

SUSTAINABILITY REPORT 2025

VICOSTONE 
The Art of Quartz

VICOSTONE
FOR A GREENER FUTURE 

ADAPTING TO CHANGE

CREATING SUSTAINABLE VALUE

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List of Abbreviations

AGM	Annual General Meeting of Shareholders
IPCC	Intergovernmental Panel on Climate Change
AI	Artificial Intelligence
IPPF	International Professional Practices Framework
BIM	Building Information Modelling
ISO	International Organization for Standardization
CBAM	Carbon Border Adjustment Mechanism
ISSB	International Sustainability Standards Board
COSO	Committee of Sponsoring Organizations of the Treadway Commission
KPI	Key Performance Indicator
CSR	Corporate Social Responsibility
LEED	Leadership in Energy and Environmental Design
CSRD	Corporate Sustainability Reporting Directive
LTIFR	Lost Time Injury Frequency Rate
DEI	Diversity, Equity and Inclusion
OHS	Occupational Health and Safety
EPD	Environmental Product Declaration
PDCA	Plan-Do-Check-Act
ERM	Enterprise Risk Management
PPE	Personal Protective Equipment
ERP	Enterprise Resource Planning
R&D	Research and Development
ESG	Environmental, Social and Governance
SA8000	Social Accountability 8000 Standard
GHG	Greenhouse Gas
SASB	Sustainability Accounting Standards Board
GRI	Global Reporting Initiative
SDG	Sustainable Development Goal
GWP	Global Warming Potential
TCFD	Task Force on Climate-related Financial Disclosures
HSE	Health, Safety and Environment
USGBC	U.S. Green Building Council
HSEQ	Health, Safety, Environment and Quality
VCCI	Vietnam Chamber of Commerce and Industry
IFRS	International Financial Reporting Standards
VSAE	Vietnamese Standards on Assurance Engagements

The National Flag made from VICOSTONE® engineered quartz stone set the record for the “Largest Engineered Stone National Flag in Vietnam”

Message from the Chairman of the Board of Directors

Dear Shareholders, Customers and Business Partners,

The year 2025 was marked by profound shifts across the global economy in general and the construction materials industry in particular. According to international organizations, global economic growth was projected to range from 2.8% (UN) to 3.3% (IMF), reflecting a pattern of slow and uneven growth across regions, with significant risks remaining. Together, a prolonged and complex geopolitical environment, rapid and unpredictable changes in trade policies, pressures from inflation and input costs, shifting consumption trends, the rapid technological advancement, and the impacts of climate change are creating an urgent imperative for businesses: not only to maintain stability, but also to proactively **CHANGE** and **ADAPT** to remain resilient and pursue sustainable development.

Alongside its business growth objectives, Vicostone remains steadfast in pursuing its sustainable development strategy, using ESG as a framework across all operations and upholding its responsibilities to the environment, society and stakeholders.

Therefore, comprehensive restructuring is critical, with a focus on: Restructuring the product portfolio and supply chain toward green production and green products; Optimizing costs and creating a long-term competitive advantage; Adapting to protectionism policies in key markets.

On behalf of the Board of Directors, I would like to express my sincere appreciation to our shareholders, customers, business partners and all Vicostone employees for your trust and continued support. Your unity and determination have been, continue to be and will remain an important foundation, enabling Vicostone to resilient to change and pursue sustainable development in the years ahead.

I wish you all good health, happiness and success!

CHAIRMAN OF THE BOARD OF DIRECTORS



HO XUAN NANG

Internal Assurance Statement for the Sustainability Report

To: Vicostone Joint Stock Company

To enhance the reliability and accuracy of the disclosures presented in the Company's 2025 Sustainability Report and to ensure that these disclosures have been prepared and reported in accordance with the prevailing GRI Sustainability Reporting Standards (GRI Standards), the Audit Committee performed the necessary assurance procedures to form a conclusion on the Company's 2025 Sustainability disclosures.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and presentation of the Company's 2025 Sustainability Report in accordance with the applicable GRI Standards and within the defined reporting boundaries for each material topic. Additionally, the Board of Management is also responsible for designing, implementing and maintaining such internal controls as it determines necessary to ensure the reasonableness of the information and the accuracy of the data and disclosures presented in the 2025 Sustainability Report.

Responsibilities of the Audit Committee

The Audit Committee is responsible for issuing conclusions regarding the presentation and ensuring the reasonableness of the Company's 2025 Sustainability disclosures based on the procedures and methodologies prescribed in the Decree No. 05/2019/ND-CP dated January 22, 2019 by the Government on Internal Audit, the Company's Audit Committee Charter, the Company's Internal Audit Manual, and the International Standards for the Professional Practice of Internal Auditing (IPPF). The engagement also considered the requirements of Vietnam Standard on Assurance Engagements (VSAE) 3000 - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (issued together with the Circular No. 66/2015/TT-BTC dated May 8, 2015 by the Ministry of Finance). These regulations require internal auditors to comply with the applicable Code of Ethics and to adopt a risk-based audit approach in planning and performing appropriate audit procedures to provide an independent and objective opinion on the Company's 2025 Sustainability Report.

Recipients:

- As addressed above;
- Chairman of the Board of Directors (for reporting purposes);
- Archived by the Administration Department and the Audit Committee.

The assurance engagement was primarily conducted through audit evidence-gathering procedures, including interviews, inspections, information verification, reconciliations and recalculations based on the Company's internal documents and reports, invoices, and supporting documents from the Company and its Suppliers.

Scope of Assurance

The Audit Committee performed a reasonable assurance engagement on the preparation and presentation of the Company's 2025 Sustainability Report in accordance with the requirements of the prevailing GRI Standards and the Company's actual business operations during the 2025 reporting period.

The assurance procedures were performed on a sample basis over the collection, consolidation, calculation and presentation of selected 2025 non-financial information within the Report's reporting boundary, focusing on GHG emissions, energy, water and wastewater, waste, and occupational health and safety. The assessment was based on records, data, supporting documents and internal reports provided by the relevant units and reconciled against the calculation methodologies and GRI requirements referenced in the Report. The scope did not cover the Report in its entirety, forward-looking information, future targets or information outside the reporting boundary.

Conclusion

Based on the reasonable assurance procedures described above, in the opinion of the Audit Committee, the Company's 2025 Sustainability Report has been prepared and presented fairly, in all material respects, in accordance with the provisions of the current GRI Standards, and is consistent with the Company's actual operations for the fiscal year ended December 31st, 2025.

Hanoi, June 30, 2026

FOR AND ON BEHALF OF THE AUDIT COMMITTEE

Chairman



Nguyen Quang Hung



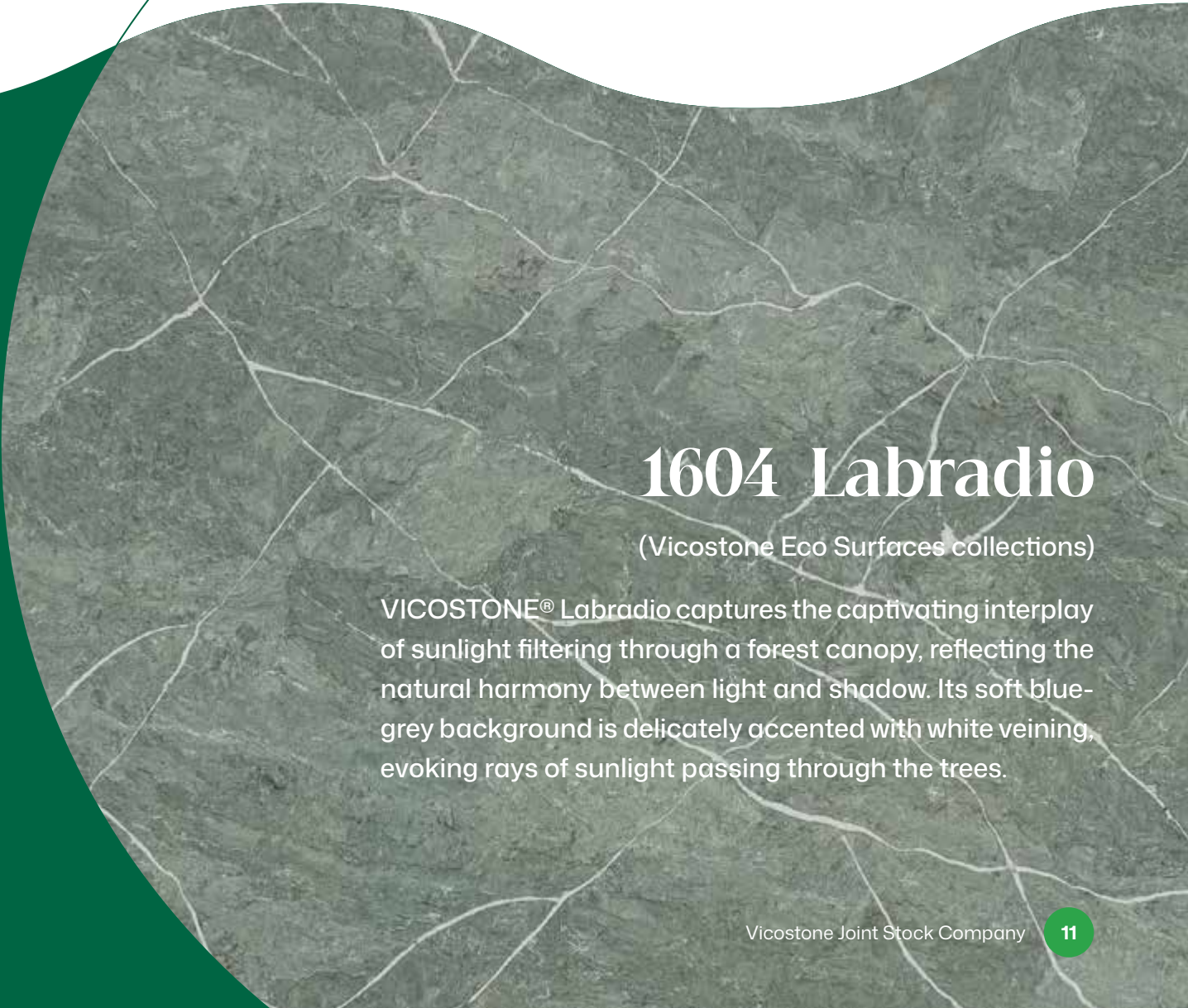
Photo: Elemental Design Interior

01

Chapter 1

General
information

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1604 Labradio

(Vicostone Eco Surfaces collections)

VICOSTONE® Labradio captures the captivating interplay of sunlight filtering through a forest canopy, reflecting the natural harmony between light and shadow. Its soft blue-grey background is delicately accented with white veining, evoking rays of sunlight passing through the trees.

Overview of Vicostone

Vicostone is one of the world's leading manufacturers of premium engineered quartz stone. **VICOSTONE®** brand product are available in over 50 countries across five continents through a global network of over 10,000 distributors and business partners. The **VICOSTONE®** trademark is currently protected in nearly 70 countries.

Responsible for Information Disclosure:

Mr. Pham Tri Dung

- **Position:**
Chief Executive Officer of Vicostone Joint Stock Company
- **Tel:**
+84 24 3368 5826
- **Fax:**
+84 24 3368 6652
- **Address:**
Hoa Lac High-Tech Park,
Hoa Lac Commune, Hanoi, Vietnam

Independent Audit Firm:

Ernst & Young Vietnam Limited

- **Tel:**
+84 24 3831 5100
- **Address:**
:8th Floor, Cornerstone Building,
16 Phan Chu Trinh Street, Cua Nam
Ward, Hanoi, Vietnam

Ernst & Young Vietnam Limited has served as the independent auditor of the Company's separate and consolidated financial statements for 14 consecutive years, from 2012 to 2025.

• Vietnamese Name: CÔNG TY CỔ PHẦN VICOSTONE	• Listed Security Name: SHARES OF VICOSTONE JOINT STOCK COMPANY	• Treasury Shares: 0 shares
• English Name: VICOSTONE JOINT STOCK COMPANY	• Ticker Symbol: VCS	• Outstanding Shares: 160,000,000 shares
• Abbreviation: Vicostone	• Head Office: Hoa Lac High-Tech Park, Hoa Lac Commune, Hanoi, Vietnam	• Charter Capital: VND 1,600,000,000,000 (One trillion six hundred billion Vietnamese dong)
• Tel: +84 24 3368 5826	• Email: quanhecodong@vicostone.com	
• Fax: +84 24 3368 6652	• Website: https://vicostone.com	
• Par Value: VND 10,000 per share		
• Total Issued and Listed Shares: 160,000,000 shares listed on the Hanoi Stock Exchange (HNX)		

Enterprise Registration Certificate No.: 0500469512, first issued by the Hanoi Department of Planning and Investment on 2nd June 2005 and amended for the 20th time on 16 January 2025.



Overview of Vicostone

(Continued)

TOP
03

Top 3 Globally

Vicostone ranks among the world's top three largest manufacturers of engineered stone, with nearly 24 years of experience in the field.

07

7 Advanced production lines
Annual capacity of over 3.5 Million m²

VICOSTONE® combines Breton S.p.A. (Italy)'s advanced technology with proprietary manufacturing expertise to deliver high quality products that meet international standards for durability, aesthetics and user safety.

95%

Approximately 95% of raw materials

Vicostone is one of the few engineered quartz stone manufacturers in the world capable of localizing and self-supplying input materials at optimal costs, enabling proactive production and quality control in strict accordance with standards.

50+

Present in more than 50 Countries

Vicostone has established a strong presence in demanding markets, including the United States, Canada, Australia and Europe.

150+

150+ Designs

Vicostone offers over 150 nature-inspired products with outstanding features that set trends and have become a popular choice in interior design among experts and customers worldwide.

150+

Over 150 billion vnd invested annually

Significant annual investment in scientific research, technology and innovation

Overview of Vicostone's 2025 sustainability report

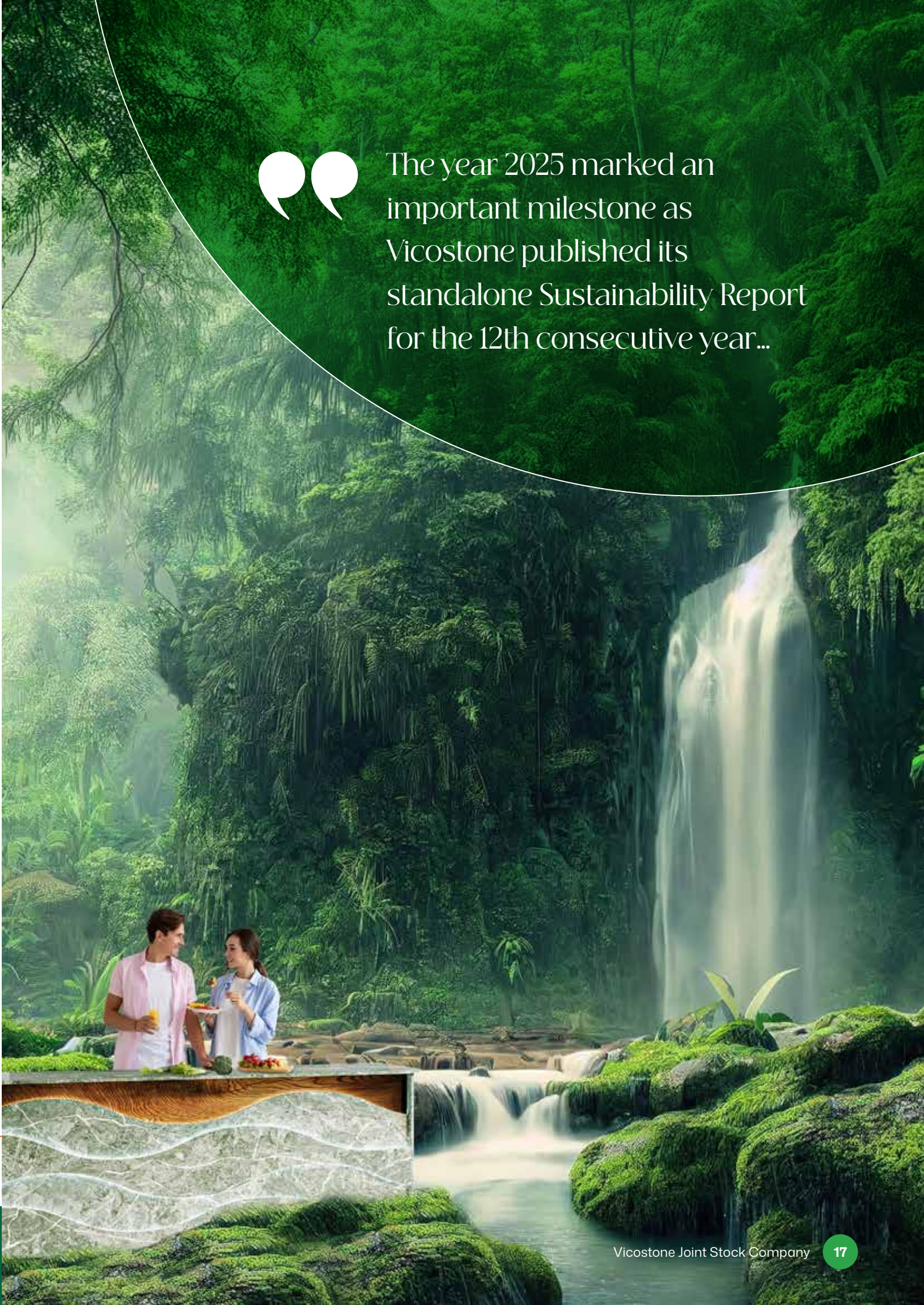
The year 2025 marked a significant milestone as Vicostone published its independent Sustainability Report for the 12th consecutive year. It also marks the seventh year the Company has applied international reporting standards, notably the GRI Standards 2021, reaffirming its strong commitment to transparency, accountability, and long-term sustainable development. Over more than two decades of development, since exporting its first shipment to the international market in 2004, Vicostone has risen to become one of the top three global manufacturers of premium quartz-based engineered stone, supported by a distribution network spanning more than 50 countries across five continents and a strong presence in some of the world's most demanding markets, including Europe, the United States, Japan and

Australia. This journey is not only a story of growth, but also a process of overcoming challenges and shaping a sustainable development model, where ESG has become the core foundation for guiding the Company's decision-making and business operations.

The 2025 Sustainability Report was developed not only as a means of information disclosure, but also as a strategic management tool, reflecting how Vicostone substantively integrates ESG throughout its entire value chain - from Corporate Governance, manufacturing, and the Supply Chain to community engagement. The Report clearly illustrates the Company's strategic evolution from a compliance-driven approach to one focused on value creation, where sustainability serves as a driving force for innovation, operational efficiency, and the enhancement of long-term competitive advantages.



The year 2025 marked an important milestone as Vicostone published its standalone Sustainability Report for the 12th consecutive year...



Overview of Vicostone’s 2025 sustainability report

(Continued)

1. Reporting Standards

Vicostone continues to adopt **the 2021 GRI Standards**, the globally recognized and comprehensive framework for sustainability reporting. Maintaining adherence to the GRI Standards not only standardizes the Company's ESG data management system, but also supports Vicostone to better identify and assess its economic, environmental, and social impacts in relation to its stakeholders.

Since 2019, the GRI Standards have served as a foundation for Vicostone to strengthen its corporate governance capabilities, enhance transparency and continuously improve its ESG performance, ensuring a balanced approach to economic growth, social responsibility and environmental protection.

Vicostone’s 2025 Sustainability Report covers the reporting period from **January 1st, 2025 to December 31st, 2025**. The Report has been updated in accordance with the latest guidance and recommendations of the applicable GRI Standards as of the date of publication.



Vicostone continues to apply the **2021 GRI Standards**, a comprehensive and widely recognized global framework for sustainability reporting...



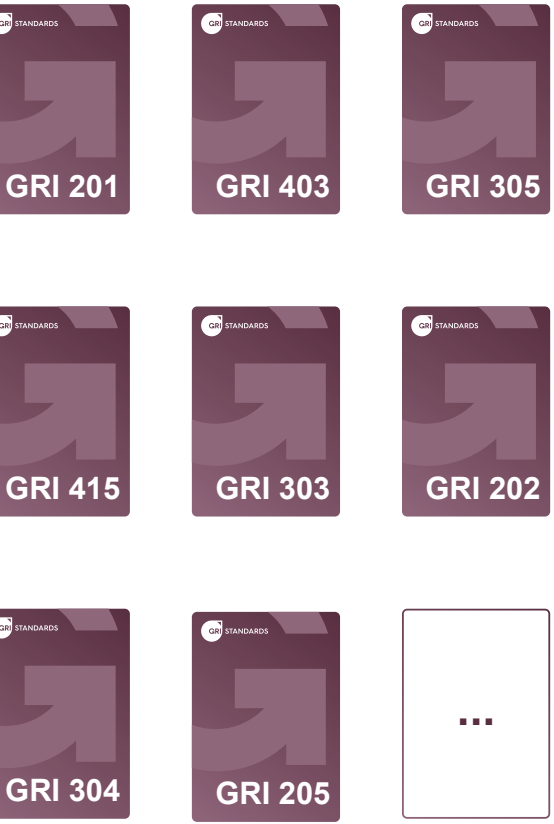
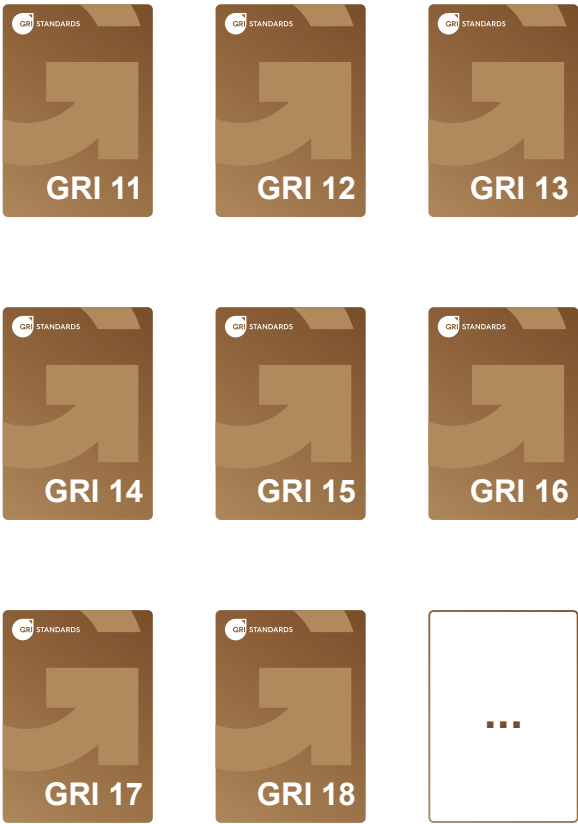
GRI Standards

Universal Standards



Sector Standards

Topic Standards



Overview of Vicostone's 2025 sustainability report

(Continued)

2. Reporting Principles

Vicostone's 2025 Sustainability Report has been prepared to provide transparent, timely and accountable disclosure of the Company's Sustainability strategy and performance to the shareholders, investors, customers, business partners, employees and other stakeholders. Beyond serving as a disclosure document, the Report serves as a strategic management tool that clearly demonstrates Vicostone's strategic direction, commitments and concrete actions in building a sustainable business ecosystem closely integrated with its business operations. The Report is prepared annually, aiming to review and evaluate the effectiveness of the Company's Sustainability strategy while incorporating Stakeholder feedback to review, refine and enhance objectives and action plans for subsequent reporting periods.



Vicostone's 2025 Sustainability Report was prepared to provide transparent, timely and accountable disclosure, comprehensively reflecting the implementation of the Company's Sustainable Development strategy...

In preparing the Report,
Vicostone adhered to the following core reporting principles:



Accuracy

Information is collected, measured and validated using appropriate methods to ensure its reliability and consistency with other publicly published reports.



Completeness

The Report covers all Material Topics identified in accordance with the applicable reporting standards, ensuring comprehensive disclosure.



