeavors



Engage in sports exchange initiatives



Engage in union and municipal events



Engage in annual excursions, extracurricular activities.



# GENDER EQUALITY AND OPPORTUNITIES FOR WOMEN IN THE WORKFORCE

## Caring for the well-being of female employees.

Of the 175 employees across all projects, 65% are projected to be male and 35% female in 2025, reflecting an 8% increase in female representation compared to 2024. This ratio pertains specifically to Shinec's business operations, which include investing in infrastructure for eco-industrial parks and clusters, leasing factory space, providing support, and engaging in business activities within industrial parks.



Presenting gifts to commemorate International and Vietnamese Women's Day.



Engage in initiatives that advance gender equality.



Engage in events that honor women within the organization.



A just work environment, where significant roles are allocated based on competencies and opportunities for advancement.

# HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT

Human resources are recognized as the fundamental cornerstone for the sustainable development of businesses and the ecosystem. Shinec is dedicated to fostering a professional, equitable, and secure working environment while providing opportunities for employees to achieve comprehensive growth in both professional skills and personal values.

## Principles of Human Resource Management

- 01** Recruitment is conducted transparently, emphasizing qualifications and alignment with the company culture.
- 02** No discrimination based on gender, age, background, or circumstances will be tolerated.
- 03** Ensure complete adherence to all legal regulations pertaining to labor, wages, insurance, and benefits.
- 04** Uphold the rights of employees and foster internal communication.



All employees receive monthly performance evaluations.



All employees engage in training programs to improve their skills and knowledge.



Four individuals were elevated to leadership and management roles within industrial parks and clusters.



Percentage of work completed surpassing KPIs: Increased by 10% compared to 2024.



# PROFESSIONAL SKILLS ENHANCEMENT AND CAREER DEVELOPMENT INITIATIVE

## Human Resource Development

In light of the transition in industrial park models towards green, smart, and circular methodologies, Shinec is dedicated to creating training programs designed to:

1. Strengthening the long-term professional competencies of employees;
2. Assist workers in adjusting to shifts in technology, regulations, and market demands.
3. Establish a framework for sustainable career advancement.

### Professional qualifications

The company's workforce comprises 90% local personnel, with 78.98% possessing university or postgraduate degrees, 19% holding college or vocational qualifications, and 19.1% having completed general education (security staff have obtained pertinent professional certifications).

The company has engaged external training providers and employed on-site training specialists, with an investment in training development surpassing 1 billion VND.



### Highlighted programs

12 training sessions

- **ESG capacity-building training:** ESG awareness, GRI standards, and environmental and social management in industrial parks.

6 training sessions

- **Digital transformation training:** implementation of management software and digital data in operations and administration.

5 training sessions

- **Occupational safety and health training:** revising regulations, enhancing risk prevention skills, and improving incident response.

5 training sessions

- **Succession training and key personnel development:** cultivating management competencies for future leaders.

5 training sessions

- **Succession training and key personnel development:** cultivating management competencies for future leaders.

23 training sessions

- **Professional training:** departmental professional development.

Nam Cau Kien has invested in four football fields and six pickleball courts, organizing numerous activities for workers and the community to engage in, thereby enhancing health, promoting sportsmanship, and fostering community connections.

85%

Customer feedback rate concerning the favorable investment climate in the industrial park.



Nam Cau Kien Sports Festival

## CULTURAL AND SPORTS ACTIVITIES

We foster a friendly and inclusive environment within the industrial park, creating employment opportunities and generating positive impacts for the surrounding communities. We also develop facilities, activities, and social welfare programs that support local residents and employees within the industrial park.

The sports festival took place from November 15 to 22, 2025, attracting nearly 1,000 athletes, along with supporters from enterprises, organizations, partners, and the local community.

This year's event features three primary competitions: the NCK 2025 Football Tournament (four participating teams), the NCK 2025 Pickleball Tournament (eighty matches), and the NCK Green Run 2025, offering two distances of 2 km and 5 km (eight hundred athletes).





## Vietnam-China Connection Bridge

A meaningful series of activities under the “Vietnam-China Connection Bridge – Hai Phong 2025” program was jointly organized by the Department of Foreign Affairs and Cultural Diplomacy (Ministry of Foreign Affairs), the Hai Phong Department of Foreign Affairs, and Shinec Joint Stock Company. The program marked the 75th anniversary of diplomatic relations between Vietnam and China (January 18, 1950 – January 18, 2025), celebrated the 70th anniversary of Hai Phong's Liberation, and responded to the Red Flamboyant Festival 2025.

The program featured two nights of artistic performances by art troupes from Ningbo and Nanning (China), together with Vietnamese artists, offering audiences rich and distinctive traditional cultural performances. Alongside various activities held over two days, the event attracted more than 3,000 participants.



Presenting flowers as a gesture of appreciation to the investors of the IP



Inter-school exchange programs



Engage in traditional folk games at the event venue.



Vietnam-China Cultural Exchange Night

# Hai Phong Cherry Blossom Festival - Nam Cau Kien

To promote friendly relations and cultural exchange between Vietnam and Japan, the Hai Phong Department of Foreign Affairs, in coordination with Shinec, organized the Hai Phong – Nam Cau Kien Cherry Blossom Festival 2025 at the Nam Cau Kien IP campus. The event was open to the public and visitors free of charge. Shinec has pioneered the application of the eco-IP model at Nam Cau Kien IP learning from Japan's experience particularly from Kitakyushu City to optimize resources, minimize waste, and move toward sustainable development. A special highlight is the garden of 200 cherry blossom trees planted at Nam Cau Kien Industrial Park, symbolizing the sustainable connection and spirit of cooperation between the two localities, while creating a unique Japanese cultural space in Hai Phong. The event attracted visitors, workers, and students from schools, with a total of 2,000 participants.