Balance

Information is presented objectively, providing a comprehensive view of both positive impacts and areas requiring improvement across environmental, social and governance aspects.



Clarity

Information is presented in a visual, easy-to-understand manner, using tables and graphics to enhance readability.



Comparability

Data is presented consistently across reporting periods, with clear references to facilitate trend analysis and performance comparison over time.



Sustainable Development Context

Information is presented within the context of global ESG sustainable development trends and widely recognized international standards.



Timeliness

Sustainability information is reported regularly to ensure the information provided is up-to-date and relevant to the needs of stakeholders.



Verifiability

Data is verified and cross-checked across reporting periods, supported by the Company's internal control system to enhance the credibility and reliability of disclosed information.

Overview of Vicostone’s 2025 sustainability report

(Continued)

3. Scope of the Report

Vicostone's 2025 Sustainability Report comprehensively presents the Company's business operations and its economic, environmental and social impacts during the reporting period. The scope of the report is defined based on operational control principles and includes Vicostone Joint Stock Company, its dependent units and representative offices.

In 2025, Vicostone expanded the scope of disclosure for non-financial indicators by consolidating environmental, Occupational Health and Safety, and social data from its wholly owned subsidiary, Phenikaa Hue Mineral Processing and Investment One Member Company Limited, a directly owned affiliate that plays a critical role in the raw material supply chain. This expansion provides a more comprehensive representation of impacts across the entire value chain while strengthening the integration of financial and non-financial information.

For material economic indicators, data is presented on a consolidated basis, covering Vicostone and entities directly or indirectly owned and controlled by the Company. Vicostone is a member company of Phenikaa Group. Data relating to other entities within the Phenikaa Group that are not under Vicostone's direct control, data is disclosed only where relevant to consolidated indicators or as required for governance purposes, and is fully disclosed in the relevant sections of the Report.

The consolidation scope and the criteria for selecting reporting entities are determined based on ownership structure, level of control and each entity's role within the value chain, ensuring transparency, consistency and comparability across reporting periods.

In some cases, the scope of data may vary across indicators due to the nature of operations or the scope of consolidation. Such limitations are clearly disclosed to ensure the report remains accurate, reasonable and reliable.

Comparison of Changes in the Non-financial Reporting Boundary

Affected indicator group	Previous boundary (2024)	Expanded boundary (2025)
Environmental: GHG emissions, energy, water and wastewater, and waste	Vicostone	Vicostone and Phenikaa Hue
Social and workforce	Vicostone	Vicostone and Phenikaa Hue
Occupational Health and Safety	Vicostone	Vicostone and Phenikaa Hue

Note: Ensuring comparability, Phenikaa Hue's 2024 data have been added to the relevant tables and consolidated with Vicostone's data in accordance with the 2025 reporting boundary. Vicostone's previously published standalone data for 2024 remain unchanged.

4. Reporting Methodology

The data presented in Vicostone's 2025 Sustainability Report has been collected from the Company's functional units and departments within Vicostone Joint Stock Company and its consolidated entities, based on actual operational measurements and recorded performance.

Financial data is referenced from the Company's 2025 financial statements, audited by Ernst & Young Vietnam, ensuring accuracy, transparency and compliance with applicable accounting standards.

Non-financial data, including environmental, energy, water, waste and Occupational Health and Safety information, is measured and managed through specialized management systems across the reporting entities, ensuring consistency, reliability and traceability throughout the data collection and consolidation process. Measurement methods are standardized and consistently applied across all reporting entities to ensure data consistency, traceability and comparability.

The data processing procedure includes the following steps: data collection, verification, reconciliation, standardization and consolidation prior to disclosure. This procedure helps ensure data quality while enhancing the transparency and verifiability of the reported information.

The methods for data collection, measurement, aggregation and analysis remain consistent with those applied in previous reporting periods. The expanded consolidation scope for non-financial data in 2025 may affect the comparability of certain indicators; such changes are explained in the relevant sections of the Report. Apart from the above, there have been no material changes in methodology, nor have there been any restatements or material revisions.

Reporting cycle:
Once a year

Reporting Period:
From January 1st, 2025 to December 31st, 2025

Report Publication Date:
8/2026

For any questions, comments or recommendations regarding Vicostone's sustainable development activities or the contents of this Report, please contact:

Investor Relations Department Vicostone Joint Stock Company

- Tel: +84 24 3368 5826
- Email: quanhecodong@vicostone.com
- Address: Hoa Lac High-Tech Park, Hoa Lac Commune, Hanoi, Vietnam

Vicostone highly values all comments and feedback regarding the Company's sustainable development activities and views them as valuable sources of information that help the Company accurately and thoroughly understand the aspirations and needs of its stakeholders. Based on this feedback, the Company continuously reviews and evaluates its objectives, refines its action plans and enhances its Sustainability programs to ensure a balanced alignment between the interests of the Company and its Stakeholders while advancing its long-term Sustainability strategy.

Vicostone’s 2025 Sustainability Report provides a comprehensive account of the Company’s business and production activities and its economic, environmental and social impacts during the reporting period.

History and Development



Affiliated companies

1. Parent Company

- **Company Name:**
CÔNG TY CỔ PHẦN TẬP ĐOÀN PHƯỢNG HOÀNG XANH A&A (PHENIKAA)
- **English Name:**
A&A GREEN PHOENIX GROUP JOINT STOCK COMPANY
- **Abbreviation:**
Phenikaa Group
- **Charter Capital:**
VND 3,000,000,000,000 (Three trillion Vietnamese dong)
- **Head Office:**
167 Hoang Ngan Street, Yen Hoa Ward, Hanoi, Vietnam
- **Tel:**
+84 24 3368 5980
- **Email:**
support@phenikaa.com
- **Website:**
www.phenikaa.com
- **Manufacturing Facility:**
Hoa Lac High-Tech Park, Hoa Lac Commune, Hanoi, Vietnam

1.1. Main Business Sector

- Industrial Manufacturing;
- Technology Development;
- Scientific Research;
- Education and Training;
- Healthcare;
- Distribution, Trading and Services.



1.2. Key Member Companies of Phenikaa Group

- **Industrial Manufacturing Sector:**
 - Vicostone Joint Stock Company;
 - Style Stone Joint Stock Company;
 - Vietnam Stone Fabrication Joint Stock Company;
 - Bao Toan A Joint Stock Company;
 - Tran Long Industry Joint Stock Company.
- **Technology Development Sector:**
 - Phenikaa-X Joint Stock Company;
 - Phenikaa Semiconductor Joint Stock Company;
 - Phenikaa Technology Transfer and Trading Joint Stock Company.
- **Scientific Research Sector:**
 - Phenikaa Research and Technology Institute.
- **Education and Training Sector:**
 - Phenikaa University;
 - Phenikaa Primary School;
 - Phenikaa Secondary and High School.
- **Healthcare Sector:**
 - Phenikaa University Hospital (affiliated with Vinh Thien Medical Joint Stock Company);
 - Rang Dong Medical Joint Stock Company;
 - GC PHENIKAA Joint Stock Company;
 - Phenikaa Pharmaceutical Joint Stock Company;
 - AQP Pharmaceutical Research Joint Stock Company.
- **Distribution, Trading and Services Sector:**
 - G3 Czech Center Joint Stock Company;
 - Nam Hung Joint Stock Company;
 - Phenikaa Pharmaceutical Distribution Joint Stock Company;
 - Stylenquaza LLC d/b/a Vicostone US (United States);
 - Bena Surfaces LLC (United States);
 - Vicostone Australia Pty Ltd (Australia).



Affiliate companies

(Continued)

2. Subsidiaries and Dependent Units

2.1. Subsidiary

• **Company Name:**

PHENIKAA HUE MINERAL PROCESSING AND INVESTMENT ONE MEMBER COMPANY LIMITED

• **English Name:**

PHENIKAA HUE MINERAL PROCESSING & INVESTMENT ONE MEMBER COMPANY LIMITED

• **Abbreviation:**

Phenikaa Hue

• **Charter Capital:**

VND 50,000,000,000 (Fifty billion Vietnamese dong)

• **Head Office:**

Lot CN15, Zone B, Phong Dien Industrial Park, Phong Dinh Ward, Hue City, Vietnam

• **Vicostone's Ownership Interest:**

100% of the charter capital

• **Principal Business Activity:**

Manufacturing cristobalite materials for premium stone surface manufacturers within Phenikaa Group and other manufacturing companies.



2.2. Dependent Units



Showroom of Vicostone Joint Stock Company in Hanoi

Address: 51-53 Mac Thai To Street, Yen Hoa Ward, Hanoi, Vietnam

Representative Office of Vicostone Joint Stock Company in Da Nang

Address: 502-504 Nguyen Huu Tho Street, Cam Le Ward, Da Nang City, Vietnam

Representative Office of Vicostone Joint Stock Company in Ho Chi Minh City

Address: 72 Nguyen Co Thach Street, An Khanh Ward, Ho Chi Minh City, Vietnam



02

Chapter 02

Sustainable
development
strategic
direction

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1605 Inara

(Vicostone Eco Surfaces collections)

VICOSTONE® Inara is inspired by the timeless beauty of natural Calacatta stone. The striking combination of bold and delicate veining flows across the surface, creating a dynamic visual effect that enhances the design's depth and sophistication.

(Eco collection)

Vicostone's Sustainable Development Strategy

1. Vicostone's vision

To continue elevating the **VICOSTONE®** brand's standing in the global market through continuous innovation, the adoption of new technologies and materials, and a smart, sustainable manufacturing model, creating engineered stone products that are artistic, distinctive and inspiring for all customers.



2. Vicostone's mission

Fulfilling every commitment and consistently lead in innovation by delivering products with unique artistic value, trend-leading designs and outstanding quality that best meet the needs of all customer segments and inspire creativity in every individual and living spaces.



Vicostone's Sustainable Development Strategy (Continued)

3. ESG sustainability strategic orientation to 2030

Vicostone's ESG sustainable development strategy for the 2026-2030 period is developed on comprehensive integration into a smart, green and circular manufacturing model. The strategy aims not only to ensure product quality, but also to enhance brand value, long-term competitiveness and the Company's ability to adapt to global sustainable development.

The ESG strategy is implemented across the three pillars of Environment, Social and Governance (ESG), closely aligned with Phenikaa Group's development philosophy: **"Green Vision - Dedicated Service - Happiness for all"**. This affirms that ESG is not only a governance orientation, but also a comprehensive approach to operations and development.

Within the Group's overall ESG and Net Zero strategy, Vicostone plays a central role in the industrial manufacturing sector, serving both as an implementing entity and as a catalyst for broader impact. With its technological capabilities and materials ecosystem, Vicostone not only leads the development of advanced, environmentally friendly materials manufacturing, but also builds sustainability models that extend across the entire value chain, from raw materials and manufacturing to global markets.



Overall objectives

Vicostone plays a central role in shaping and implementing the ESG sustainability strategy for the industrial manufacturing sector within Phenikaa Group:

- Fully integrate ESG principles across manufacturing, business operations, research and the entire supply chain;
- Promoting green innovation and transitioning production models toward a circular economy;
- Leading the Carbon Neutrality roadmap toward Net Zero 2050.

Affirming its position as a pioneering ESG-driven advanced materials manufacturer in Vietnam and international markets.



E - Environment



- Promote a comprehensive green transition;
- Reduce greenhouse gas (GHG) emissions in line with the Net Zero 2050 roadmap;
- Optimize energy and resource use;
- Accelerate the transition to renewable energy;
- Develop the circular economy and green, safe and environmentally friendly products;
- Ensure compliance with environmental laws and standards.



S - Social



- Ensure Occupational Health and Safety;
- Develop a happy and sustainable workforce;
- Promote equality, diversity and employee well-being;
- Implement CSR programs that engage communities and stakeholders;
- Express ESG culture across the value chain.



G - Governance



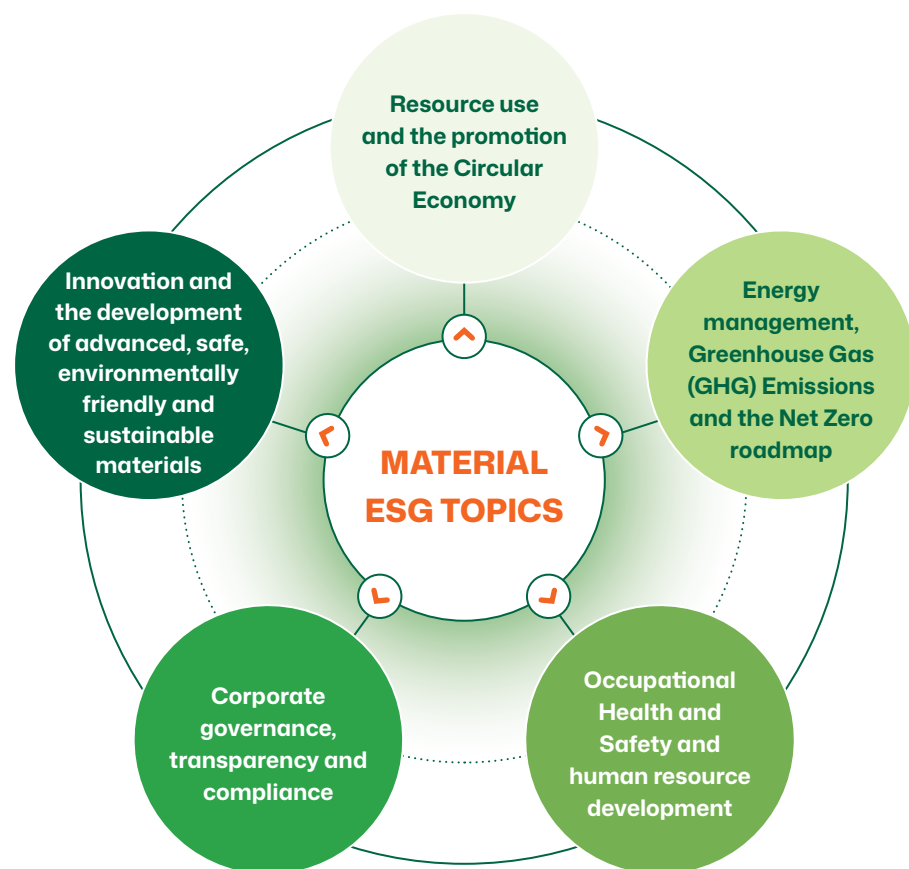
- Establish and operate a transparent and consistent three-tier ESG governance framework;
- Accelerate the digitalization of measurement, reporting and assessment;
- Strengthen Risk Management, internal audit, integrity and compliance;
- Ensure information security and long-term governance capabilities.

Vicostone's Sustainable Development Strategy (Continued)

4. Aligning the ESG Strategy with Material Topics and SDGs

Vicostone's Material ESG Topics are identified in accordance with the GRI Standards and with reference to international practices such as SASB, TCFD and the IFRS Sustainability Disclosure Standards (ISSB). These topics reflect the Company's most significant impacts on the environment, society and the economy, while considering stakeholder expectations and their relevance to long-term manufacturing and business operations.

Based on this assessment, Vicostone has identified a core set of material topics focusing on the following areas:



These topics are directly integrated into the Sustainable Development Strategy for the 2026-2030 period, serving as the foundation for developing objectives, targets, KPIs and ESG action plans, ensuring alignment between strategic orientation and practical implementation.

Aligning ESG philosophy and orientation

Based on Phenikaa Group's Sustainability philosophy of "Green Vision - Dedicated Service - Happiness for all". Vicostone aligns its ESG pillars with the priority Sustainable Development Goals (SDGs) as follows:

E - GREEN VISION

Focus on sustainable production and consumption, effective resource management, Greenhouse Gas (GHG) reduction and proactive addressing climate change.



SDG 6
Clean Water and Sanitation



SDG 12
Responsible Consumption and Production



SDG 13
Climate Action

S - DEDICATED SERVICE

Ensuring health, safety and improved quality of life for employees, while making positive contributions to communities and society.



SDG 3
Good Health and Well-being

G - "HAPPINESS FOR ALL"

Promoting sustainable governance, innovation and long-term growth, building a transparent, effective and people-centered organization.



SDG 8
Decent Work and Economic Growth



SDG 9
Industry, Innovation and Infrastructure

Integration into governance and operations

Priority SDGs are integrated into the ESG strategic objectives, KPIs, action plans, and implementation programs, as well as monitoring, measurement and periodic reporting mechanisms. As a result, sustainability commitments are not only strategically directed but also quantified, measured and continuously improved throughout the Company's manufacturing and business operations.

The value of this approach enables Vicostone not only to comply with international frameworks (GRI, SDGs), but also to proactively implement ESG in line with the specific characteristics of the materials industry and the company's operational model. It strengthens the linkage between ESG strategy, operations and corporate culture, while enhancing governance effectiveness, risk management and long-term competitiveness.

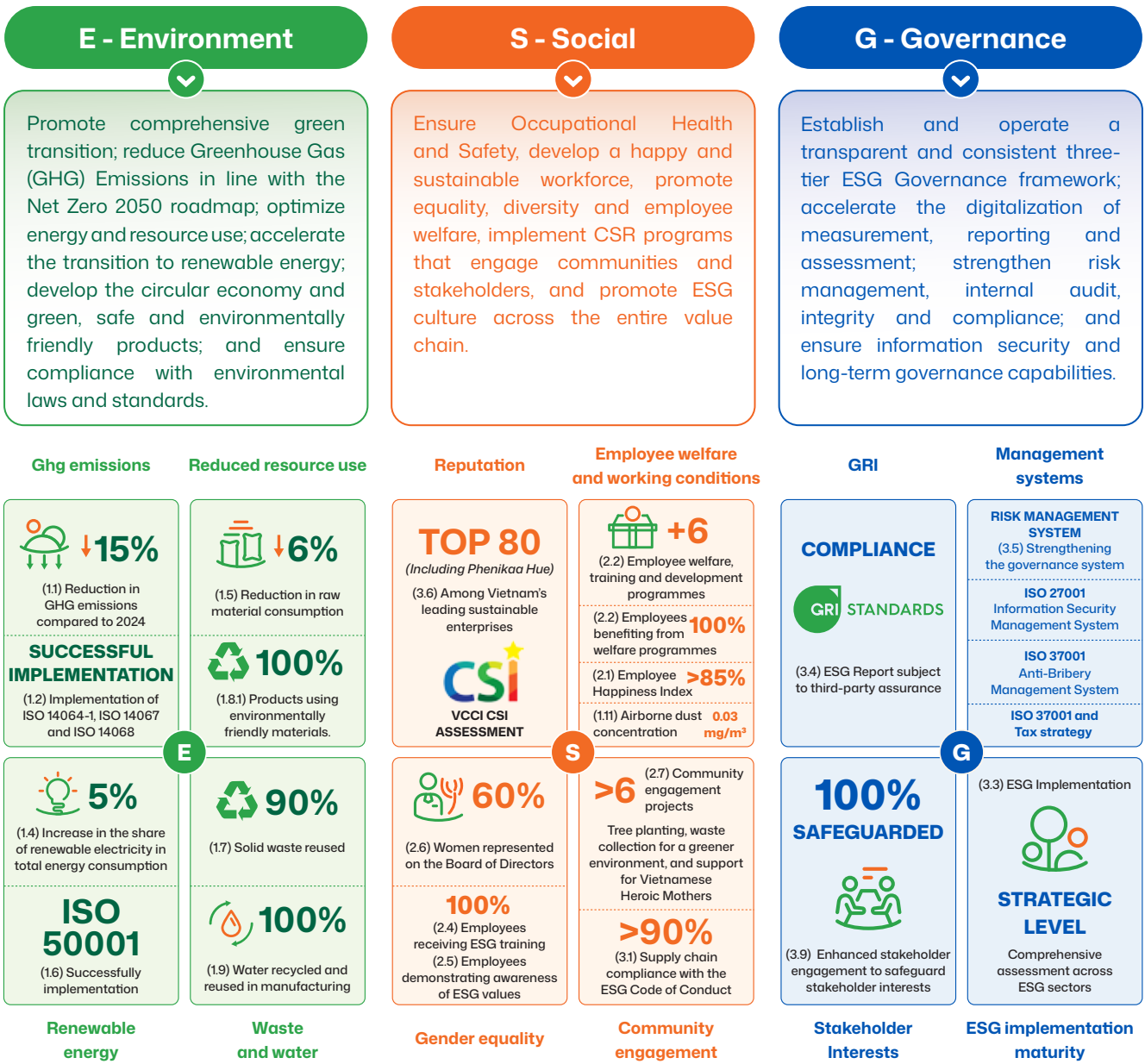
(Detail list of material topics and the identification methodology are presented in the ESG Material Topic Identification section of this Report.)

Vicostone's Sustainable Development Strategy (Continued)

5. Sustainability Objectives and KPIs to 2030

Based on the ESG strategic orientation for the 2026-2030 period, Vicostone has established a system of targets and KPIs to 2030 to specify strategic commitments into measurable targets, measuring implementation effectiveness and ensure close alignment with priority SDGs and international standards (GRI, ISO, etc.) The KPI system is built on the principles of measurement, benchmarking, and continuous improvement, while being integrated with the Company's ESG governance, operations and reporting systems.

5.1. Key Sustainability objectives to 2030



Key KPI Targets to 2030 (Compared with the 2024 Baseline)



Vicostone continues to advance a comprehensive green transition and reduce Greenhouse Gas (GHG) Emissions in line with its Net Zero 2050 roadmap...

5. Key KPI Targets to 2030 (Continued)

5.2. Key KPI Targets to 2030

Pillars	Key Area		Target
E	1	Reduce Greenhouse Gas (GHG) emissions	• Reduce GHG emissions by ≥15% compared with the base year.
	2	Operate the Net Zero standards system	• Maintain ISO 14064-1 and ISO 14067 ;
	3	Apply digitalization and IoT to emissions measurement and control	• Apply digitalization and IoT solutions to measurement.
	4	Increase the use of renewable electricity	• Achieve ≥5% of electricity consumption from renewable electricity sources.
	5	Improve resource-use efficiency	• Reduce materials consumption by ≥1% per year compared with established consumption benchmarks.
	6	Optimize the Energy Management System	• Maintain and expand the Energy Management System in accordance with ISO 50001 .
	7	Reuse solid waste	• Ensure that ≥90% of solid waste is reused or recycled.
	8	Develop products based on the Circular Economy model	• Ensure that 100% of products use environmentally friendly materials; • Recover and reuse at least 300 tonnes of fabrication by-products and trimming waste in products; • Implement, maintain and continuously improve the “ Trade-in Programme for VICOSTONE® Products .”
	9	Improve resource-use efficiency through water reuse in production	• 100% recirculation of production water.
	10	Environmental compliance (ISO 14001)	• Record zero non-compliance in environmental monitoring results.
	11	Control airborne dust concentrations and protect community health	• Maintain dust concentrations at ≤0.03 mg/m³ .
S	1	Improve the Employee Happiness Index	• Achieve an Employee Happiness Index of ≥85% .
	2	Enhance Employee welfare programmes	• Introduce at least one new welfare programme per year .
	3	Protect Employee health and safety	• Record zero occupational accidents .
	4	Strengthen ESG awareness and capabilities	• Ensure that 100% of Employees, managers and Board members participate in advanced ESG training, including anti-bribery, climate change and human rights.
	5	Promote an ESG culture	• Achieve 100% ESG awareness .
	6	Promote gender balance in the workforce structure	• Ensure that women represent ≥60% of the Board of Directors; • Ensure that women represent ≥25% of the Company's total workforce.
	7	Increase community contributions through CSR programmes	• Implement at least five community projects per year .
	8	Strengthen Stakeholder engagement and dialogue	• Consult 100% of material Stakeholders on ESG matters.

Pillars	Key Area		Target
G	1	Promote a sustainable Supply Chain	• Ensure that 90% of the Supply Chain complies with the ESG Code of Conduct.
	2	Strengthen comprehensive ESG governance	• Maintain a three-tier ESG Governance framework and update its structure whenever changes occur.
	3	Enhance the tier of ESG practice	• Strategic tier.
	4	Enhance the transparency and assurance of sustainability data	• Consolidate ESG indicators; • Obtain third-party assurance where required by law or requested by Stakeholders, such as customers.
	5	Strengthen Governance framework capabilities	Implement and continuously improve four Governance frameworks: (1) Risk Management; (2) Information Security; (3) Anti-Bribery Management; (4) Tax Strategy.
	6	Strengthen the Company's position in sustainable development	• Position Vicostone among the Top 80 leading sustainable enterprises in Vietnam .
	7	Integrate ESG into strategy and business operations	• Conduct implementation on a periodic basis.
	8	Ensure product quality and enhance customer experience	• Ratio of complained export square metres to total export sales volume: ≤0.30% ; • Ratio of complained domestic square metres to total domestic sales volume: ≤0.28% <i>(To be reviewed and adjusted annually.)</i>

Vicostone's Sustainable Development Strategy (Continued)

6. ESG Sustainability Strategy Implementation Framework

Vicostone's ESG Sustainability strategy is implemented through an integrated management framework in which ESG is not managed separately, but is embedded throughout business strategy, manufacturing operations and the entire materials manufacturing value chain of the Phenikaa Group.

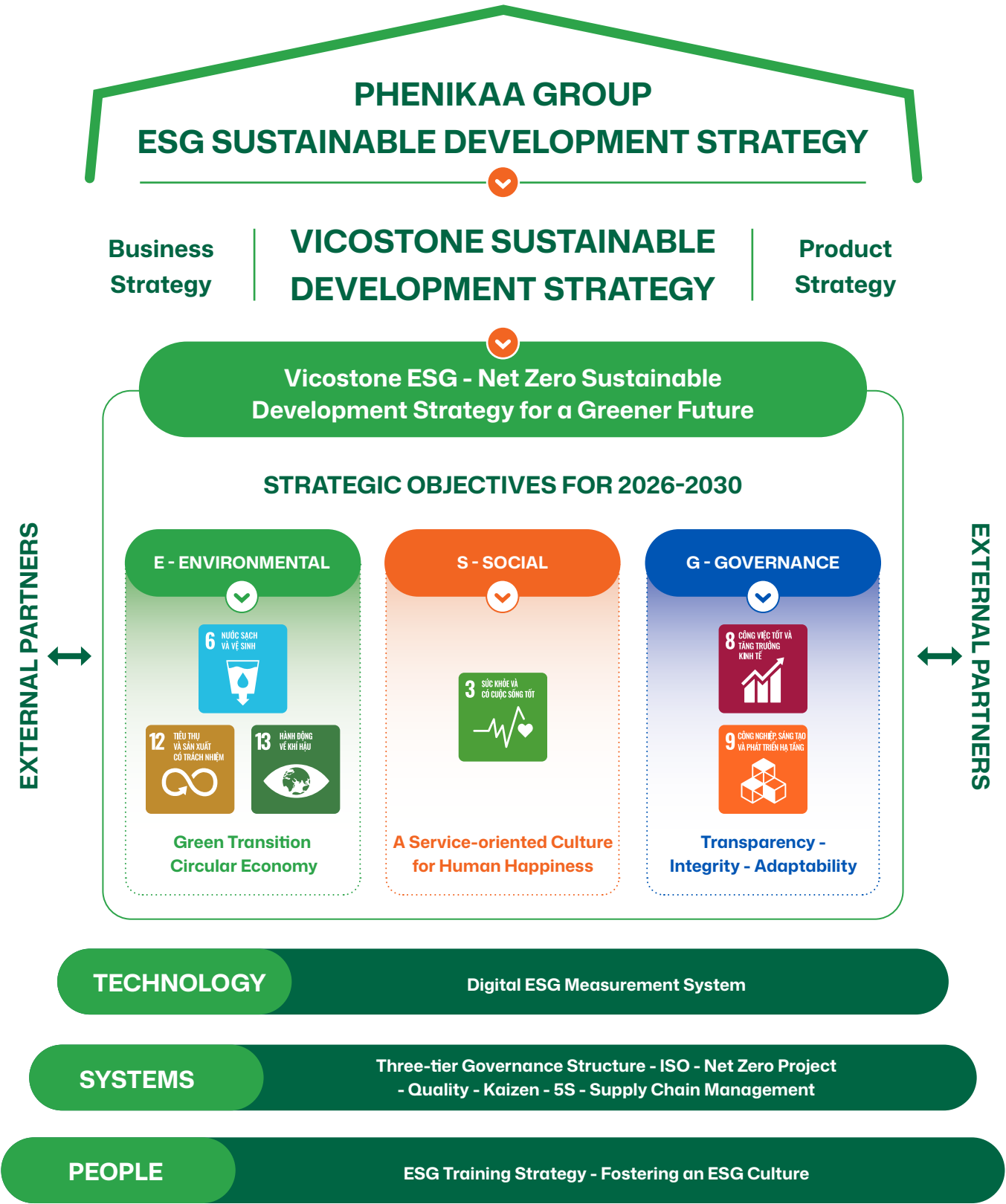
The implementation framework is designed with closely connected layers as follows:

- Strategic integration: ESG is embedded within the business and manufacturing strategy and long-term development orientation, while being aligned with the Net Zero 2050 target, priority SDGs and ESG Material Topics;

- Implementation across ESG pillars with key objectives;
- Operation follow the PDCA cycle across the entire ESG system;
- Implementation foundation is based on a three-tier ESG Governance framework (Strategy - Coordination - Execution), ESG data digitalization, training and communication, ESG culture development, integration across the value chain, and extension of ESG practices to suppliers and partners.



Through this framework, Vicostone aims to build a green, smart and circular materials manufacturing ecosystem, enhance international competitiveness, and contribute positively to the Sustainability objectives of the Group, the Company and society.



Vicostone's Sustainable Development Strategy (Continued)

7. ESG Coordination Mechanism and Governance Structure

To ensure the consistent and effective implementation of the ESG and Net Zero strategy, Vicostone has adopted a three-tier governance framework that ensures alignment from strategic direction to execution, while mobilizing cross-functional capabilities across the Company and the Phenikaa ecosystem.

Strategy

- **The Board of Directors sets direction and oversees of the Sustainability strategy, including:**

Approving the Company's ESG and Net Zero strategy; overseeing the integration of ESG into the business and manufacturing strategy; monitoring risks and opportunities related to sustainable development; and ensuring compliance with laws and international ESG standards;

- **The Executive Management Board is responsible for directing the implementation of and is responsible for the outcomes of the ESG Project, including:**

Directing the implementation of the ESG - Net Zero strategy; allocating resources and integrating ESG into operations; taking responsibility for the achievement of ESG targets; and periodically reporting to the Board of Directors on progress and implementation effectiveness;

Coordination

- **The ESG Subcommittee for the Industrial Manufacturing Sector/Vicostone ESG Department is responsible for coordinating ESG implementation across its sector, including:**

Developing sector-level ESG strategies, plans and programs; setting ESG KPI targets and action plans; coordinating ESG implementation across member units; collecting, reviewing, assessing and validating ESG data; preparing periodic ESG reports; and proposing improvements to the ESG governance framework within the sector

- **The Group ESG Division is responsible for providing strategic guidance and oversight of the ESG system by:**

Developing and issuing the Group's ESG strategic framework; establishing KPI indicators and ESG reporting standards (GRI, ISO, etc.); monitoring and assessing the ESG maturity tier of business sectors; providing technical advice, deliver ESG training and implementing relevant management systems; and consolidating and reporting ESG information, including the Sustainability Report, to Executive Management Board and the Board of Directors;

- **The ESG Subcommittee for the Industrial Manufacturing Sector is responsible for providing strategic guidance on sustainability within the sector by:**

Proposing sector-level ESG strategies and objectives; ensuring that the sector's ESG plan is aligned with and contributes to the Group's overall ESG strategy; participating in the development of sector-tier ESG action plans and initiatives.

- **ESG staffs at units within the industrial manufacturing sector is responsible for:**

Implementing ESG programs at unit level; collecting and managing ESG data; coordinating with the ESG Department on measuring, reporting and improving ESG indicators.

Execution

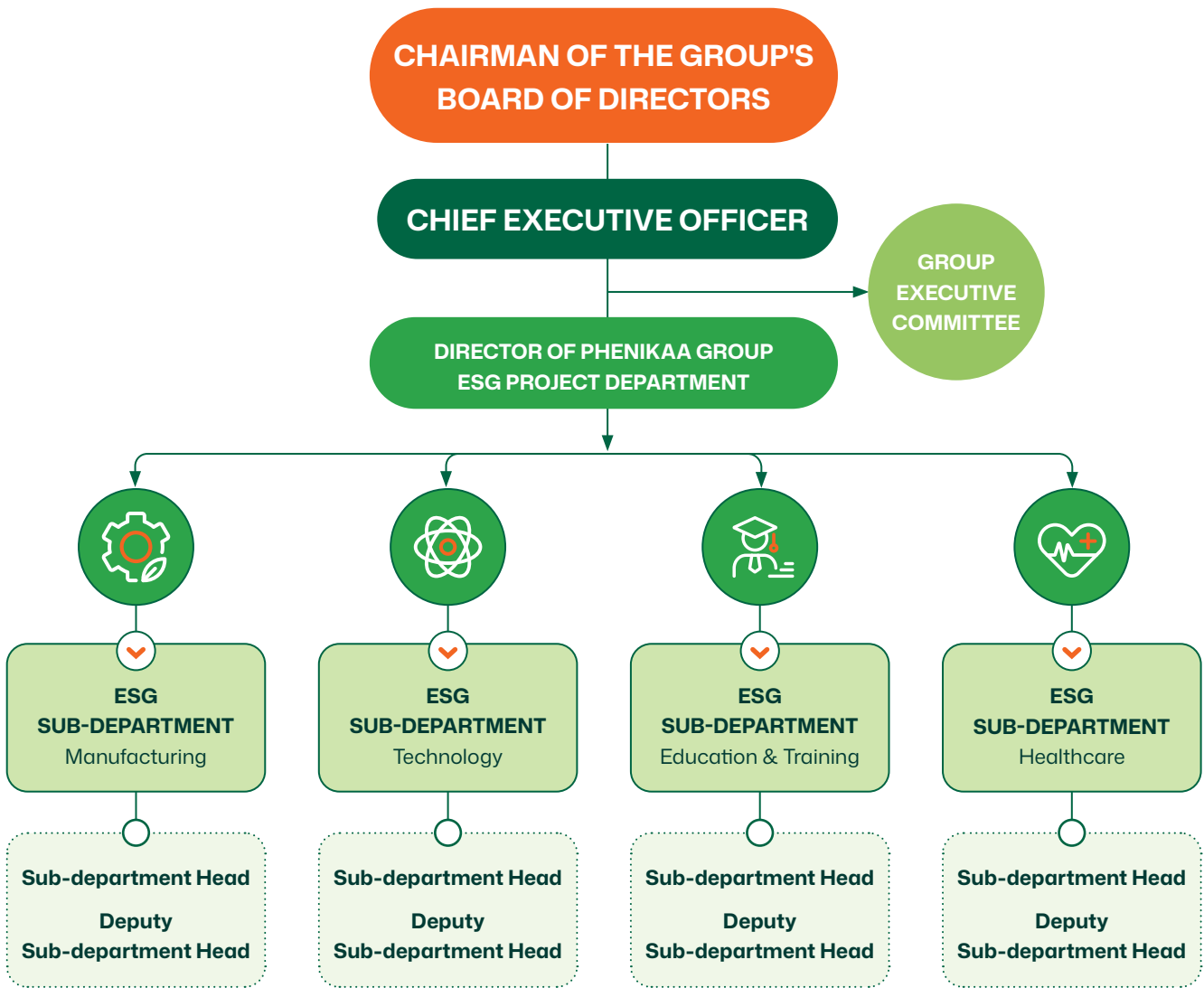
- **Manufacturing plants, departments and units are responsible for:**

Implementing ESG objectives by integrating ESG into business and manufacturing operations; implementing ESG action plans; monitoring, measuring and improving ESG indicators; collecting and providing data for ESG reporting; and coordinating with relevant units to improve the sustainability governance framework;

- **Suppliers and distribution partners are responsible for :**

Applying ESG standards across the value chain by complying with the Company's ESG Code of Conduct; applying environmental, labor and transparent governance standards; working toward a green, circular and responsible supply chain; and cooperating in providing information for ESG value chain assessments.

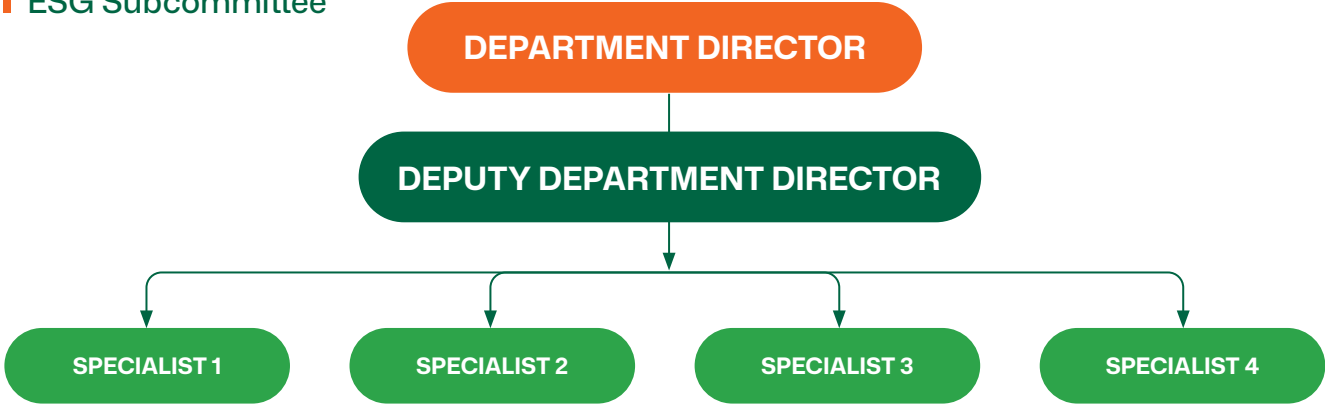
Group-level Structure



Vicostone's Sustainable Development Strategy (Continued)

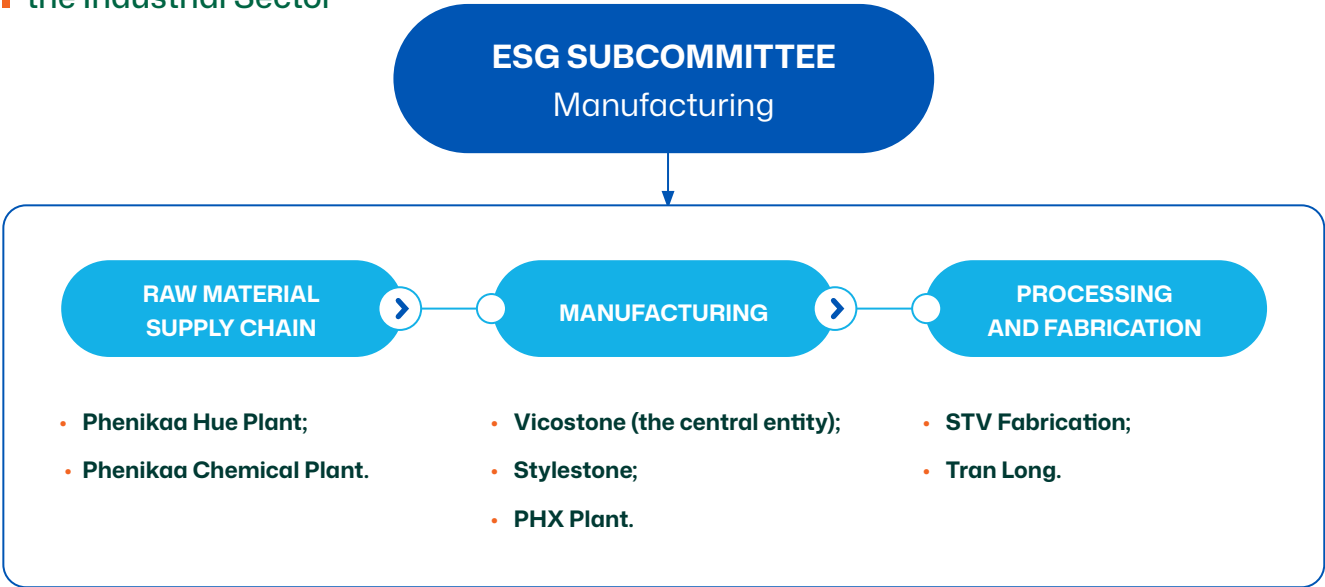
7. ESG Coordination Mechanism and Governance Structure (Continued)

ESG Subcommittee

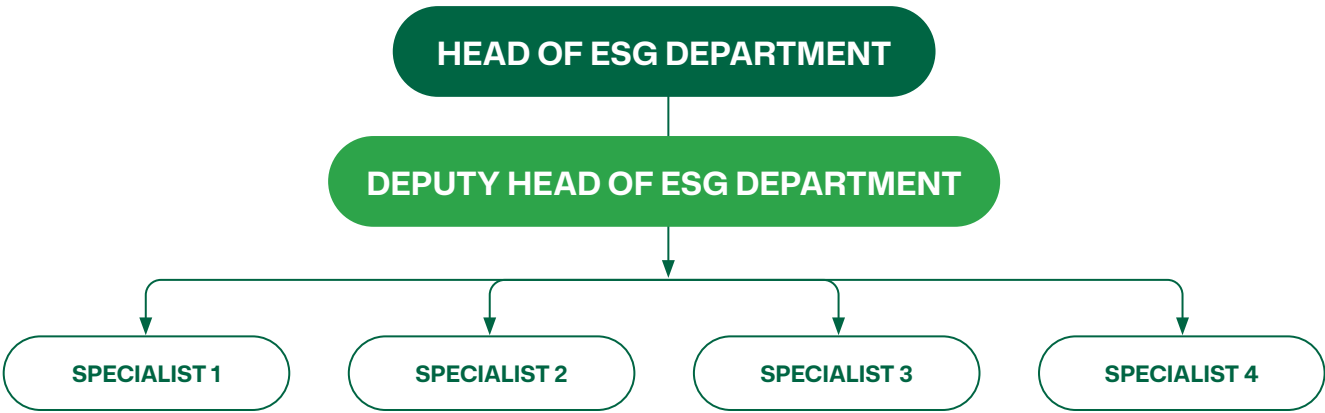


Vicostone applies a three-tier governance model that ensures alignment from strategic direction through implementation, while leveraging cross-functional capabilities across the Company and the **Phenikaa** ecosystem.

ESG Model for the Industrial Sector



ESG Department

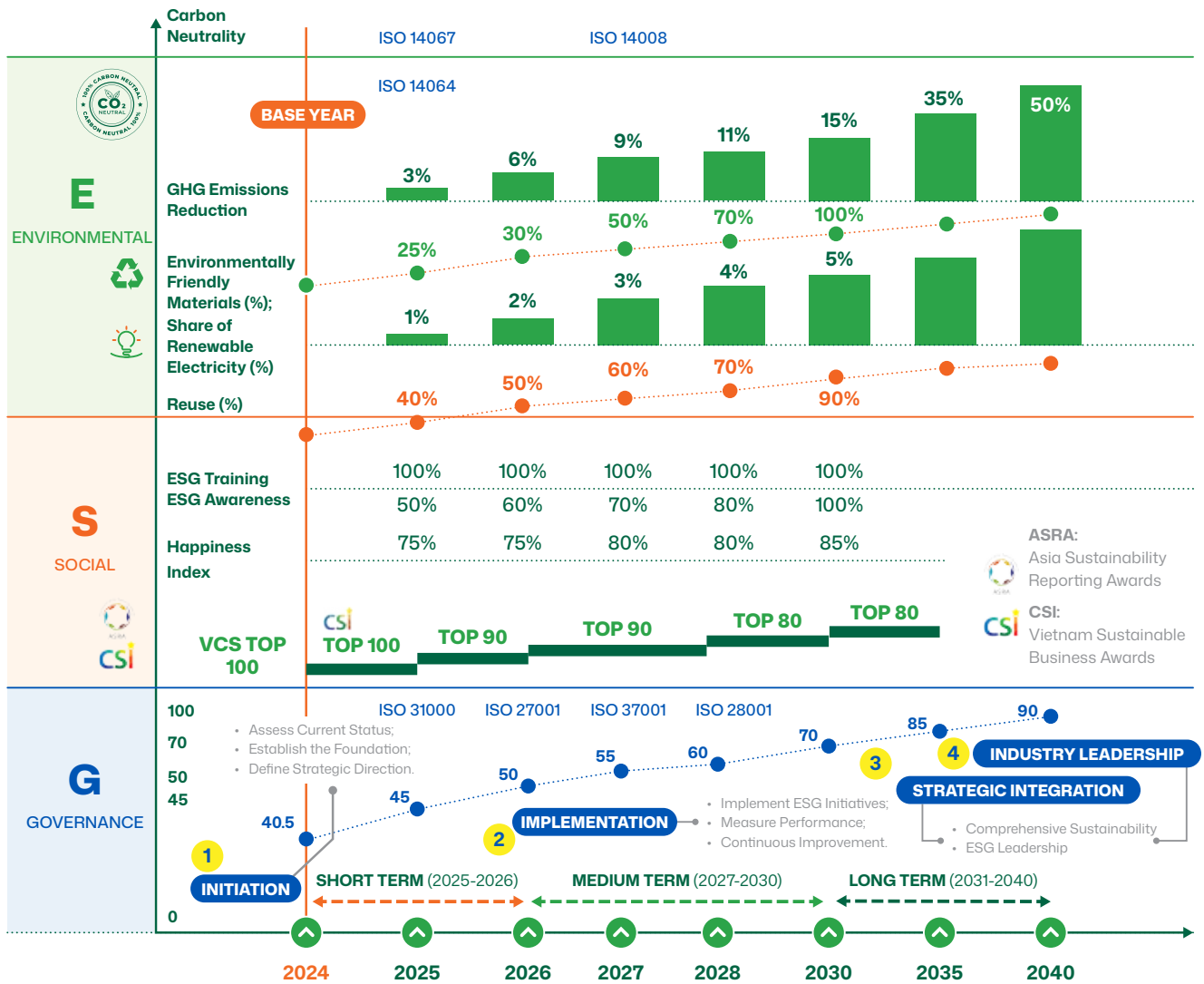


Vicostone's Sustainable Development Strategy (Continued)

8. Roadmap to Enhance ESG Maturity

During the 2026-2030 period, Vicostone will focus on enhancing its ESG maturity by shifting from operational implementation to strategic integration and sustainable value creation, and laying the foundation for achieving Net Zero 2050 targets. The roadmap is structured into three phases, aligned with ESG maturity tiers and the capacity

for integration into the business model. Key priorities include standardizing governance in line with international best practices, digitalizing ESG data and reporting, integrating ESG into business and manufacturing operations and product development, and strengthening internal capabilities through training and technological innovation.



PHASE 1

Standardization and compliance

Establishing a consistent ESG foundation aligned with international standards, including standardizing the ESG system in accordance with international frameworks (GRI, ISO, etc.); developing ESG KPIs and data measurement systems; conducting Greenhouse Gas (GHG) emissions inventories and carbon traceability; completing processes for ESG data collection, management and reporting; providing ESG awareness training for all employees; and establishing a three-tier ESG governance framework.

PHASE 2

Integration and optimization

Integrating ESG into operations and the value chain, with a focus on integrating ESG into the business and manufacturing strategy and risk management; digitalizing ESG data; optimizing energy and resource efficiency whilst reducing emissions; extending ESG to the supply chain; developing green products and environmentally friendly materials; and improving the quality of ESG reporting.