The event entailed the planting of 200 cherry blossom trees at the Nam Cau Kien IP.



Engage in traditional Japanese games.



Immerse yourself in the artistry of the tea ceremony, browse souvenir stalls, and savor delectable cuisine.



Immerse yourself in genuine Japanese culture at the center of Nam Cau Kien Industrial Park.



Engage in activities such as origami, crafting fox masks, and participating in quizzes about Japanese culture.



Experience donning a Kimono and Yukata in a traditional Japanese context.

## SHARING TO REACH FURTHER

Through the above charitable activities, Shinec aims to spread the value of sharing, encourage the spirit of solidarity, and support one another in times of difficulty—thereby creating collective strength for the community to overcome challenges and move toward a brighter future.



Shinec Joint Stock Company has affirmed its pioneering role in philanthropic activities through programs supporting people affected by floods in the Central provinces.

For ongoing projects, the company provides additional support to households during site clearance, contributing to consensus-building and stabilizing the livelihoods of local residents in project areas.

In addition, the company has implemented various community support initiatives, such as providing Tet gifts to disadvantaged households, upgrading infrastructure, planting trees, and donating books to schools and libraries—thereby improving living and learning conditions for the community.

Total support amount: VND 2 billion.





Two cooperation agreements were signed to support environmental communication training



### Communication and training initiatives

The Eco - Library in Nam Cau Kien remains a focal point for numerous workers, providing a venue for both relaxation and learning. Study groups have generously donated books to the library. In 2025, the company published 2,000 copies of two titles: "Economic Development Strategy for Regions and Localities in the Post-Merger Period" and "Developing Industrial Parks: Creating a Green Future for Vietnam," disseminating valuable insights in economic development to its readers.



Student groups studying at the industrial park.



Contributing books published by enterprises to the National Assembly Library.



Book launch event at Nam Cau Kien IP



## ENVIRONMENTAL COMMUNICATION

### Communication and training initiatives

The Nam Cau Kien Educational Tourism Program has been widely implemented, reaching numerous groups of students across diverse topics. It provides an experiential learning environment through lectures and in-depth research presentations by students, demonstrating the spirit of youth contribution to the sustainable development of the country.

The program offers a diverse learning environment, including the cultural space dedicated to General Vo Nguyen Giap, eco-friendly facilities, and real business working environments—delivering practical and meaningful learning experiences for participants.

**+2000**  
Trainees undergo training.

**+25**  
Interns

**+2**  
Publishing a book on the evolution of the Science and Technology Park.

**200**  
The book has been contributed.



Contributing books published by the company to educational organizations and research teams.



Contributing books published by the company to educational organizations and research teams.

The industrial park fosters an environment conducive to student engagement with businesses, providing training support. A total of 25 students are studying and interning, benefiting from assistance with accommodation, living expenses, and educational costs, as well as participation in business activities, with support for one month amounting to 77.5 million VND.



Student Internship Orientation



# REPORT DATA

## ESG - 2025

Shinec's annual sustainability report seeks to transparently illustrate its sustainable development initiatives, assess the impacts of environmental, social, and corporate governance (ESG), and highlight Shinec's steadfast commitment to establishing a sustainable eco-industrial park.

The report encompasses all facets of operations, including natural resource management, greenhouse gas emission reduction, renewable energy utilization, ESG risk management, occupational safety policies, training and human resource development, as well as community support initiatives and relationships with investors, customers, and partners. Additionally, the report underscores the challenges encountered and the solutions enacted to enhance the efficacy of sustainable management.

The report is grounded in international standards, including the Global Initiative for Sustainable Development (GRI), supports the United Nations Sustainable Development Goals (UN SDGs), and adheres to Vietnamese laws and regulations concerning investment, business, environmental protection, labor, and sustainable development. The preparation process of the report follows the principles of transparency, comprehensiveness, and consistency, ensuring an accurate representation of the company's activities in 2025.



The 2025 ESG Sustainable Development Report will be officially released on Shinec's website, distributed to investors, customers, and regulatory bodies, and will also be available through the company's digital communication channels. Shinec invites stakeholders to provide feedback to enhance future ESG initiatives, ensuring the industrial park's sustainable development and its positive impact on Vietnam's socio-economic progress.

The 2025 Sustainable Development Report is produced annually in alignment with the Company's accounting period, encompassing the timeframe from January 1, 2025, to December 31, 2025.

[www.shinec.com.vn](http://www.shinec.com.vn)

### Units incorporated in the report

The reporting scope encompasses branches, affiliated units, and subsidiaries in which Shinec maintains a controlling interest:

- Shinec Joint Stock Corporation
- An Tho Investment Joint Stock Corporation
- Shinec Joint Stock Company - Quang Ninh
- Lao Cai Industrial Development Investment Corporation

Projects that report on legal compliance, human resources, and social activities encompass:

- Shinec Gia Lai Corporation
- Dong Phu Industrial Park Corporation
- Thai Do Industrial Park Joint Stock Company
- Ninh Khanh Land Development Corporation

Data scope: This report encompasses ESG activities associated with the investor's role in the development and construction of industrial park infrastructure, excluding the independent production and business operations of secondary enterprises.

# SUSTAINABILITY REPORT 2025

## SHINEC JOINT STOCK COMPANY



Eco-NCK Library



Nam Cau Kien Industrial Park head office



Japanese garden wastewater treatment plant



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