PHASE 3

Leadership and value creation

Making ESG as a competitive advantage and a leading model for sustainability by embedding ESG into core strategy and decision-making; completing the green, circular and low-carbon manufacturing model; developing ESG initiatives across the Value Chain; and strengthening transparency and disclosures in accordance with international standards.



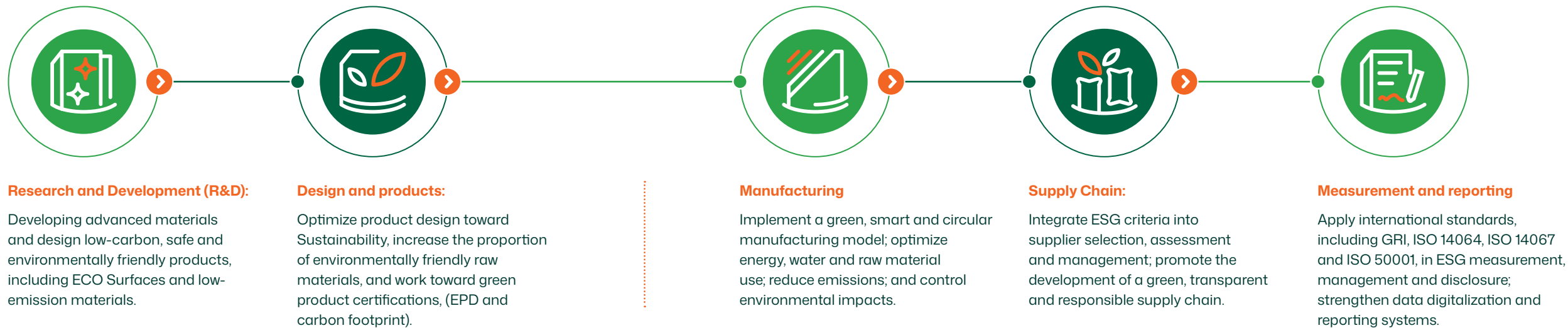
During 2026-2030, Vicostone will focus on advancing ESG maturity by transitioning from operational implementation to strategic integration...

Vicostone's Sustainable Development Strategy (Continued)

9. ESG Integration into Operations, the Value Chain and Communications

Vicostone adopts a comprehensive approach to ESG integration, ensuring that sustainability principles are embedded across all operations, the value chain and corporate communications.

ESG integration into operations and the value chain: ESG is comprehensively integrated into every stage of the materials manufacturing value chain:



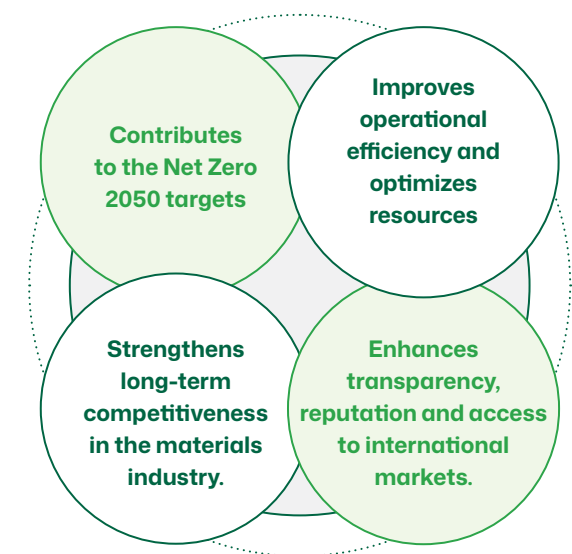
ESG integration into culture and people management: Vicostone considers ESG an integral part of its corporate culture:

- Implement comprehensive ESG training for employees and leaders;
- Raise awareness of sustainability and environmental and social responsibility;
- Aligning ESG with the KPI system and performance evaluation;
- Build a culture of a “happy enterprise - sustainable development”.

ESG integration into communications and stakeholder engagement: Vicostone strengthens ESG communications with a focus on transparency and value dissemination:

- Publish a Sustainability Report in accordance with international standards;
- Conduct internal communications to spread ESG culture and promote green action;
- Strengthen dialogue and consultation with stakeholders, including customers, investors and communities;
- Build a brand image associated with green manufacturing, sustainable materials and social responsibility.

Value and strategic positioning:
Through this integrated approach, Vicostone:



Vicostone Value Chain

1. Value Chain Scope and Approach

Vicostone Joint Stock Company (VCS) is a manufacturer and supplier of premium Engineered Quartz Stone and the owner and developer of the VICOSTONE® brand in global markets. The VICOSTONE® value Chain is developed through an integrated model within the Phenikaa Group ecosystem, where member companies perform complementary roles across different stages of the Value Chain while jointly creating shared value under a unified brand.

Vicostone has designed its Value Chain based on comprehensive ESG integration, not only to optimize business and manufacturing efficiency, but also to control and minimize environmental and social impacts throughout the product life cycle. The Value Chain operates based on the “4I” strategic framework: **Internalization - Integration - Innovation - Impact Tracking**. This framework supports the Company in progressively realizing its Net Zero 2050 objective and transitioning toward a globally competitive advanced and ecological materials enterprise.

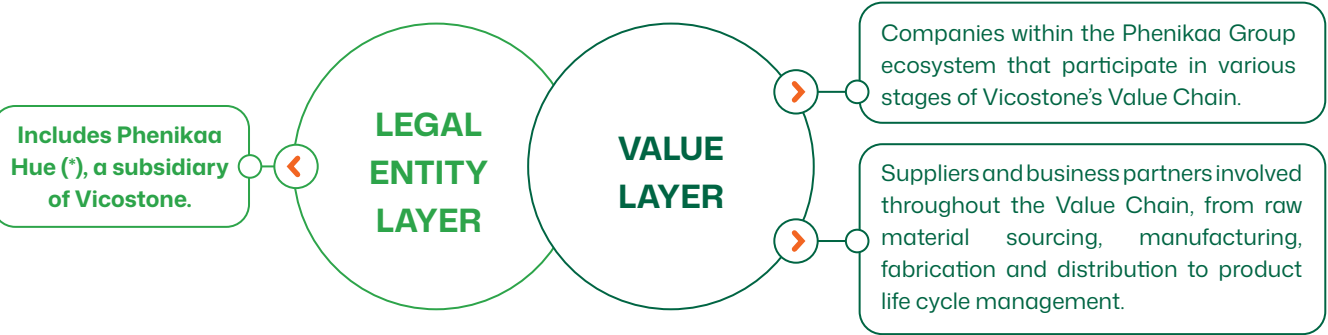
Reporting scope:

In this Report, Vicostone primarily discloses ESG data within the legal entity scope of Vicostone. Activities of entities within the ecosystem are presented to provide a comprehensive view of the VICOSTONE Value Chain; however, quantitative data may not cover all relevant entities unless otherwise stated.

This approach helps ensure transparency and consistency in disclosure, traceability of ESG data across the Value Chain, and an accurate reflection of the integrated ecosystem model within Phenikaa Group.

At the same time, Vicostone is progressively expanding the scope of ESG governance from the legal entity level to the entire Value Chain, particularly upstream and downstream activities under Scope 3, with the aim of building a sustainable, transparent and friendly Supply Chain governance framework.

The Value Chain is defined across two layers



Vicostone is shaping its Value Chain towards comprehensive ESG integration...



Vicostone Value Chain (Continued)

2. Value Chain Structure and Value Flow

The VICOSTONE Value Chain is designed as a vertically integrated model within the Phenikaa Group ecosystem, covering the entire product life cycle from input materials to post-consumption. The Value Chain structure comprises four key stages that fully reflect value flows and ESG control points: upstream - raw material sourcing; midstream - Engineered stone slab manufacturing; downstream - fabrication, distribution and customers; and product life cycle - reuse, recycling and the Circular Economy.

The VICOSTONE Value Chain operates as an integrated flow, in which each stage is closely connected to optimize operational efficiency while controlling and minimizing ESG impacts throughout the product life cycle. Raw materials supplied by internalsuppliers within the Group, the Company and externalsuppliers are delivered to Engineered stone slab manufacturing plants, then transferred to fabrication units and distributed to global markets through the VICOSTONE distribution network. After use, products are managed in line with the Circular Economy approach, including reuse, recycling and waste reduction.

ESG integration in the value flow is implemented across the entire Value Chain:

- Upstream activities focus on controlling raw material origin and assessing Suppliers against ESG criteria;
- Manufacturing focuses on optimizing resources, reducing emissions and lowering energy consumption;
- Downstream activities focus on ensuring safety in fabrication, optimizing logistics and enhancing product information transparency;
- Product life cycle management promotes recycling, reuse and Circular Economy models.

The Value Chain is linked to the 4I strategic framework to ensure systematic ESG integration:

- **Internalization:** Localizing and proactively securing raw material supply;
- **Integration:** Integrating stages into the ecosystem to ensure consistency in quality and ESG practices;
- **Innovation:** Applying technologies, improving manufacturing processes and developing green materials;
- **Impact Tracking:** Monitoring, measuring and disclosing ESG impacts across the Value Chain.

The 4I framework enables Vicostone to transition from a traditional Supply Chain model to a sustainable Value Chain that is traceable and measurable impacts in alignment with internationally recognized standards.

For the 2025-2030 period, Vicostone will continue to strengthen its Value Chain structure by :

- Enhancing ESG integration across the Value Chain;
- Expanding governance to Scope 3 indirect emissions;
- Accelerating digitalization of Value Chain data and traceability systems;
- Improving connectivity and alignment among entities within the ecosystem.

The Value Chain is not only an operating structure, but also a strategic foundation that enables Vicostone to effectively implement its ESG and Net Zero 2050 objectives.



The Value Chain is not merely an operating structure; it has become a strategic foundation that enables Vicostone to implement its ESG – Net Zero 2050 objectives effectively.



Vicostone Value Chain (Continued)

3. Detailed Description of Each Stage of the Value Chain

Upstream

Raw Material Supply

01

Vicostone recognizes input materials as a strategic link to develop a sustainable Value Chain. The Company proactively develops its Supply Chain toward localization, integration and comprehensive ESG control, reducing dependence on external supply and improving traceability.

Input materials are mainly supplied by the Group and Company ecosystem, including:

- **Phenikaa Hue Mineral Processing and Investment One Member Company Limited, owned by Vicostone:** Supplies mineral materials, including quartz and cristobalite;
- **Phenikaa Chemical Plant:** Supplies more than 90% of chemical inputs, including resin and additives;
- **External Suppliers:** Provide additional materials in accordance with ESG criteria.

A localization rate of over 95% of raw materials enables Vicostone to strengthen supply security, reduce disruption risks, control and ensure product quality and stability, and enhance traceability and Supply Chain transparency.

Upstream ESG governance enables the Company to assess and classify suppliers against ESG criteria, apply the Supplier Code of Conduct, require information transparency, and strengthen localization to reduce indirect emissions under (Scope 3).

Key ESG impacts from upstream activities include resource extraction, chemical management and environmental safety.

Midstream

Engineered Quartz Stone Manufacturing

02

At Vicostone, manufacturing is not merely a production process; it is the convergence of advanced technology, green initiatives and a comprehensive ESG governance framework.

Engineered stone slab manufacturing is carried out at:

- **Vicostone Joint Stock Company (VCS):** Operating three production lines;
- **Phenikaa Plant (PHX), Style Stone Joint Stock Company:** Participating in manufacturing within the Phenikaa Group ecosystem.

All products are manufactured in accordance with unified VICOSTONE standards, ensuring consistency in quality, technical requirements and ESG requirements across the system.

Vicostone implements solutions to optimize resource use and reduce environmental impacts:

- 100% of production water is treated and circulated; stone by-products are reused in production; and technological improvements are implemented to optimize energy consumption and reduce Greenhouse Gas (GHG) Emissions;
- International management systems are applied consistently, including ISO 9001, ISO 14001, ISO 45001, ISO 50001, ISO 14064 and ISO 14067, together with green certifications such as GREENGUARD and NSF.

Key ESG impacts include Scope 1 and Scope 2 Greenhouse Gas (GHG) Emissions, energy consumption and resource use.

Vicostone's governance orientation focuses on consistent management, performance optimization, Greenhouse Gas (GHG) Emissions reduction in line with the Net Zero 2050 roadmap, and increasing the use of environmentally friendly materials. Through this approach, Vicostone not only improves manufacturing efficiency, but also progressively reduces emissions intensity per product unit, moving toward a low-carbon manufacturing model.

3. Detailed Description of Each Stage of the Value Chain (Continued)

Downstream

Processing, Fabrication and Distribution

03

Vicostone's downstream Value Chain includes fabrication, distribution and engagement with global customers, playing an important role in extending brand value and ESG practices to the market.

Fabrication and distribution activities are carried out by:

- **Vietnam Stone Fabrication Joint Stock Company (STV) and Tran Long Plant:** Processing and fabricating products;
- **Vicostone's global distribution network:** Bringing products to domestic and international markets.

All products are marketed under the VICOSTONE brand, ensuring consistency in quality and global brand identity.

Vicostone also implements ESG governance solutions in downstream activities, including:

- **Distribution and logistics:** Applying transportation and emissions monitoring management, prioritizing logistics partners using energy-efficient vehicles, and optimizing transport routes to reduce Scope 3 emissions;
- **Customers and after-sales policy:** Providing comprehensive technical support for product consultation, selection, installation and maintenance; establishing systems to receive and respond to customer feedback and conduct customer satisfaction surveys; and enhancing product information transparency through QR-based traceability and labeling systems;
- **ESG management in fabrication:** Providing safety warnings and requirements during fabrication to control silicosis risks and reduce risks to Employees.

Key ESG impacts include silica dust during fabrication and Scope 3 emissions from logistics.

Product Life Cycle

and Circular Economy

04

Vicostone adopts a product life cycle approach to optimize resources and minimize environmental impacts throughout product use and post-use stages.

Engineered quartz stone products offer high durability and a long service life, helping reduce replacement needs and conserve resources. Nevertheless, Vicostone proactively manages the end-of-life stage to promote the Circular Economy.

Implemented models include:

- **Internal recycling:** Recovering edge-trimming by-products for reuse in the production process.
- **External recycling:** Implementing "trade-in" promotional programs for Vicostone products to support sales activities and product recycling; cooperating with external partners to turn production by-products into input materials for the cement and construction materials industries.

Key results in 2025:

- 64.3% of solid waste was reused or recycled;
- 100% of production water was circulated.

Development of 5 mm, 6 mm and 1.2 cm product lines, offering thinner, lighter and more environmentally friendly products.

ESG and consumer integration includes providing guidance on product use and recycling, product traceability, and raising customer and consumer awareness of recycling and sustainable consumption.

- **Key ESG impacts** include waste and resource efficiency;
- **Governance orientation:** Develop the Circular Economy, reduce waste generation, increase recycling and reuse rates, and design products that are more sustainable, safer and more environmentally friendly.

Vicostone Value Chain (Continued)

4. Summary of the Roles of Entities in the Value Chain

The VICOSTONE Value Chain operates under an integrated model within the Phenikaa Group ecosystem, where each entity assumes a specific role while contributing to shared value creation under the VICOSTONE brand. This clear allocation of responsibilities enhances operational efficiency, strengthens quality control and integrates ESG throughout the Value Chain.

Stage	Participating Entities	Roles	Values Created	ESG Roles
Raw materials (Upstream)	Phenikaa Hue Plant	Supply quartz, cristobalite and BiO Quartz	Ensure a stable and high-quality raw material supply	Control resources and reduce environmental risks
	Plant 101	Supply chemicals, accounting for over 90% of chemical inputs	Ensure a stable and high-quality raw material supply	Manage chemicals and ensure safety and environmental compliance
	External Suppliers	Provide supplementary materials	Ensure Supply Chain flexibility	Comply with ESG criteria and traceability requirements
Manufacturing (Midstream)	Vicostone Joint Stock Company (VCS)	Operate three production lines	Create the core Vicostone-branded products	Control emissions, energy and resources under Scope 1 and Scope 2
	Phenikaa Plant, Style Stone Joint Stock Company	Conduct manufacturing within the ecosystem	Increase production capacity and operational flexibility	Integrate ESG standards and ensure quality consistency
Fabrication (Downstream)	Vietnam Stone Fabrication Joint Stock Company, Tran Long Plant	Fabricate products	Complete products according to market requirements	Control silica dust and ensure Occupational Health and Safety
Distribution	Vicostone and partners	Distribute products globally	Expand markets and enhance brand value	Optimize logistics and reduce Scope 3 emissions
Customers and use phase	Distributors, contractors and end users	Use products	Create long-term use value	Promote sustainable consumption
Life cycle	Entire ecosystem	Recycling and circularity	Optimize resources and reduce waste	Promote the Circular Economy and reduce environmental impacts
Supporting partners	Logistics providers, contractors and technical partners	Provide transportation, waste treatment and equipment maintenance	Ensure operational continuity	Manage Scope 3 emissions and ensure Suppliers comply with ESG criteria

The VICOSTONE Value Chain is characterized by:

- Vertical integration to control the process from raw materials to finished products;
- High localization to reduce external dependency and strengthen supply autonomy;
- Standardized requirements to ensure quality and ESG consistency across the system;
- Ecosystem connectivity to leverage the overall strength of Phenikaa Group.

This model not only optimizes operational efficiency, but also provides a foundation for Vicostone to implement ESG governance across the Value Chain, improve emissions control, optimize resource use and systematically fulfill its social responsibilities.

The role of the Value Chain in Vicostone’s ESG strategy includes serving as:

- An operational foundation for ensuring product quality and manufacturing efficiency;
- An ESG governance tool for controlling environmental and social impacts at each stage;
- An innovation driver for promoting technology application and green materials;
- A Net Zero implementation axis for managing emissions across Scope 1, Scope 2 and Scope 3;
- Clearly defining the role of each entity enables Vicostone to allocate specific ESG responsibilities;
- Improve monitoring and assessment effectiveness, and enhance transparency in the Supply Chain.



Vicostone Value Chain (Continued)

5. ESG Governance and Risk Management in the Value Chain

Vicostone integrates ESG governance throughout the Value Chain and recognize it as an integral part of the Enterprise Risk Management (ERM) framework, enabling the Company to identify, assess and control environmental, social and governance risks at each stage. The ERM framework is integrated with ESG indicators, allowing Vicostone to monitor not only operational risks, but also environmental, social and climate-related risks.

This approach enables Vicostone to:

- Proactively prevent risks, improve operational efficiency;
- Ensure compliance with laws and international standards;
- Support the implementation of the ESG and Net Zero 2050 strategy.

Classifying ESG risks by Value Chain stage enables Vicostone to identify key ESG risk groups corresponding to each stage of the Value Chain, from upstream, midstream and downstream activities to product life cycle management, partners and the Supply Chain.

Vicostone's integrated ESG risk governance and control framework comprises the Enterprise Risk Management system, international standards and certification systems, Supply Chain governance, internal control and monitoring systems. These enable the Company to identify and assess risks by area within the Supply Chain, develop risk management measures in accordance with international standards, apply the ESG Code of Conduct to suppliers, and use internal audit and assessment systems to improve transparency of ESG information across the system.

ESG Risk Management at Vicostone is not only preventive, but also closely linked to the Sustainability strategy: supporting Greenhouse Gas (GHG) Emissions reduction by managing Scope 1, Scope 2 and Scope 3; optimizing resources and reducing consumption of energy, water and raw materials; ensuring Occupational Health and Safety, particularly in controlling silica dust; and promoting the Circular Economy by reducing waste and increasing recycling.

Through this approach, Vicostone is progressively transitioning from a traditional risk management model to integrated ESG Risk Management, creating a foundation for long-term sustainable growth.

During the 2025-2030 period, Vicostone will continue to strengthen its ESG Risk Management capabilities by integrating ESG into the entire ERM system, expanding risk governance to the extended Value Chain under Scope 3, increasing digitalization and automation of risk monitoring systems, and enhancing its ability to anticipate and respond to climate change. The objective is to build a Risk Management system that is proactive, integrated, transparent and aligned with international standards.



ESG Risk Management
at Vicostone is not limited to prevention; it is also closely integrated with the Company's Sustainable Development strategy...

6. Values Created for Stakeholders

The VICOSTONE Value Chain is designed not only to optimize operational efficiency, but also to create multidimensional sustainable value for Stakeholders through the integration of ESG factors across the entire product life cycle. Vicostone approaches value creation through an integrated model that combines economic, environmental and social value.



For customers

Vicostone delivers high-quality, safe and environmentally friendly Engineered Quartz Stone products that meet international standards.



For Employees

Vicostone creates a safe, inclusive, and sustainable workplace, where people are placed at the center of its ESG strategy.



For Suppliers and partners

Vicostone establishes long-term, transparent and friendly partnerships across the Value Chain.



For communities and the environment

Vicostone contributes to reducing environmental impacts and making positive contributions to communities through resource optimization and emissions reduction.



For shareholders and investors

The integrated Value Chain helps Vicostone improve operational efficiency and competitiveness in international markets.

The VICOSTONE Value Chain serves as a foundation for sustainable value creation based on a model in which inputs include raw materials, energy, people and technology; activities include manufacturing, fabrication, distribution and life cycle management; outputs include high-quality products and technical supports; and outcomes include economic, environmental and social value.

By integrating ESG into the entire Value Chain, Vicostone is transitioning from a traditional value creation model to a sustainable value creation model, where economic performance goes hand in hand with environmental and social responsibility.

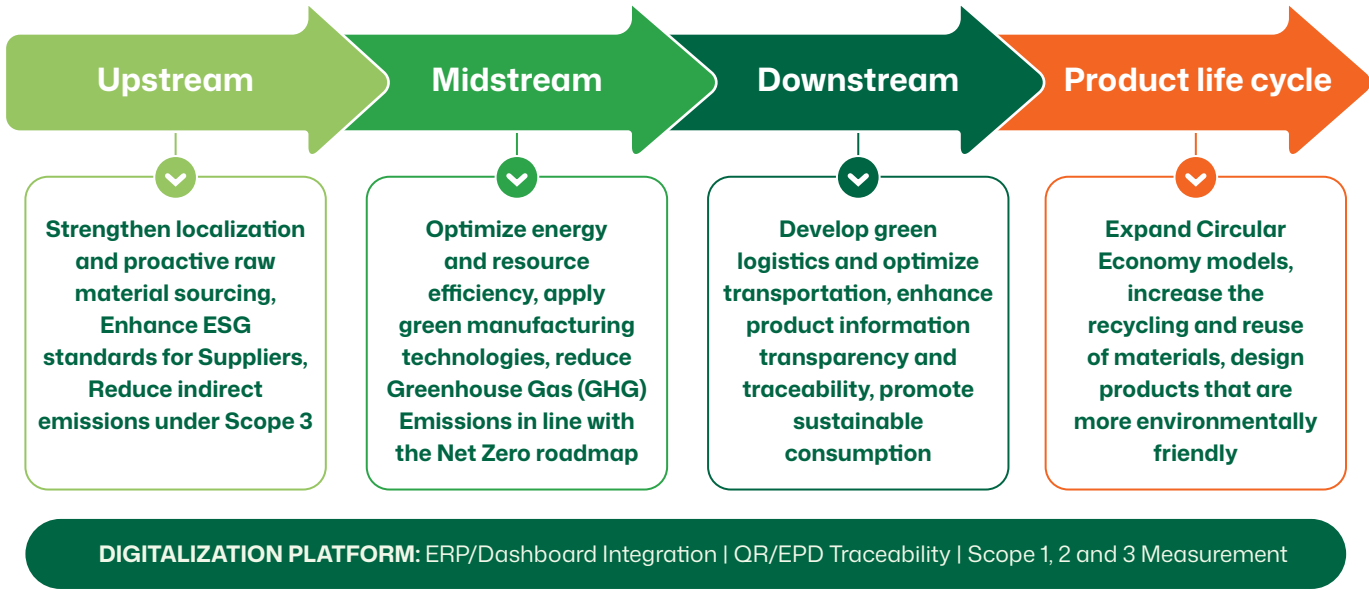
Vicostone Value Chain (Continued)

7. Sustainable Value Chain Development Orientation

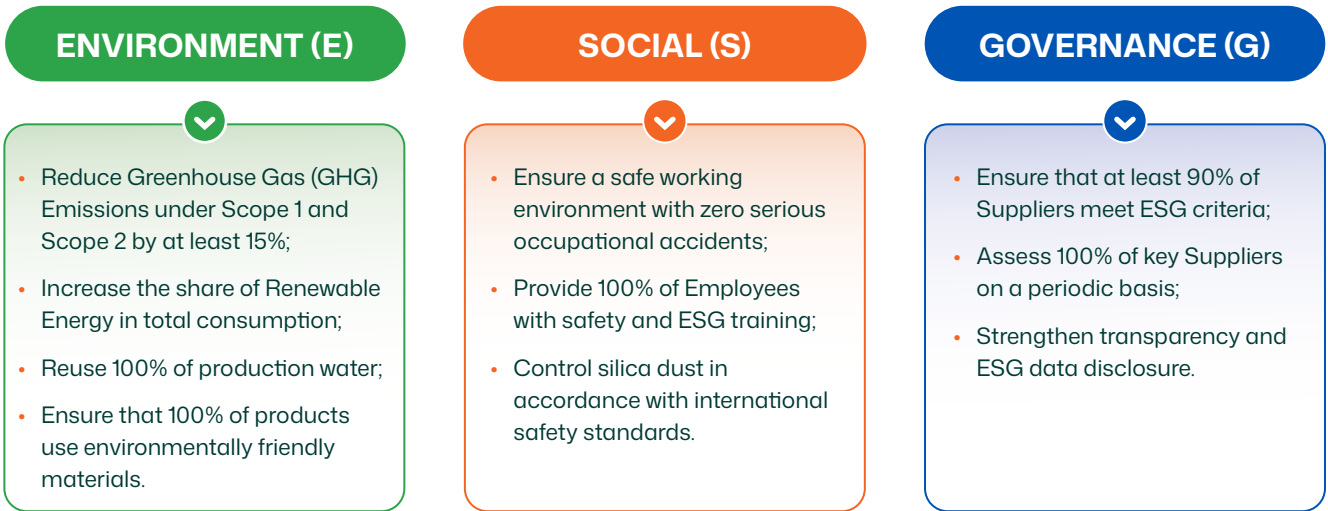
Against the backdrop of increasing Sustainability requirements and the global transition to a low-carbon economy, Vicostone is orienting its Value Chain development toward a comprehensive ESG-integrated model aligned with the Net Zero 2050 strategy and its vision of becoming a leading sustainable materials enterprise in international markets.

The Value Chain is not only an operating structure, but also a strategic foundation for advancing Vicostone's long-term environmental, social, and governance objectives.

Value Chain-based development orientation enables Vicostone to upgrade each stage of the Value Chain toward green transformation, digitalization and circularity:



Quantitative objectives and targets to 2030 to enhance Value Chain sustainability:



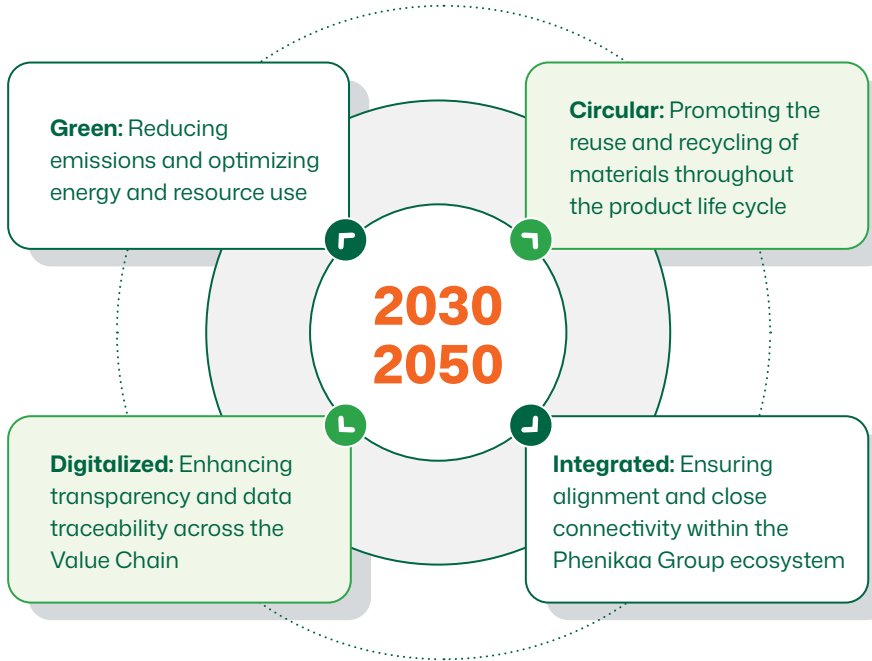
Digitalization and Value Chain transparency are oriented toward building a digitalized Value Chain governance framework

- Implement product traceability systems, including QR and EPD;
- Integrate ESG data into management systems, including ERP and ESG dashboards;
- Strengthen the monitoring and reporting of emissions across Scope 1, Scope 2 and Scope 3;
- Apply technology in Supply Chain and logistics management.

Alignment with the ESG and Net Zero 2050 strategy is achieved by

Controlling emissions at each stage, optimizing resource and energy use, promoting the Circular Economy, and expanding governance over indirect emissions under Scope 3. Vicostone is gradually transitioning from a traditional Supply Chain model to a low-carbon, transparent and internationally measurable Value Chain.

With a long-term orientation to 2030 and vision to 2050, Vicostone is developing its Value Chain based on the following model



Based on this foundation, the VICOSTONE Value Chain is not only being optimized for operational efficiency, but is also progressively transforming toward a sustainable, transparent and internationally measurable model.

Through this approach, Vicostone affirms its role as a pioneering enterprise in sustainable materials, continuously creating valuable solutions for customers, making positive contributions to the environment and society, and moving toward a future of harmonious development, where economic growth goes hand in hand with environmental responsibility and human well-being.

Material Topic Identification

1. strategic Orientation and Role

Materiality assessment is a cornerstone of Vicostone's ESG governance framework and plays a key role in shaping strategic priorities and allocating resources across the Company's manufacturing and business operations.

- The Company's impacts on the environment and society;
- ESG-related risks and opportunities that may affect financial performance and strategy.

This approach enables Vicostone to move from compliance-based ESG management to data-driven strategic governance, in which Material Topics are directly integrated into the ERM framework, KPIs and the Net Zero 2050 roadmap.

2. Summary of the Materiality Assessment Process

Vicostone conducts its Materiality assessment in accordance with the GRI Standards 2021, coordinated by the ESG Department with the participation of functional departments, the Group ESG Division and Executive Management. The process is designed to be integrated, data-driven and governance-led, ensuring consistency across the framework.

The assessment process comprises six steps:



Through this process, Material Topics are identified based on their impacts on the environment, society and Stakeholders, and are subsequently embedded into Vicostone's governance framework, action plans and performance monitoring framework to support effective implementation and continuous oversight.

Material Topic Identification (Continued)

3. Stakeholder Engagement (GRI 2-29)

Vicostone identifies Stakeholders as a material component of its ESG governance framework, providing important input for the Materiality assessment process and Sustainability strategy planning.

The Company maintains regular, multi-channel and frameworkatic consultation mechanisms to collect feedback, expectations and concerns relating to its manufacturing and business operations, as well as economic, environmental and social impacts across the Value Chain.

Stakeholder engagement is conducted through formal and informal channels, with frequencies tailored to each Stakeholder group. Information collected through these engagements is consolidated and analyzed by the ESG Department and integrated into the materiality assessment process, serving as a basis for:



Circle 1: Internal Stakeholders

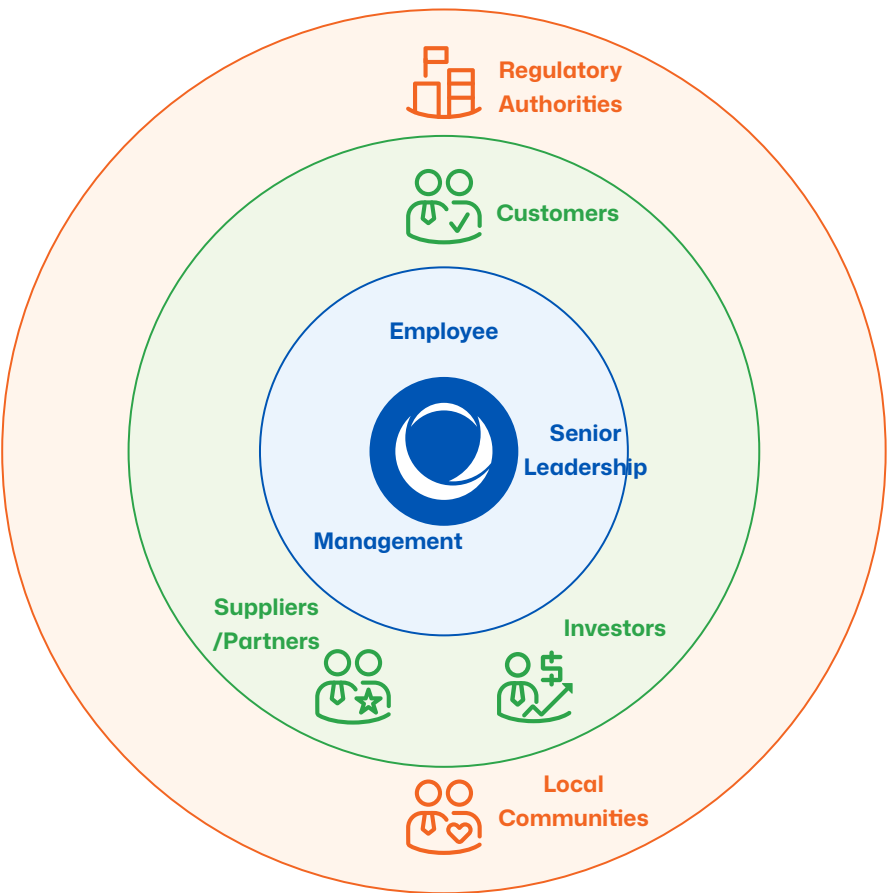
Parties within the Company that participate directly in governance and operations.

Circle 2: Value Chain and Market

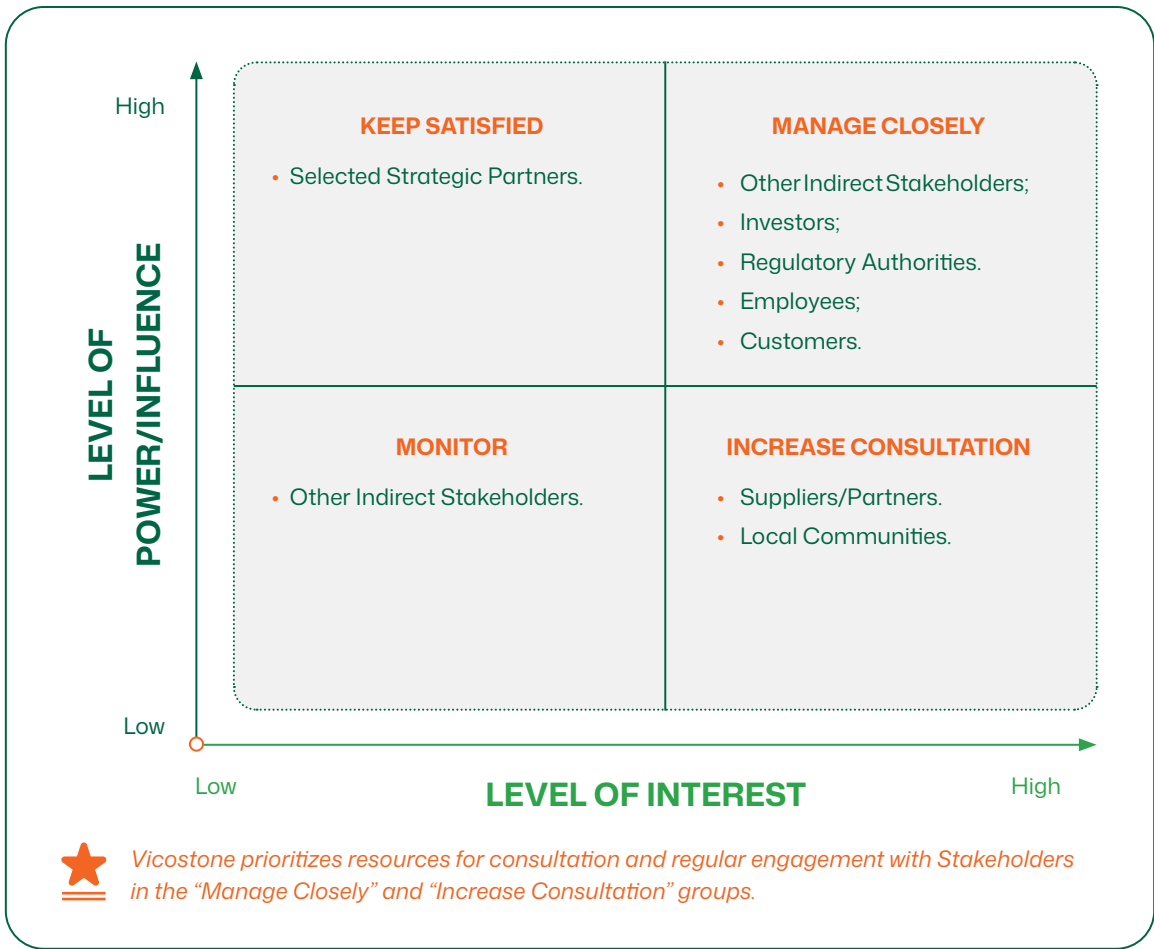
Parties directly connected with the Company's business activities and Value Chain.

Circle 3: Institutions and Society

External parties that influence, or are affected by, the Company's operations and Sustainable Development.



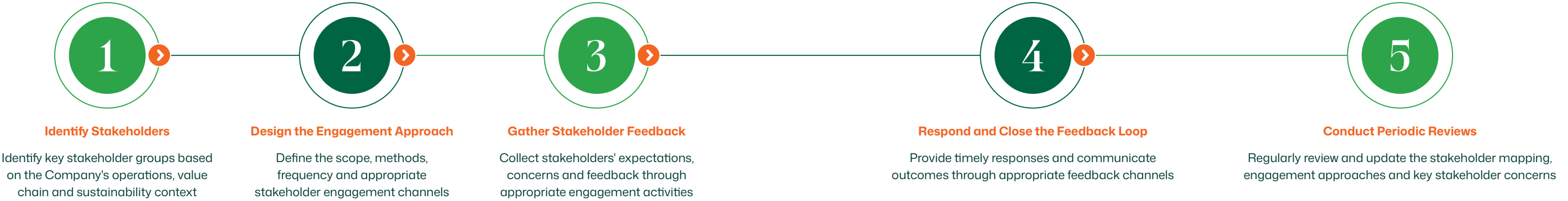
Stakeholder map



Matrix of influence - Interest

3. Stakeholder Engagement (GRI 2-29) (Continued)

Stakeholder Engagement Cycle



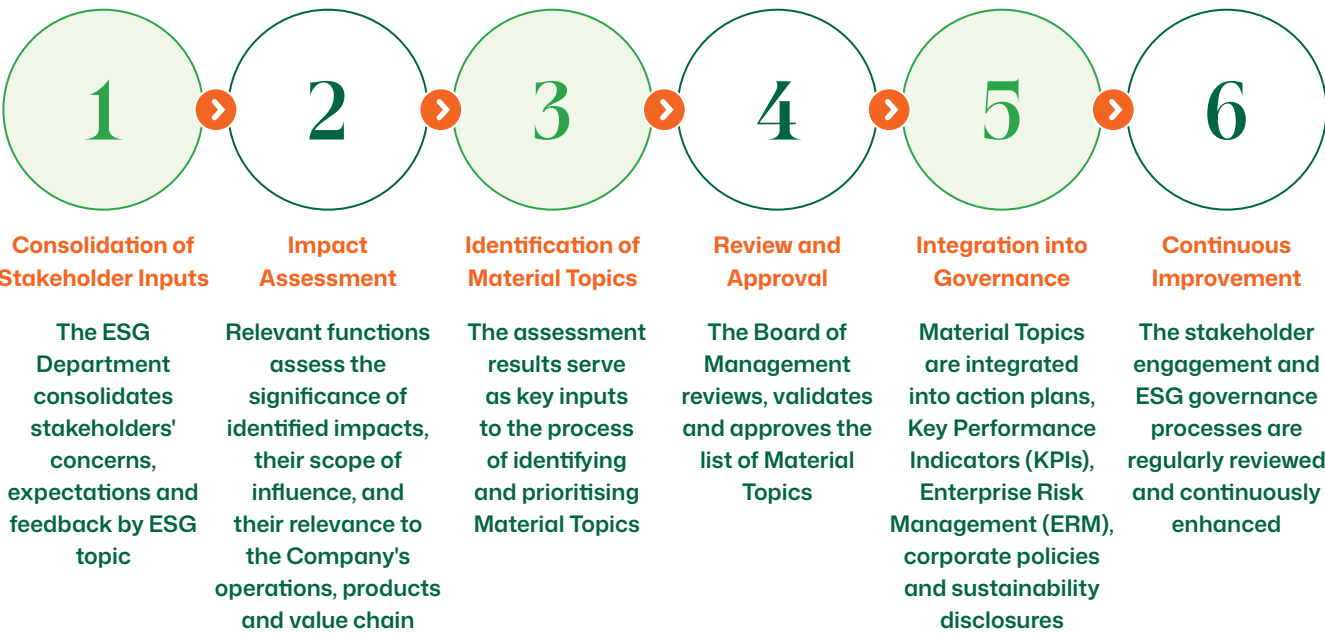
Stakeholder Engagement Summary

Stakeholder Group	Stakeholders	Engagement Methods	Frequency	Key Areas of Interest	Vicostone's Response	Feedback Channels
Internal	Employees; Managers; Board of Management	- Employee surveys; - Regular dialogue sessions; - Feedback channels (suggestion boxes, hotline and email).	Annual/Ongoing	- Occupational Health and Safety; - Compensation and benefits; - Career development and training.	- Strengthen HSE training programmes; - Enhance employee welfare and working conditions; - Provide clear career development and advancement pathways.	- Intranet and internal email; - Direct dialogue sessions; - Internal employee satisfaction surveys.
Market (Customers)	Customers	- Customer satisfaction surveys; - Direct engagement; - Regular customer meetings.	Annual	- Product quality; - Product safety; - On-time delivery; - Information transparency.	- Strengthen quality control; - Continuously improve manufacturing processes; - Enhance transparency of product information; - Deliver professional customer service.	- Hotline, email and website; - Customer satisfaction surveys; - Customer meetings and feedback sessions.
Market (Suppliers and Business Partners)	Suppliers; Business partners	- Supplier assessments; - Regular meetings; - Site visits and consultations.	Annual	- ESG standards; - Long-term partnerships; - Transparency and fairness.	- Conduct supplier assessments; - Integrate ESG criteria into supplier selection and management processes; - Foster long-term sustainable partnerships.	- Supplier information portal; - Email and meetings; - Periodic supplier assessments.
Capital Market & Society (Investors)	Investors; Shareholders	- Periodic reporting; - Annual General Meeting of Shareholders (AGM); - Investor meetings.	In line with the financial reporting cycle	- Financial performance; - Information transparency; - Corporate governance; - Sustainable development strategy.	- Provide timely, comprehensive and transparent disclosures; - Strengthen corporate governance practices; - Integrate ESG into corporate strategy and business operations.	- Corporate website and Annual Report; - AGM and investor roadshows; - Email and Investor Relations (IR) communications.
Market (Regulatory Authorities)	Government authorities	- Direct engagement; - Regulatory compliance reporting; - Participation in policy consultations.	As required	- Regulatory compliance; - Environmental protection; - Emissions management.	- Ensure full compliance with applicable laws and regulations; - Monitor and reduce emissions; - Maintain timely cooperation with regulatory authorities and fulfil reporting obligations.	- Official correspondence and email; - Periodic reports; - Meetings and direct working sessions.
Capital Market & Society (Local Communities)	Local communities	- CSR programmes; - Direct engagement; - Community surveys and dialogue.	According to programme schedules	- Environmental impacts; - Employment and local economic development; - Social contributions.	- Implement environmental protection and CSR programmes; - Support local communities through education, healthcare and social welfare initiatives; - Prioritise local employment opportunities.	- Community meetings; - Hotline and suggestion boxes; - Volunteer activities.

3. Stakeholder Engagement (GRI 2-29) (Continued)

Governance Integration Mechanism

The Stakeholder engagement process is integrated into Vicostone's continuous ESG governance cycle:



Compared with the traditional approach, Vicostone adds the "Governance Integration" step to ensure that information collected is not used merely as reference input, but is directly translated into prioritized Material Topics, ESG action programs and KPI indicators for monitoring.

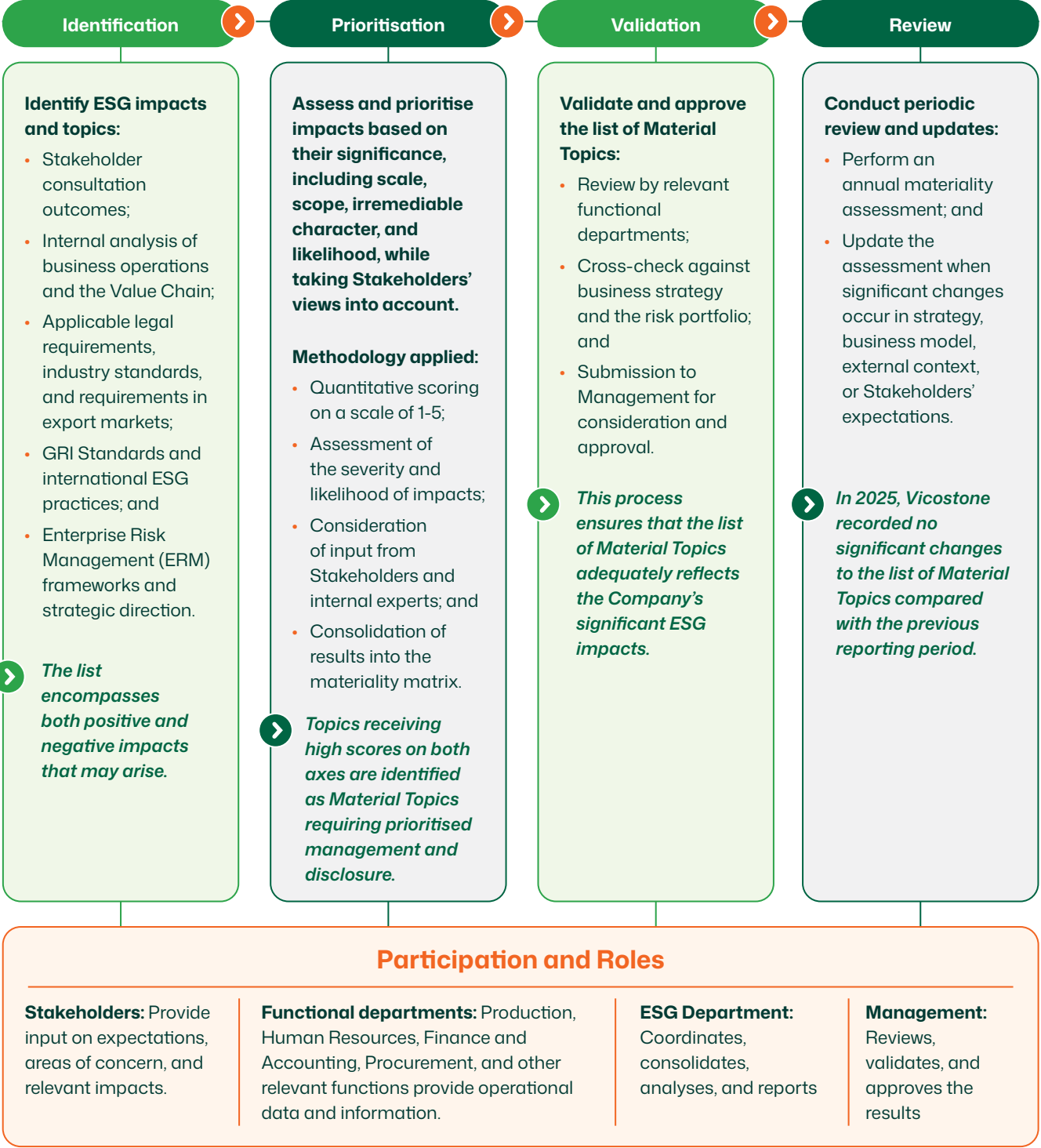
This approach ensures that Stakeholder concerns are frameworkatically reflected in the Company's decision-making, Risk Management and Sustainability orientation.

At the same time, the continuous consultation mechanism enables Vicostone to enhance transparency, strengthen Stakeholder engagement and proactively adapt to increasingly stringent market and regulatory requirements.



4. Process for Determining Material Topics (GRI 3-1)

Vicostone applies the Material Topic identification process in accordance with the GRI Standards 2021, using an impact materiality approach. The process focuses on identifying, assessing, and prioritising the Company's actual and potential, positive and negative impacts on the economy, the environment, people, and Stakeholders across its operations and Value Chain.



★ *Output: The identified list of Material Topics provides the basis for Vicostone to develop management approaches, policies and objectives and monitor implementation performance, while meeting the disclosure requirements of GRI 3-2 and GRI 3-3.*

Material Topic Identification (Continued)

5. Results of Material Topic Identification (GRI 3-2)

Based on the assessment process conducted in accordance with the GRI Standards and the Double Materiality approach, Vicostone identified 17 Material Topics that fully reflect the Company’s most significant impacts on the environment, society and business operations.

These topics serve not only disclosure purposes but also provide the basis for:

- Defining ESG strategic priorities
- Establishing KPIs and action plans
- Integrating ESG into the ERM framework and business operations

The list of topics is grouped under the three ESG pillars to enhance clarity and support effective governance.



SDG 3
Good Health
and Well-being



SDG 8
Decent Work
and Economic
Growth



SDG 12
Responsible
Consumption
and Production



SDG 6
Clean Water
and Sanitation



SDG 9
Industry,
Innovation and
Infrastructure



SDG 13
Climate Action

No.	Material ESG Topics	ESG Pillars	Rationale for Materiality	Linked Target	Linked SDG	Rationale for SDG Alignment	Lead Functions
1	Materials and Resource Consumption	E (Green Transition and Circular Economy)	Manufacturing operations require substantial raw materials, potentially placing pressure on natural resources and generating environmental impacts throughout extraction, transportation, use, and end-of-life management.	Reduce raw material consumption intensity by ≥1% annually	12	Promote resource efficiency and friendly production and consumption.	Manufacturing Division, R&D, Supply Department
2	Energy and Greenhouse Gas (GHG) Emissions		Energy consumption in manufacturing is a major source of GHG emissions, directly influencing the Company's efforts to reduce emissions, improve energy efficiency, and address climate change.	• Reduce GHG emissions by ≥15% by 2030; • Source ≥5% of electricity from renewable energy; • Maintain certification to ISO 50001, ISO 14064-1, and ISO 14067.	13	Reduce greenhouse gas emissions and contribute to climate action.	Manufacturing Division, Engineering Department
3	Water and Wastewater		Manufacturing operations require significant water consumption and generate wastewater, necessitating effective management to reduce pressure on water resources and prevent environmental impacts on surrounding areas.	Achieve 100% recirculation and reuse of production water.	6	Promote sustainable water resource management and protect water resources.	General Affairs Department, Engineering Department
4	Waste Management		Manufacturing processes generate solid waste and industrial waste which, if not effectively managed, may adversely affect the environment and local communities.	• Reuse/recycle ≥90% of solid waste; • Zero environmental violations.	12	Promote recycling, reuse, and waste reduction.	Manufacturing Division, Engineering Department
5	Employment, Training, and Development	S (Fostering a Culture of Service)	Directly affects productivity, product quality, workforce capability, and employee retention.	• 100% of Employees receive ESG training; • Employee Happiness Index ≥85%.	8	Enhance employee well-being, capabilities, and decent work.	Human Resources Department
6	Occupational Health and Safety		Manufacturing activities involve high occupational risks, particularly silica dust exposure and workplace accidents.	• Zero occupational accidents; • Maintain respirable dust concentration at ≤0.03 mg/m³; • Maintain ISO 45001 and SA8000 certifications.	3	Protect employee health and ensure occupational safety.	General Affairs Department, Plant 1, Plant 2, Crushing and Screening Workshop
7	Diversity, Equality, and Equal Opportunities		Influences workplace culture, talent attraction, employee engagement, and retention.	• Women account for ≥60% of the Board of Directors; • Women represent ≥25% of the Company's total workforce.	3	Foster a fair, inclusive, and healthy working environment.	Human Resources Department
8	Freedom of Association and Collective Bargaining		A fundamental labour right and a key requirement under international standards.	100% compliance with labour rights and collective bargaining requirements.	3	Safeguard employees' rights and welfare.	Human Resources Department
9	Prevention of Forced Labour		A mandatory requirement within global supply chains and a key factor affecting corporate reputation.	100% compliance with the prohibition of forced labour.	3	Protection of Human Rights and Safe Working Conditions.	Human Resources Department
10	Local Communities		Influences relationships with local communities and the Company's social licence to operate.	• Implement ≥5 CSR projects per year; • Engage 100% of relevant Stakeholders through consultation.	3	Improve community well-being, health, and quality of life.	ESG Department, ESG Committee, Communications Department

5. Results of Material Topic Identification (GRI 3-2)
(Continued)

No.	Material ESG Topics	ESG Pillars	Rationale for Materiality	Linked Target	Linked SDG	Rationale for SDG Alignment	Lead Functions
11	Supply Chain and Social Impacts	G (Transparency - Integrity - Adaptability)	The supply chain may generate environmental and social impacts related to labour conditions, legal compliance, raw material sourcing, transportation, and friendly business practices.	≥90% of Suppliers comply with the ESG Code of Conduct.	8	Promote decent work and friendly supply chains.	Supply Department
12	Product Responsibility, Customer Health and Safety		Products have a direct impact on the health, safety, and rights of customers and end users, requiring rigorous quality control, transparent product information, and friendly product stewardship throughout the product life cycle.	100% of products use environmentally friendly materials; - Ratio of export sales area subject to customer complaints/total export sales area ≤0.30%; - Ratio of domestic sales area subject to customer complaints/total domestic sales area ≤0.28%.	9	Promote product innovation and enhance the quality of engineered stone materials.	Manufacturing Division, R&D
13	Suppliers' Environmental Impacts		Suppliers' operations—particularly those related to raw materials, chemicals, energy, logistics, and waste management—may generate indirect environmental impacts across Vicostone's Value Chain.	≥90% of Suppliers comply with ESG standards.	8	Encourage environmentally friendly practices throughout the supply chain.	Supply Department; International Sales Department
14	Economic Performance and Market Presence		Economic performance and market presence reflect the Company's ability to create economic value, sustain employment, contribute to government revenues, strengthen the supply chain, and support local communities.	Achieve sustainable revenue growth and maintain international market share.	8	Promote sustainable economic growth and enhance long-term competitiveness.	Finance and Accounting Department
15	Transparent Tax Practices		Transparent tax practices support legal compliance, ensure a fair contribution to the state budget, and reinforce the Company's economic responsibility to society.	100% compliance with applicable tax regulations; - Maintain and continuously improve the four governance frameworks, including the Tax Strategy framework.	8	Contribute to a transparent and sustainable business environment.	Finance and Accounting Department
16	Fair Competition		Fair competition supports a healthy business environment and safeguards the legitimate interests of customers, business partners, and other market participants.	100% compliance with applicable competition laws and regulations.	8	Promote a fair, transparent, and competitive business environment.	Legal Department
17	Customer Privacy and Data Security		Vicostone collects, stores, and processes information relating to customers, business partners, and other Stakeholders in connection with sales, services, and corporate governance. Protecting personal data, ensuring information security, and strengthening cybersecurity are essential to safeguarding customer privacy, maintaining Stakeholder trust, complying with applicable laws, and promoting friendly corporate governance.	100% compliance with data protection and information security regulations; 100% of relevant Employees receive annual training on data protection and information security; - Zero material data breach incidents during the reporting period.	16	Promote transparent governance, protect Stakeholders' rights, and strengthen effective institutions through robust information governance and data protection.	Information Technology Department; Legal Department; Business and Supply Chain Division

Compared with the traditional single materiality approach, which focuses only on the impact of ESG factors on a company's financial performance, the Double Materiality approach enables Vicostone to simultaneously identify both dimensions: **(i)** the Company's impacts on the environment and society, and **(ii)** the impacts of ESG factors on business operations.

The assessment results show that Vicostone's Material Topics are highly concentrated around the core issues of the construction materials and engineered stone industry, including:

- Energy, emissions and resources:**
Reflecting pressure from production costs and emissions reduction requirements across the global Supply Chain

- Occupational Health and Safety, particularly silica dust:**
An industry-specific risk and a determining factor for long-term Sustainability;
- Supply Chain and international ESG standards:**
Linked to requirements from export markets such as the United States and the European Union;
- Transparent governance and ESG digitalization:**
The foundation for enhancing competitiveness and meeting disclosure requirements.

This demonstrates that Vicostone is shifting ESG from the operational level to the strategic level, focusing on factors that can generate long-term impact and sustainable competitive advantage.

Material ESG Topics and SDG Linkage

Vicostone's Material ESG Topics are identified based on an ESG GAP assessment in accordance with the GRI Standards. This enables the Industrial Manufacturing Sector to focus on issues with the greatest impact on the environment, society and business performance, while directly reflecting Stakeholder expectations. The results of this assessment provide an important foundation for Vicostone to define strategic priorities for the 2026-2030 period, establish objectives, KPIs and specific action plans, and progressively enhance ESG maturity in line with the defined roadmap.

In addition, linking Material ESG Topics with the United Nations Sustainable Development Goals (SDGs) helps ensure alignment with international standards, connecting the Company's development strategy with global objectives and thereby creating long-term value for the business, society and the environment. Through this approach, Vicostone progressively integrates ESG into its core business strategy, moving beyond compliance requirements toward sustainable value creation and the realization of Net Zero by 2050.

Material Topic Identification (Continued)

6. Illustration of the Materiality Matrix

Vicostone uses a two-dimensional materiality matrix to visualize the priority level of ESG topics based on quantitative assessment results:

- **X-axis:** Level of impact on the business, including strategy, finance, operations and compliance

- **Y-axis:** Level of impact on the environment, society and Stakeholders, including scope, severity and level of concern

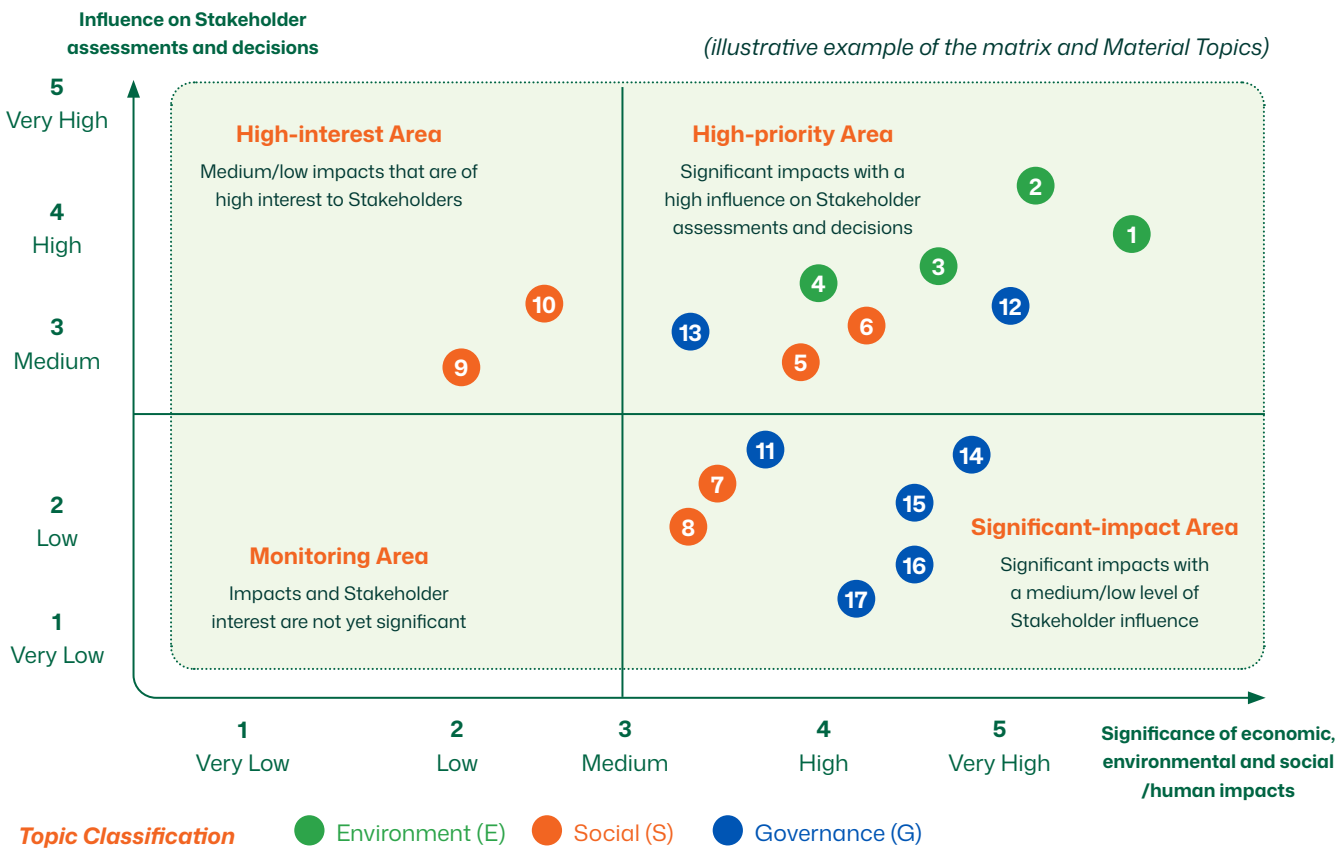
Topics are scored on a quantitative scale of 1-5 and consolidated from:

- Stakeholder consultation results;
- Internal operational and governance data;
- Expert assessments provided by relevant functional departments;

- Market requirements and international standards.

The matrix enables Vicostone to clearly identify the highest-priority topics for focused management and disclosure.

Example illustration of the materiality matrix and Material Topics



How to Read the Materiality Matrix:

Topics located in the High-Priority Zone are those that have both significant impacts and a high level of influence on Stakeholders' assessments and decisions. These topics are prioritised within Vicostone's ESG governance framework, action plans, KPI framework, and sustainability disclosures.

Topics located in the Significant Impact Zone are also considered Material Topics where they reflect substantial impacts on the economy, the environment, or people, even if current Stakeholder interest is relatively lower.

Topics located in the High Stakeholder Interest Zone continue to be monitored by Vicostone and are addressed through appropriate Stakeholder engagement and communication channels.

Topics located in the Monitoring Zone are reviewed periodically and updated as necessary in response to changes in business operations, regulatory requirements, market expectations, or Stakeholder feedback.

ENVIRONMENT (E)

- 1 Materials and Resource Consumption
- 2 Energy and Greenhouse Gas (GHG) Emissions
- 3 Water and Wastewater
- 4 Waste Management

SOCIAL (S)

- 5 Employment, Training and Development
- 6 Occupational Health and Safety
- 7 Diversity, Equality and Equal Opportunities
- 8 Freedom of Association and Collective
- 9 Prevention of Forced Labour
- 10 Local Communities

GOVERNANCE (G)

- 11 Supply Chain and Social Impacts
- 12 Product Responsibility, Customer Health and Safety
- 13 Suppliers' Environmental Impacts
- 14 Economic Performance and Market Presence
- 15 Transparent Tax Practices
- 16 Fair Competition
- 17 Customer Privacy and Data Security

Based on the assessment results, Material Topics are categorised into three priority groups:



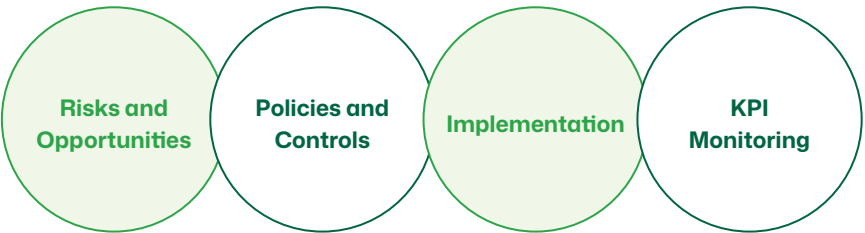
This classification enables Vicostone to focus resources on the topics with the most significant impacts while maintaining effective oversight of the governance elements that support the Company's overall management framework.

Material Topic Identification (Continued)

7. Linkage with Management Approach Disclosures (GRI 3-3)

Material Topics provide the foundation for Vicostone to develop ESG management approaches aimed at controlling risks, capturing opportunities and improving Sustainability performance.

For each topic, the Company applies the following management cycle:



This approach ensures that:

- ESG risks are identified and managed frameworkatically
- Appropriate policies, procedures and control measures are established and implemented.
- Actions are effectively deployed across departments, manufacturing facilities and relevant business units.
- Management effectiveness is measured through specific KPIs

Impact Management by Materials Topic in 2025

Material Topics	Material Impacts	Management Approach	Monitoring KPI
Materials and Resource Consumption	Large-scale consumption of raw materials places pressure on natural resources and generates production waste.	Control material consumption rates, improve technologies, optimise product design, and increase the reuse of production waste.	Raw material consumption intensity per tonne of product; percentage of production waste reused.
Energy and Greenhouse Gas Emissions	Energy consumption and GHG emissions from manufacturing activities contribute to climate change.	Maintain ISO 50001 certification, conduct GHG inventories, improve energy efficiency, increase the use of renewable energy, and implement the Net Zero roadmap.	CO ₂ e emissions intensity per tonne of product; energy consumption (kWh); percentage of renewable energy.
Water and Wastewater	Water consumption and wastewater generation from manufacturing operations may affect water resources and the surrounding environment.	Operate closed-loop water circulation frameworks, ensure wastewater treatment complies with applicable standards, and conduct periodic water quality monitoring.	Water reuse rate; wastewater quality compliance rate; volume of water withdrawn and reused.
Waste Management	Manufacturing processes generate industrial waste, sludge, packaging waste, and surplus materials.	Segregate, collect, recycle, reuse, and transfer waste to qualified service providers.	Waste recycling and reuse rate; volume of waste disposed of in landfill.
Employment, Training and Development	Directly affects employee capability, well-being, engagement, and career development opportunities.	Implement human resources policies, training programmes, competency assessments, and career development pathways.	Average training hours per Employee per year; percentage of Employees trained; employee turnover rate.

Occupational Health and Safety	Risks of workplace accidents, occupational diseases, and exposure to dust, noise, and chemicals during manufacturing activities.	Maintain ISO 45001 certification, conduct HSE risk assessments, control silica dust exposure, provide safety training, and carry out periodic health monitoring.	Number of serious workplace accidents; safety training completion rate; controlled dust concentration levels.
Diversity, Equality and Equal Opportunities	Influences fairness in recruitment, promotion, training, and career development.	Implement diversity, equity, and inclusion policies, uphold non-discrimination principles, and monitor workforce composition.	Percentage of women in management positions; percentage of female Employees; percentage of Employees assessed through fair performance evaluation processes.
Freedom of Association and Collective Bargaining	Relates to Employees' rights to representation, dialogue, and collective bargaining.	Maintain regular dialogue mechanisms, grievance channels, and collaboration with employee representative organisations.	Percentage of Employees represented; number of labour dialogue sessions; percentage of grievances addressed.
Prevention of Forced Labour	Relates to human rights and friendly labour practices across both direct operations and the Supply Chain.	Commit to prohibiting forced labour, review labour contracts, and assess key Suppliers.	Number of forced labour violations; percentage of key Suppliers assessed.
Local Communities	Manufacturing activities may affect the environment, livelihoods, employment, and quality of life of local communities.	Conduct community engagement, implement CSR programmes, maintain grievance mechanisms, and prioritise local recruitment and partnerships.	Number of community programmes implemented; number of grievances resolved; percentage of local Employees.
Supply Chain and Social Impacts	The Supply Chain may generate impacts related to labour conditions, human rights, safety, and friendly business practices.	Integrate ESG criteria into Supplier selection, assessment, and monitoring processes while prioritising Suppliers that comply with labour standards.	Percentage of Suppliers assessed against ESG criteria; percentage of key Suppliers meeting ESG requirements.
Suppliers' Environmental Impacts	Supplier activities may generate indirect environmental impacts across Vicostone's Value Chain.	Conduct environmental assessments of Suppliers, require compliance with environmental regulations, and prioritise Suppliers demonstrating sustainable practices.	Percentage of Suppliers assessed for environmental performance; percentage of key Suppliers meeting environmental criteria.
Economic Performance and Market Presence	Vicostone's operations create economic value for Employees, Suppliers, shareholders, government budgets, and local communities.	Enhance operational efficiency, maintain employment, develop local supply chains, contribute to government revenues, and invest in community development.	Economic value generated and distributed; local procurement ratio; government contributions.
Transparent Tax Practices	Tax practices influence transparency, compliance, and fair contributions to government revenues.	Comply with tax regulations, strengthen tax reporting controls, review related-party transactions, and disclose tax information as appropriate.	Tax compliance rate; number of significant tax violations; number of tax compliance reviews conducted.
Fair Competition	Competitive practices influence a healthy business environment and the interests of customers, business partners, and market participants.	Comply with competition laws, review contracts, provide compliance training, and maintain mechanisms for reporting violations.	Number of competition law violations; percentage of relevant Employees receiving compliance training.
Customer Privacy and Data Security	The collection, storage, and processing of data may affect customer privacy, information security, and customer trust.	Implement data protection requirements, control access rights, strengthen cybersecurity measures, and provide training for relevant Employees.	Number of data breach incidents; percentage of relevant Employees trained; percentage of frameworks undergoing security reviews.

7. Linkage with Management Approach Disclosures (Continued)

Vicostone applies a risk-based and integrated management approach to Material Topics, under which each topic is managed throughout the process of risk identification, policy development, action implementation and KPI monitoring.

This approach not only helps control negative impacts, but also enables the Company to capture ESG opportunities such as cost optimization, product innovation and enhanced brand value in international markets.

Integration into the Governance framework

Management approaches for Material Topics are directly integrated into Vicostone's governance framework, including the Enterprise Risk Management (ERM) framework, ESG KPI framework and unit performance evaluation, annual business plans and the Net Zero 2050 roadmap. This integration ensures that ESG does not remain only at policy level, but is embedded throughout the Company's operations and decision-making.

Role of the KPI Framework

The KPIs in the management table reflect the implementation performance of each Material Topic and serve as tools to monitor and assess progress against ESG objectives, support management decision-making and drive continuous improvement. These KPIs are designed to align with the 2025-2030 strategic direction, requirements of international standards including GRI and ISO, and internal management needs.

Significance for ESG Governance

Linking Material Topics with management approaches enables Vicostone to proactively manage material ESG risks, improve operational efficiency and optimize costs, strengthen its ability to meet market and international regulatory requirements, and progressively enhance ESG maturity.



A Vicostone consultant introduces products to customers at Archify Live HCMC 2025.



Material Topics provide the foundation for **Vicostone** to develop its ESG management approach, manage risks, capitalize on opportunities and improve Sustainable Development performance.



Organizations and Associations Supporting Sustainability in Which Vicostone Participates

1. Overview and Approach

Vicostone considers participation in industry associations and professional organizations not merely a networking activity, but an integral component of the Company's Sustainability strategy. Through domestic and international networks, Vicostone progressively adopts leading practices, keeps pace with evolving ESG requirements, and expands its collaborative ecosystem across the advanced building materials and interior design industries.

Vicostone's approach is guided by the principles of connection - learning - transformation, whereby international standards and best practices are not only adopted, but also progressively integrated into the Company's manufacturing, governance and product development activities. As a result, participation in industry organizations serves as an important platform for embedding and promoting Sustainability values across the Value Chain.

2. Principles of Participation and Transparency (GRI 2-28)

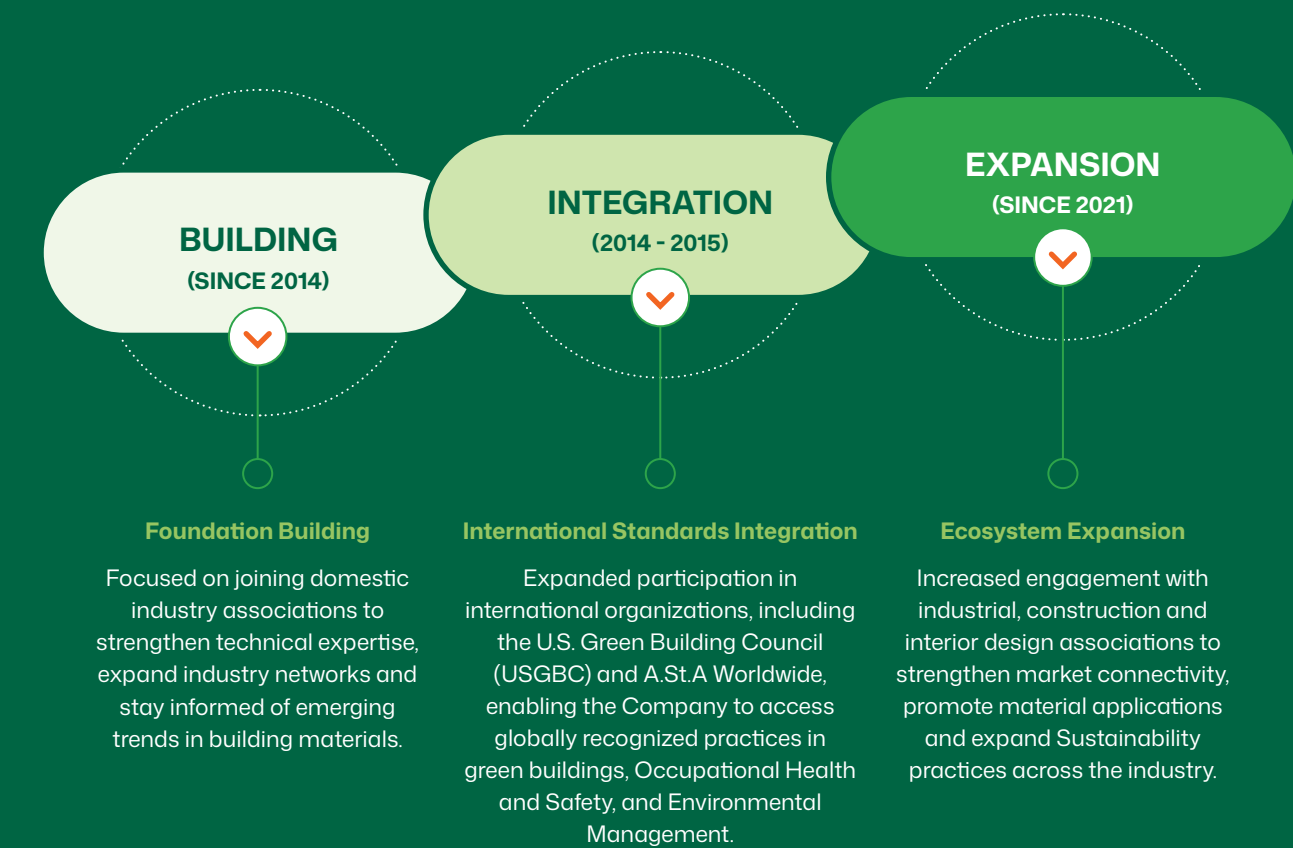
Vicostone participates in industry associations and professional organizations in accordance with the principles of transparency, integrity and good Corporate Governance.

The Company regularly attends seminars, forums and training programs to keep pace with emerging trends, regulatory requirements and international practices. In addition, Vicostone actively participates in professional knowledge exchange and contributes feedback during industry consultations on standards organized by relevant associations.

As of the reporting date, Vicostone does not hold any policymaking or coordinating role in these associations. The Company's level of participation focuses on access, compliance and professional contribution, consistent with the principles of transparency and good Corporate Governance.

3. Membership Development Journey

Vicostone's participation in professional organizations has evolved in line with the Company's strategic development orientation through three key phases



Organizations and Associations Supporting Sustainability in Which Vicostone Participates

(Continued)

4. Industry Associations and Scope of Participation

Vicostone is currently a member of various domestic and international associations, which serve as important channels enabling the Company to access and implement ESG practices in its operations.

	Hanoi Association of Key Industrial Product Manufacturers (HAMI) Joined Year: 2011	Scope of Participation Related to Sustainability: Connects with key industrial enterprises and participates in trade promotion and product development activities.	• Address: 44 Le Thai To Street, Hanoi, Vietnam • Website: https://hami.org.vn/
	Vietnam Green Building Council (VGBC) Joined Year: 2012	Scope of Participation Related to Sustainability: Supports the promotion of green buildings and provides access to the LOTUS green building rating system and related training programmes.	• Address: No. 1 Luong Yen Street, Hai Ba Trung Ward, Hanoi, Vietnam • Website: http://vgbc.vn
	Vietnam Association for Building Materials Joined Year: 2014	Scope of Participation Related to Sustainability: Participates in professional activities and facilitates the exchange of technical information, technologies, and industry trends.	• Address: Alley 235 Nguyen Trai Street, Thanh Xuan Ward, Hanoi, Vietnam • Website: http://hoivlxdvn.org.vn
	U.S. Green Building Council (USGBC) Joined Year: 2015	Scope of Participation Related to Sustainability: Accesses the Leadership in Energy and Environmental Design (LEED) rating system and best practices in sustainable design and manufacturing.	• Address: 2101 L Street NW, Washington, D.C. 20037, United States • Website: https://new.usgbc.org



A.St.A. Worldwide (Association of Worldwide Engineered Stone Manufacturers)

Joined Year: 2015

Scope of Participation Related to Sustainability:

Participates in a global network of engineered stone manufacturers, providing access to industry practices related to Occupational Health and Safety, occupational health, and environmental management.

- **Address:**
Via Brennero, 108, 37015 Domegliara, Verona, Italy
- **Website:**
<https://www.astaworldwide.com>



Ho Chi Minh City Association of Construction and Building Materials (SACA)

Joined Year: 2023

Scope of Participation Related to Sustainability:

Engages with stakeholders in the construction and building materials sectors through business networking activities and market information sharing.

- **Address:**
224 Dien Bien Phu Street, Xuan Hoa Ward, Ho Chi Minh City, Vietnam
- **Website:**
<https://saca.com.vn/>



Handicraft and Wood Industry Association of Ho Chi Minh City (HAWA)

Joined Year: 2024

Scope of Participation Related to Sustainability:

Connects with the furniture and wood-processing industries and supports the expansion of material applications.

- **Address:**
41-45 Street No. 7, Van Phuc Urban Area, Hiep Binh Ward, Ho Chi Minh City, Vietnam
- **Website:**
<https://hawa.vn/>



Vietnam Interior Association (VNIA)

Joined Year: 2024

Scope of Participation Related to Sustainability:

Participates in a network of interior design and furnishing enterprises, fostering engagement with the design community and supporting market development.

- **Address:**
B1, R4, Vincom Mega Mall Royal City, 72 Nguyen Trai Street, Thanh Xuan Ward, Hanoi, Vietnam
- **Website:**
<https://vnia.vn/>

Through its participation in domestic and international industry associations and professional organisations, Vicostone gains access to valuable channels for staying informed about industry developments and emerging practices related to materials, green buildings, Occupational Health and Safety, environmental management, and sustainable Value Chain development.

Participating in these associations supports the Company in three key areas:

- Keeping abreast of industry practices and requirements: Gaining access to emerging trends and best practices in materials, green building standards, occupational health and safety, and environmental management.
- Professional networking and knowledge exchange: Strengthening engagement and knowledge sharing with businesses, industry experts, professional organisations, and value chain partners.

- Supporting sustainability governance: providing valuable reference inputs for ESG programmes, supply chain management, product innovation, and sustainability disclosures.

As of the reporting date, Vicostone participates in these associations solely as a member and does not hold any coordinating, policy-making, or official representative role within their governance or decision-making structures. Any financial contributions, where applicable, are made in accordance with membership obligations and do not confer any controlling influence over the operations or activities of these associations.

Participation in associations not only expands connectivity, but also provides a foundation for Vicostone to continuously update, adapt and lead Sustainability practices in the building materials industry.

03

Chapter 03

Sustainable
development
governance

- 90 Management Structure and Governance Framework for Sustainable Development
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1901 Danica

(Vicostone Eco Surfaces collections)

The VICOSTONE® Danica design is inspired by the pure beauty of Cristallo quartz and glacial lakes. Its cool grey-white background, accented by delicate white veins, reflects the serene, majestic beauty of frozen landscapes.

Management Structure and Governance Framework for Sustainable Development

1. Integrated ESG Governance Philosophy

At Vicostone, sustainability is embedded in the Company's corporate governance framework and aligned with its commitment to creating long-term value for shareholders, employees, customers, business partners, and communities.

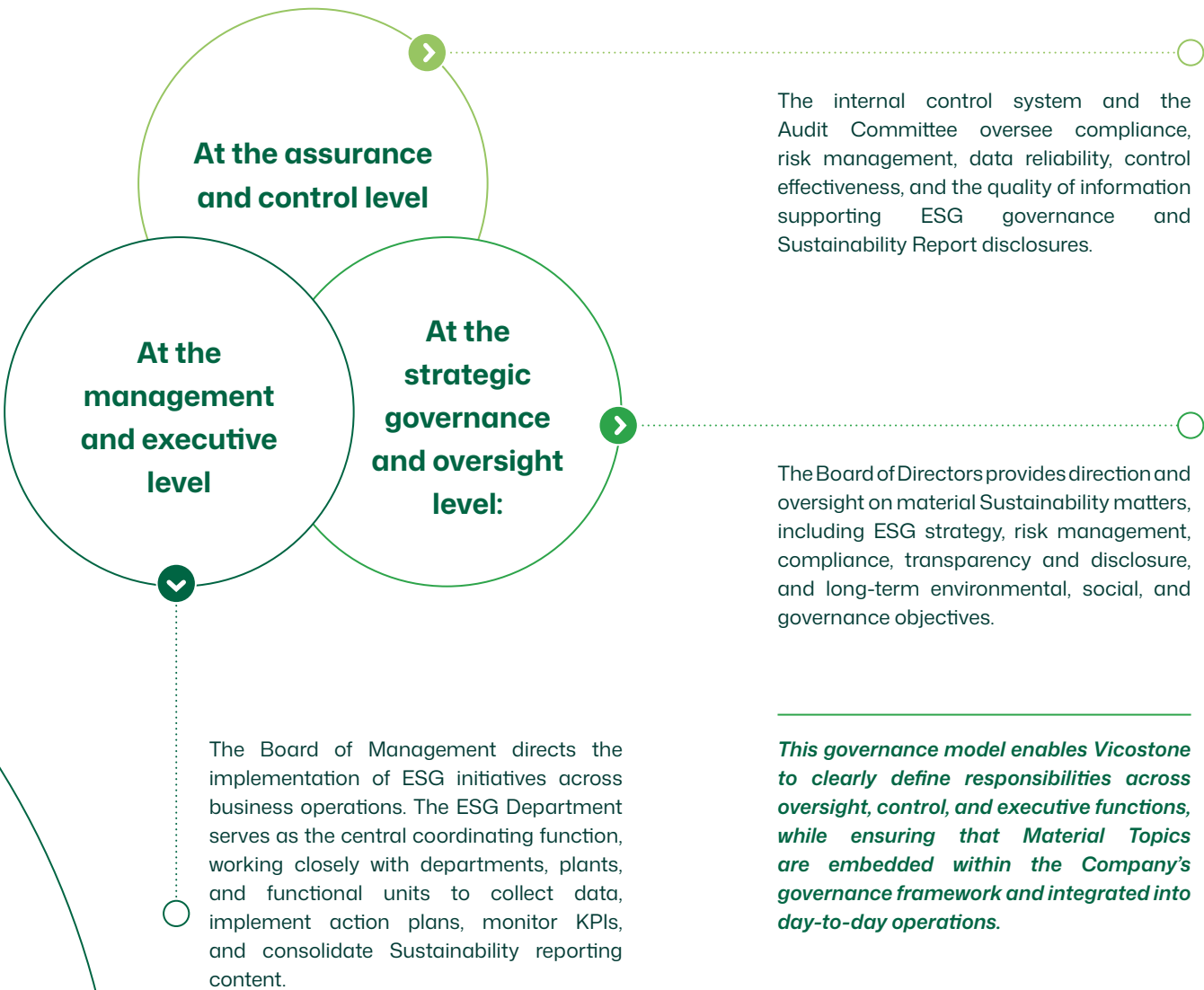
Environmental, Social, and Governance (ESG) considerations are integrated into management practices, operations, and decision-making processes to manage material impacts, improve resource efficiency, ensure compliance, and strengthen the Company's long-term resilience and adaptability.

As a member of the Phenikaa Group ecosystem, Vicostone implements ESG based on the principles of operational independence, strategic alignment and ecosystem integration. This approach ensures alignment with the Group's ESG and Net Zero 2050 commitments while extending sustainability values across the entire Value Chain, from raw material sourcing, manufacturing and fabrication to end markets.

At Vicostone, ESG is more than a governance framework; it serves as the strategic operating system for sustainable growth.

2. Integrated ESG Governance Model

Vicostone's ESG governance framework is developed around a three-tier model based on functions consisting of: strategic governance and oversight; assurance and control; and management and execution.



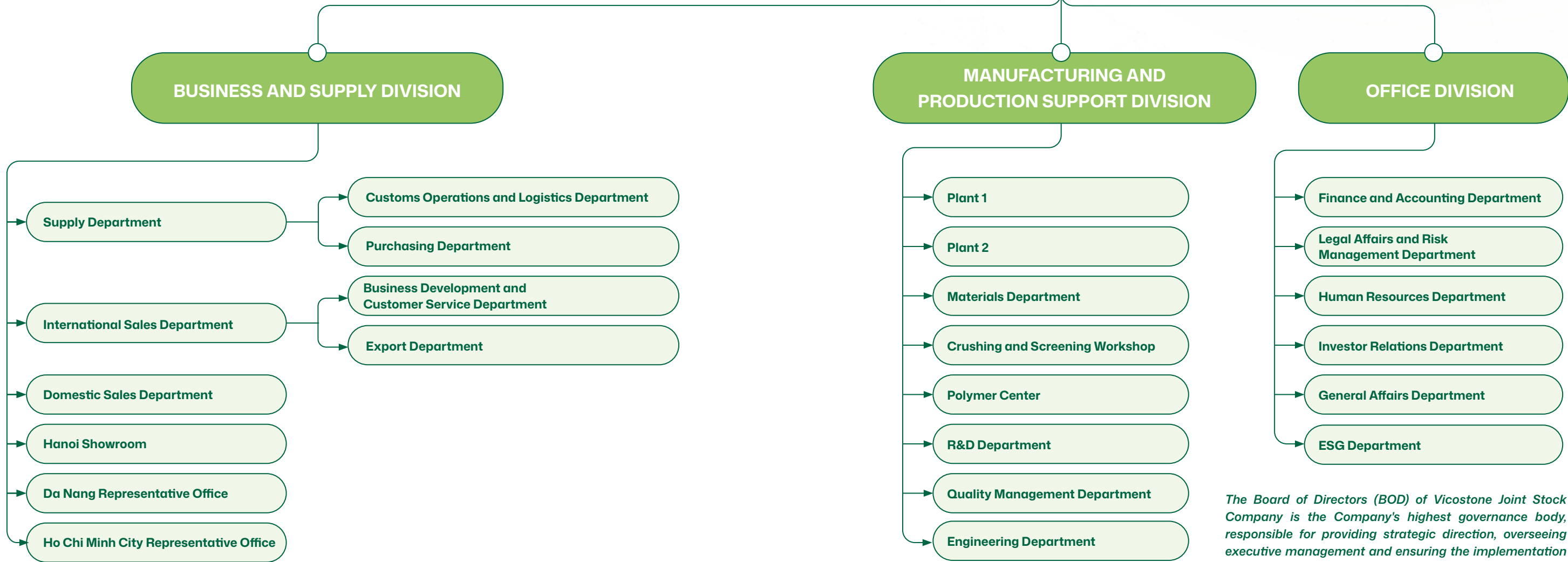
Management Structure and Governance Framework for Sustainable Development

(Continued)

3. Organizational and Management Structures

Vicostone's organizational structure is designed using a function-based multi-tier governance model that promotes effective coordination between governance and operational levels while supporting the successful implementation of the Company's ESG Sustainability strategy. This structure enables consistent, integrated and coordinated execution across the organization, from strategic oversight to operational implementation, in alignment with the Net Zero 2050 roadmap.

Integrating ESG into the organizational structure not only enhances resource efficiency and strengthens risk control, but also reinforces the Company's competitiveness, brand reputation and Stakeholder confidence. As a result, ESG is progressively becoming an integral part of Vicostone's corporate culture, fostering employee engagement and promoting sustainable values across the entire Vicostone ecosystem.



The Board of Directors (BOD) of Vicostone Joint Stock Company is the Company's highest governance body, responsible for providing strategic direction, overseeing executive management and ensuring the implementation of the Company's Sustainability objectives.

3. Organizational and Management Structures (Continued)

3.1. Board of Directors - Highest Governing Body (GRI 2-9)

The Board of Directors (the Board) is the highest governing body of Vicostone Joint Stock Company. It is responsible for setting the Company's strategic direction, overseeing executive management and ensuring the effective implementation of the Company's sustainability objectives.

Vicostone's Board of Directors comprises five members and is structured to ensure independence, objectivity, diversity and effective governance. The Board includes 60% non-executive directors and 20% independent directors, with a balanced gender composition of 60% male and 40% female members.

- **Non-executive Directors:**
3/5 (60%);
- **Independent Directors:**
1/5 (20%);
- **TGender composition of the Board of Directors:**
Male: 60%; Female: 40%.

The Chairman of the Board does not concurrently serve as the Chief Executive Officer, ensuring a clear separation between oversight and executive management responsibilities in line with good Corporate Governance practices.

3.1.1. Members of the Board

- **Mr. Ho Xuan Nang** - Chairman
- **Ms. Le Thi Minh Thao** - Member
- **Mr. Pham Tri Dung** - Member
- **Ms. Tran Lan Phuong** - Member
- **Mr. Nguyen Quang Hung** - Independent Director

Among the Board members, Mr. Ho Xuan Nang, Ms. Le Thi Minh Thao and Ms. Tran Lan Phuong serve as Non-executive Directors, while Mr. Nguyen Quang Hung serves as the Independent Director. All Board members possess

distinguished academic credentials, including Professor, Doctoral and Master's degrees, together with extensive senior executive and governance experience across multiple disciplines, providing a strong foundation for the Company's long-term strategic governance.

The Board oversees ESG through regular Board meetings and the Company's internal reporting system. Material Topics, including climate change, the Circular Economy, supply chain risks and international compliance requirements, are regularly incorporated into the Board's agenda.



The Board of Directors (BOD) of Vicostone Joint Stock Company is the Company's highest governance body, responsible for providing strategic direction, overseeing executive management and ensuring the implementation of the Company's Sustainability objectives.



Mr. Ho Xuan Nang

- **Chairman of the Board**
- **Year of Birth: 1964**

QUALIFICATIONS:

- | | |
|---------------------------|--|
| • Professor, Ph.D. | Mechanical Engineering and Power Engineering |
| • Master | Business Administration |

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- | | |
|--|---|
| • Chairman of the Board of Directors: | A&A Green Phoenix Group Joint Stock Company |
| • Chairman of the Board of Directors: | Phenikaa-X Joint Stock Company |
| • Chairman of the Board of Directors: | Vinh Thien Medical Joint Stock Company |
| • Chairman of the University Council: | Phenikaa University |

CAREER HISTORY

- | | |
|--|--|
| • June 12, 2014 - Present: | Chairman of the Board of Directors, Vicostone Joint Stock Company |
| • April 18, 2013 - December 15, 2016: | Chief Executive Officer, Vicostone Joint Stock Company |
| • April 18, 2013 - June 12, 2014: | Vice Chairman of the Board of Directors, Vicostone Joint Stock Company |
| • April 2012 - April 2013: | Chairman of the Board of Directors, Vinaconex High-Grade Stone Joint Stock Company |
| • March 2007 - March 2012: | Chairman of the Board of Directors and Chief Executive Officer, Vinaconex High-Grade Stone Joint Stock Company |
| • June 2005 - March 2007: | Director, Vinaconex High-Grade Stone Joint Stock Company |
| • July 2004 - May 2005: | Director, Vinaconex High-Grade Stone Factory |
| • January 1999 - July 2004: | Deputy Chief of Office, Vinaconex Corporation |
| • March 1996 - January 1999: | Quality Director and Manufacturing Director, Ford Vietnam Automobile Factory - Hai Duong |
| • 1993 - March 1996: | Vietnam Institute of Agricultural Engineering and Post-Harvest Technology |
| • 1986 - 1993: | Research Fellow and Lecturer, Hanoi University of Science and Technology |

3.1.1. Members of the Board (Continued)



Mrs. Le Thi Minh Thao

- **Member of the Board**
- **Year of Birth: 1972**

Qualifications

- Master of Business Administration

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Chief Executive Officer:**
A&A Green Phoenix Group Joint Stock Company
- **Chairwoman of the School Council:**
Phenikaa Secondary and High School
- **Chairwoman of the School Council:**
Phenikaa Primary School
- **Member of the University Council:**
Member of the University Council
- **Member of the Board of Directors:**
Vinh Thien Medical Joint Stock Company

CAREER HISTORY

- **February 2023 - Present:** Chief Executive Officer, A&A Green Phoenix Group Joint Stock Company
- **December 2018 - February 2023:** Deputy Chief Executive Officer, A&A Green Phoenix Group Joint Stock Company
- **June 2018 - December 2018:** Marketing Director, A&A Green Phoenix Group Joint Stock Company
- **2009 - 2018:** Marketing Executive, banking and real estate enterprises
- **2007 - 2009:** Marketing Executive, T&C Investment Joint Stock Company
- **1997 - 2007:** Marketing and Human Resources Executive, fast-moving consumer goods (FMCG) companies
- **1993 - 2003:** Sales Executive, Dai Hoang Gia Company



Mr. Pham Tri Dung

- **Member of the Board**
- **Year of Birth: 1971**

QUALIFICATIONS

- Master of Science;
- Master of Business Administration;
- Mechanical Engineer.

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Deputy Chief Executive Officer and Member of the Board of Directors:**
A&A Green Phoenix Group Joint Stock Company
- **Member of the Members' Council:**
Phenikaa Hue Mineral Processing and Investment One Member Company Limited
- **Member of the Board of Directors:**
Bao Toan A Joint Stock Company

CAREER HISTORY

- **April 12, 2023 - Present:** Member of the Board of Directors, Vicostone Joint Stock Company
- **February 27, 2023 - Present:** Chief Executive Officer, Vicostone Joint Stock Company
- **March 2007 - February 27, 2023:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **March 2007 - August 4, 2015:** Member of the Board of Directors, Vicostone Joint Stock Company
- **February 2005 - March 2007:** Deputy Director, Vinaconex High-Grade Stone Joint Stock Company
- **June 2004 - February 2005:** Head of the Market Planning Department, Vinaconex High-Grade Stone Factory
- **August 2001 - June 2004:** Deputy Head of the Overseas Labour Department, Vinaconex Trading Joint Stock Company (VINATRA)



Mrs. Tran Lan Phuong

- **Member of the Board of Directors**
- **Year of Birth: 1988**

QUALIFICATIONS

- Master of Business Administration
- Bachelor of Economic Law

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Member of the Board of Directors and Deputy Chief Executive Officer:**
A&A Green Phoenix Group Joint Stock Company
- **Member of the School Council, Phenikaa Primary:**
School and Phenikaa Secondary and High School
- **Member of the University Council:** Phenikaa University
- **Member of the Board of Directors**
Phenikaa Education Investment Joint Stock Company
- **Member of the Board of Directors**
Nam Hung Joint Stock Company
- **Member of the Board of Directors**
Vinh Thien Medical Joint Stock Company

CAREER HISTORY

- **April 12, 2019 - Present:** Member of the Board of Directors, Vicostone Joint Stock Company
- **August 4, 2015 - April 12, 2019:** Member of the Supervisory Board, Vicostone Joint Stock Company
- **October 2014 - August 2015:** Executive Assistant to the Chief Executive Officer, Vicostone Joint Stock Company
- **March 2013 - October 2014:** Deputy Chief of Office, Vicostone Joint Stock Company
- **November 2010 - March 2013:** Legal and External Relations Officer, Vicostone Joint Stock Company
- **March 2010 - November 2010:** Consultant, Aprotrain Training and Application Joint Stock Company



Mr. Nguyen Quang Hung

- **Independent Director**
- **Year of Birth: 1970**

QUALIFICATIONS

- Master of Economics

CURRENT POSITION AT OTHER ORGANIZATION

- **Chairman:** HCH Thang Long Trading and Investment Company Limited

CAREER HISTORY

- **May 2020 - Present:** Independent Director, Vicostone Joint Stock Company
- **2016 - Present:** Chairman, HCH Thang Long Trading and Investment Company Limited
- **2008 - 2015:** Officer, Global Petro Commercial Joint Stock Bank (GP.Bank)
- **2006 - 2008:** Officer, Hai Duong Shipbuilding Company
- **2002 - 2005:** Officer, Tradevico Company under the Ministry of Transport
- **1998 - 2001:** Officer, Vietnam National Coffee Corporation

3.1. Board of Directors - Highest Governing Body (GRI 2-9) (Continued)

3.1.2. Role of the Chairman of the Board of Directors (GRI 2-11)

The Chairman of the Board is responsible for coordinating the activities of the Board and ensuring effective strategic leadership and oversight.

Key responsibilities include setting the Board's strategic agenda, coordinating the Board's oversight and decision-making processes, ensuring that ESG, climate change and Sustainability are regularly incorporated into Board deliberations, and overseeing the implementation of the Company's long-term strategy and the performance of the Board of Management.

The Board brings together diverse expertise spanning advanced materials, industrial manufacturing, finance, legal affairs, human resources and Sustainability...



3.1.3. Board Nomination and Evaluation Process (GRI 2-10)

Members of the Board of Directors are selected based on their professional expertise, governance experience, independence and ability to contribute to the Company's long-term strategy, including ESG.

The selection criteria include:

- Professional expertise;
- Governance experience, industry knowledge and strategic insight;
- Independence and professional integrity;
- Ability to contribute to the Company's long-term strategy, including ESG.

The nomination process is conducted through the Board's Nomination Committee and submitted to the General Meeting of Shareholders for approval in accordance with applicable laws and regulations.

The performance and effectiveness of the Board are evaluated on a regular basis, considering the execution of the Company's strategy and the achievement of its ESG objectives.

3.1.4. Roles of the Board of Directors in ESG and Strategy (GRI 2-12, 13, 14)

The Board of Directors serves as the highest approval authority for the Company's ESG and NetZero strategy, Material Topics and ESG objectives, the ESG Risk Management framework and the periodic Sustainability Report.

ESG is integrated into the Board's agenda, with regular discussions on Material Topics including climate change, Greenhouse Gas (GHG) Emissions reduction, the Circular Economy, resource efficiency, supply chain risks, and compliance with internationally recognized frameworks and regulations, including CBAM, ISSB and the GRI Standards.

In addition, Vicostone regularly provides ESG training and updates for the Board of Directors to strengthen its oversight capabilities and strategic leadership in response to the global transition toward a low-carbon and sustainable economy.

3.1.5. Competencies and Experiences of the Board of Directors (GRI 2-17)

Vicostone's Board of Directors brings together diverse expertise across key disciplines, including materials engineering, Corporate Governance, finance, legal affairs and Sustainability. Board members possess distinguished academic credentials, including Professor, Doctoral and Master's degrees, together with extensive senior executive experience in the building materials manufacturing industry. This breadth of expertise enables the Board to make strategic decisions based on a deep understanding of market dynamics and long-term trends, while integrating ESG into the Company's business strategy and guiding the development of advanced, safe and environmentally responsible products and sustainable manufacturing models.

Vicostone is committed to strengthening the capabilities of the Board of Directors and senior management in ESG and climate-related matters. During the reporting period, Board members and senior executives participated in training and updates on internationally recognized frameworks, including the GRI Standards, as well as emerging regulatory mechanisms such as CBAM. These initiatives strengthened their understanding of climate-related risks and sustainable finance, further enhancing the Board's oversight capabilities and strategic leadership.

3. Organizational and Management Structures (Continued)

3.2. Audit Committee

The Audit Committee is a specialized committee under the Board of Directors and plays a pivotal role in overseeing the Company's internal control system, Risk Management framework, and the integrity and transparency of financial and non-financial reporting.

Composition of the Audit Committee:

- Mr. Nguyen Quang Hung - Chairman
- Mrs. Tran Lan Phuong - Member

Roles and Key Responsibilities: The Audit Committee is responsible for:

- Overseeing the internal control system to ensure its effectiveness and alignment with the Company's operations and risk profile;
- Reviewing and overseeing the Company's Risk Management framework, including financial, operational and ESG risks;
- Reviewing the completeness and integrity of the financial statements, Annual Report and Sustainability Report;
- Overseeing the activities of the internal audit function and the independent auditor;
- Monitoring compliance with applicable laws, accounting standards and other relevant regulations and standards.

Roles in ESG Governance and Transparency:

As Vicostone accelerates the implementation of its ESG and Net Zero strategy, the Audit Committee supports the Board of Directors in overseeing the effectiveness of the internal control system, risk management framework, regulatory compliance, and the reliability of information used for financial reporting and Sustainability reporting.

The Audit Committee plays an increasingly important role in strengthening the transparency and reliability of ESG information...



3.3. Board of Management and Chief Accountant

The Board of Management of Vicostone Joint Stock Company is responsible for executing the Company's business strategy and Sustainability (ESG) objectives, ensuring that the strategic directions established by the Board of Directors are effectively translated into concrete action plans across the organization.

The Board of Management comprises one Chief Executive Officer, five Deputy Chief Executive Officers and one Chief Accountant, providing comprehensive leadership across key functional areas, including manufacturing, engineering, research and development (R&D), finance and operations.

The leadership team comprises 71% male and 29% female members, reflecting a balanced and diverse management structure. This composition supports comprehensive executive capability while providing a solid foundation for embedding ESG into the Company's core business operations.

A distinguishing feature of Vicostone's governance model is the integration of ESG with technological innovation and R&D. Senior executives with specialized expertise are assigned direct responsibility for leading Sustainability initiatives, ensuring that ESG implementation is closely aligned with operational optimization, technological advancement and manufacturing excellence.

Composition of the Board of Management and Chief Accountant:

Name	Position
Mr. Pham Tri Dung	Chief Executive Officer
Mr. Luu Cong An	Deputy Chief Executive Officer
Mr. Nguyen Chi Cong	Deputy Chief Executive Officer
Mr. Dong Quang Thuc	Deputy Chief Executive Officer
Mr. Nguyen Quang Anh	Deputy Chief Executive Officer
Ms. Tran Thi Thu Huong	Deputy Chief Executive Officer
Ms. Nguyen Phuong Anh	Chief Accountant

"A distinguishing feature of Vicostone's governance model is the integration of ESG with technological innovation and R&D..."

3.3. Board of Management and Chief Accountant (Continued)



Mr. Pham Tri Dung

- Chief Executive Officer

(Please refer to the Board of Directors section.)



Mr. Luu Cong An

- Deputy Chief Executive Officer
- Year of Birth: 1965

QUALIFICATION

- Engineer in Power Engineering

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Chairman of the Board of Directors:**
Vietnam Stone Fabrication Joint Stock Company
- **Deputy Chief Executive Officer and Member of the Board of Directors:**
A&A Green Phoenix Group Joint Stock Company

CAREER HISTORY

- **March 2007 - Present:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **March 2007 - August 4, 2015:** Member of the Board of Directors, Vicostone Joint Stock Company
- **May 2005 - February 2007:** Deputy Director, Vinaconex High-Grade Stone Joint Stock Company
- **December 2004 - April 2005:** Bretonstone Workshop Manager, Vinaconex High-Grade Stone Joint Stock Company
- **October 2004 - November 2004:** Head of Technical Department, Vinaconex High-Grade Stone Joint Stock Company
- **2000 - October 2004:** Deputy Head of Design Department, Song Cong Diesel Company



Mr. Nguyen Chi Cong

- Deputy Chief Executive Officer
- Year of Birth: 1981

QUALIFICATION

- Engineer in Control Engineering

CURRENT POSITION AT OTHER ORGANIZATIONS

- None

CAREER HISTORY

- **August 2017 - Present:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **January 2013 - July 2017:** Director, Style Stone Joint Stock Company
- **June 2011 - December 2012:** Production Director, Style Stone Joint Stock Company
- **September 2009 - May 2011:** Deputy Director and Bretonstone Workshop Manager, Style Stone Joint Stock Company
- **January 2009 - August 2009:** Production Director, Vinaconex High-Grade Stone Joint Stock Company
- **September 2004 - December 2008:** Engineer, Vinaconex High-Grade Stone Joint Stock Company



Mr. Dong Quang Thuc

- Deputy Chief Executive Officer
- Year of Birth: 1985

QUALIFICATIONS

- Master of Chemistry
- Master of Business Administration

CURRENT POSITION AT OTHER ORGANIZATION

- **Director of ESG Division:**
A&A Green Phoenix Group Joint Stock Company

CAREER HISTORY

- **May 2021 - Present:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **August 2015 - May 2021:** Head of R&D Department, Vicostone Joint Stock Company
- **April 2014 - August 2015:** Deputy Head of R&D Department, Vicostone Joint Stock Company
- **August 2008 - April 2014:** R&D Engineer, Vicostone Joint Stock Company

3.3. Board of Management and Chief Accountant (Continued)



Mr. Nguyen Quang Anh

- Deputy Chief Executive Officer
- Year of Birth: 1976

QUALIFICATIONS

- Engineer in Construction and Material Handling Machinery

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Chairman of the Board of Directors:** Style Stone Joint Stock Company
- **Chairman of the Members' Council:** Phenikaa Mineral Processing and Investment One Member Company Limited
- **Chairman of the Board of Directors:** Bao Toan A Joint Stock Company

CAREER HISTORY

- **June 22, 2023 - Present:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **August 2017 - June 2023:** Director, Style Stone Joint Stock Company
- **June 2016 - August 2017:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **July 2012 - June 2016:** Director of Manufacturing Plant No. 1, Vicostone Joint Stock Company
- **September 2009 - July 2012:** Quality Director, Vicostone Joint Stock Company
- **July 2005 - September 2009:** Head of Crushing and Screening Workshop, Vicostone Joint Stock Company
- **January 2004 - July 2005:** Engineer, Crushing and Screening Workshop, Vicostone Joint Stock Company



Mrs. Tran Thi Thu Huong

- Deputy Chief Executive Officer
- Year of Birth: 1990

QUALIFICATIONS

- Master of Business Administration

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- **Director of Market Research Division:** A&A Green Phoenix Group Joint Stock Company

CAREER HISTORY

- **September 25, 2024 - Present:** Deputy Chief Executive Officer, Vicostone Joint Stock Company
- **June 2023 - Present:** Director of Market Research Division, A&A Green Phoenix Group Joint Stock Company
- **January 2022 - June 2023:** Deputy Director, Market Research and Product Marketing Strategy Division, A&A Green Phoenix Group Joint Stock Company
- **September 2015 - June 2017:** Marketing Executive, A&A Green Phoenix Group Joint Stock Company
- **June 2012 - September 2015:** Sales Executive, Vicostone Joint Stock Company



Mrs. Nguyen Phuong Anh

- Chief Accountant
- Year of Birth: 1986

QUALIFICATIONS

- Bachelor's Degree in Accounting

CURRENT POSITIONS AT OTHER ORGANIZATIONS

- None

CAREER HISTORY

- **August 2022 - Present:** Chief Accountant, Vicostone Joint Stock Company
- **August 2015 - August 2022:** Deputy Head of Finance and Accounting Department, Vicostone Joint Stock Company
- **August 2010 - August 2015:** Accountant, Vicostone Joint Stock Company

Roles and Responsibilities of the Board of Management

- Implement the Company's business strategy and ESG objectives in accordance with the strategic direction approved by the Board of Directors;
- Manage the Company's day-to-day operations to ensure operational efficiency, safety and regulatory compliance;
- Develop and implement ESG action programs covering energy, Greenhouse Gas (GHG) Emissions, resource management, Occupational Health and Safety and other Sustainability priorities;
- Report regularly to the Board of Directors on business performance, key risks and progress against ESG objectives;
- Ensure the accuracy, transparency and integrity of financial and non-financial information.

ESG Integration into Executive Management: A distinguishing feature of Vicostone's governance model is the integration of ESG with technological innovation and R&D. The Board of Management assigns senior executives with relevant expertise to lead Sustainability initiatives, including:

- Optimizing energy and resource efficiency across manufacturing operations;
- Developing green products, including ECO Surfaces and low-carbon materials;
- Applying advanced technologies to reduce emissions and improve operational performance;
- Implementing Circular Economy initiatives across the Value Chain.

This integrated approach ensures that ESG is embedded into business operations rather than managed as a standalone initiative, enabling it to serve as a catalyst for innovation and long-term competitiveness.

3. Organizational and Management Structures (Continued)

3.4. Remuneration of the Board of Directors and the Board of Management in 2025 (GRI 2-21)

In 2025, Vicostone paid remuneration and compensation to the Board of Directors and the Board of Management in accordance with the remuneration policy approved by the General Meeting of Shareholders, applicable legal requirements and good Corporate Governance practices.

The remuneration policy is aligned with business performance, management responsibilities and contribution to the achievement of the Company's strategic objectives, including Sustainability (ESG) priorities, which are embedded into the Company's performance management and evaluation framework.

During the reporting period, the total remuneration and compensation paid to the Board of Directors and the Board of Management amounted to VND 19,104,331,019, reflecting the scale of the Company's operations, the level of executive responsibility and management performance during the year.

The remuneration of individual members is presented below:

No.	Name	Position	Remuneration (VND)*
1	Mr. Ho Xuan Nang	Chairman of the Board of Directors	72,000,000
2	Ms. Le Thi Minh Thao	Member of the Board of Directors	60,000,000
3	Mr. Nguyen Quang Hung	Member of the Board of Directors	60,000,000
4	Ms. Tran Lan Phuong	Member of the Board of Directors	60,000,000
5	Mr. Pham Tri Dung	Member of the Board of Directors and Chief Executive Officer	4,239,647,783
6	Mr. Nguyen Quang Anh	Deputy Chief Executive Officer	3,222,979,664
7	Mr. Luu Cong An	Deputy Chief Executive Officer	3,790,224,319
8	Mr. Nguyen Chi Cong	Deputy Chief Executive Officer	2,811,947,018
9	Mr. Dong Quang Thuc	Deputy Chief Executive Officer	2,491,392,532
10	Ms. Tran Thi Thu Huong	Deputy Chief Executive Officer	2,296,139,703
Total			19,104,331,019

(Remuneration includes salaries, bonuses and other benefits provided in accordance with the Company's policies)

The remuneration of the Board of Management reflects its direct executive responsibilities, accountability for business operations and contribution to the achievement of the Company's strategic objectives. In contrast, the remuneration of the Board of Directors is determined based

on its oversight responsibilities, strategic leadership role and the level of participation of each Director, ensuring a clear separation between governance and executive management in accordance with recognized corporate governance best practices.

Management Structure and Governance Framework for Sustainable Development

(Continued)

4. ESG Sustainability Governance and Oversight Structure

Vicostone operates its ESG governance through a multi-tier integrated governance model that ensures a clear separation between oversight, management and implementation, while maintaining close alignment with the 2026-2030 ESG Strategy, Material Topics and priority SDGs. This model enables ESG to be embedded across the organization, from strategy to operations and across the Value Chain, ensuring consistency, measurability and continuous improvement.

Board of Directors

- Provides strategic direction and oversight of ESG; reviews Material Topics and assesses long-term risks and opportunities;
- Approves ESG objectives, the Risk Management framework and the Sustainability Report;
- Ensures that all strategic decisions reflect Sustainability responsibilities, comply with international standards and are aligned with the specific characteristics of the advanced materials industry.

Board of Management

- Translates ESG direction into specific action plans; integrates ESG objectives into business and production plans and ensures effective resource allocation;
- Monitors progress, evaluates performance through KPIs and reports periodically on the impacts of ESG initiatives;
- Ensures that ESG implementation is linked to operational optimization, technological innovation and business performance.

ESG Department

- Serves as the central professional focal point, advising on the development and maintenance of the Company-wide ESG governance frame work;
- Establishes KPIs, measurement standards and reporting frameworks in accordance with international standards, including GRI and ISSB;
- Consolidates, reviews and standardizes ESG data, ensuring transparency and consistency in internal reporting and external disclosures.

Functional and Manufacturing Units

- Implement ESG activities within their respective functions, including manufacturing, R&D, engineering and human resources...;
- Collect and provide data, and coordinate across departments to ensure information is complete, timely and useful for management and continuous improvement;
- Proactively propose improvement initiatives to enhance resource and Energy Efficiency and reduce Greenhouse Gas (GHG) Emissions.

Value Chain and Partners

- Apply appropriate ESG principles and practices across the Value Chain, from raw materials and manufacturing to markets;
- Promote the Circular Economy, develop green products and reduce environmental impacts;
- Establish ESG requirements for Suppliers and partners, supported by transparent standards.

Integrated into Governance, Operations and Data Management

- ESG is integrated into core Governance frameworks, including strategy, operations and Risk Management;
- ESG practices are aligned with international standards, including ISO 14001, ISO 50001, ISO 45001 and ISO 27001;
- ESG data is digitized, systematically measured, and transparently reported, with relevant KPIs integrated across all levels of the organization.

This mechanism enables Vicostone to translate ESG commitments into measurable business outcomes, foster technological innovation, advance green manufacturing, optimize energy and resource use, and progress toward Net Zero 2050. It also strengthens Risk Management

capabilities, supports international compliance, enhances brand value and reinforces sustainable competitiveness. Through this approach, Vicostone continues to advance its Net Zero 2050 ambition while reinforcing its position as a pioneering enterprise within the Phenikaa ecosystem.

5. ESG Risk Management

ESG considerations are progressively integrated into Vicostone's enterprise risk management framework to identify, assess, and manage risks and opportunities that may affect the environment, employees, customers, the supply chain, regulatory compliance, and corporate reputation.

Within the context of Sustainability governance, material ESG risks are assessed in alignment with the Company's Material Topics, including energy and greenhouse gas

emissions, resource use, water and waste management, occupational health and safety, supply chain management, product quality, compliance, and data security.

This approach strengthens the linkage between the Material Topic assessment process, risk management, the HSQE management system, action plans, and KPI monitoring. Further details on the Company's risk management practices and HSQE management system are presented in the following sections of this Sustainability Report.

Management Structure and Governance Framework for Sustainable Development

(Continued)

6. Mechanisms to Ensure Transparency and Integrity (GRI 2-23, 2-26, 2-27)

Vicostone has established and implemented policies, procedures, and control mechanisms to promote responsible business conduct, uphold transparency and integrity, ensure legal and regulatory compliance, and provide Stakeholders with safe and confidential channels through which to raise concerns.

- Vicostone has established and implemented policies, procedures, and control mechanisms to promote responsible business conduct, uphold transparency and integrity, ensure legal and regulatory compliance, and provide Stakeholders with safe and confidential channels through which to raise concerns;
- Whistleblowing and grievance mechanisms: Vicostone maintains channels through which Employees, business partners and other Stakeholders may submit grievances, complaints and reports of misconduct. These mechanisms ensure confidentiality, prohibit discrimination or retaliation against reporting parties, and require concerns to be handled objectively, transparently and in a timely manner. All reports are classified, investigated and monitored in accordance with internal procedures, with periodic reporting on case management;
- Compliance and violation management procedures: The Company implements standardized procedures for handling violations and ensuring legal compliance across the organization. Appropriate corrective actions are taken where necessary, while training and internal communication programs are conducted to strengthen awareness of compliance and business ethics.

During the reporting period, the Company recorded no material violations relating to environmental, social or governance matters, demonstrating the effectiveness of its internal control system and its strong culture of integrity.

Vicostone's transparency and integrity framework extends beyond compliance requirements by fostering a corporate culture founded on integrity and accountability, strengthening the confidence of shareholders, business partners and Employees, reducing legal and reputational risks, and supporting the effective implementation of the Company's ESG strategy and long-term Sustainability objectives.



During the reporting period, **Vicostone** recorded no material violations relating to environmental, social or governance matters...

7. Commitment to Stability and Consistency in Governance

During the reporting period, Vicostone recorded no changes to its key leadership positions, including the Board of Directors, the Board of Management and the Chief Accountant. This stability provides an important foundation for maintaining continuity in Corporate Governance and ensuring the consistent and effective execution of the Company's business strategy and Sustainability agenda.

A stable leadership team also strengthens executive capability, enhances coordination across governance levels and improves the Company's ability to respond effectively to changing market conditions and increasingly demanding ESG requirements.

Vicostone remains committed to continuously strengthening its Governance framework, developing its leadership succession pipeline and enhancing oversight effectiveness in pursuit of a modern, transparent governance model aligned with international best practices.

Through these efforts, the Company continues to advance its ambition of becoming a leading international provider of sustainable materials while supporting its ESG and Net Zero 2050 strategy and the long-term development vision of Phenikaa Group.



Vicostone is committed to further strengthening its governance system, developing the next generation of leaders and enhancing the quality of oversight...



The operational foundation for ESG strategy and comprehensive sustainable manufacturing

HSEQ Management System

1. Overview - HSEQ concept and role

In the context of the global transition toward green growth, the circular economy, and increasingly stringent requirements on emissions, traceability and supply chain responsibility (CBAM, CSRD, etc.) Vicostone recognizes that developing an integrated management system is a prerequisite for ensuring competitiveness and long-term sustainability. Accordingly, the Company has developed and operated an integrated HSEQ (**Health - Safety - Environment - Quality - Energy**) management system. Building on the QEHS (**Quality - Environment - Health & Safety**) framework and expanding in line with ESG principles, the system enables Vicostone to simultaneously address product quality, environmental protection, occupational health and safety, energy management and social responsibility.

Unlike managing each systems in isolation, Vicostone is moving toward an integrated management model in which HSEQ requirements are embedded across production processes, operational controls, technological improvements and KPI monitoring

This approach enables HSEQ to serve as the operational foundation for ESG implementation, supporting the Company in managing risks, enhancing resource efficiency, meeting customer expectations and promoting long-term sustainable development.

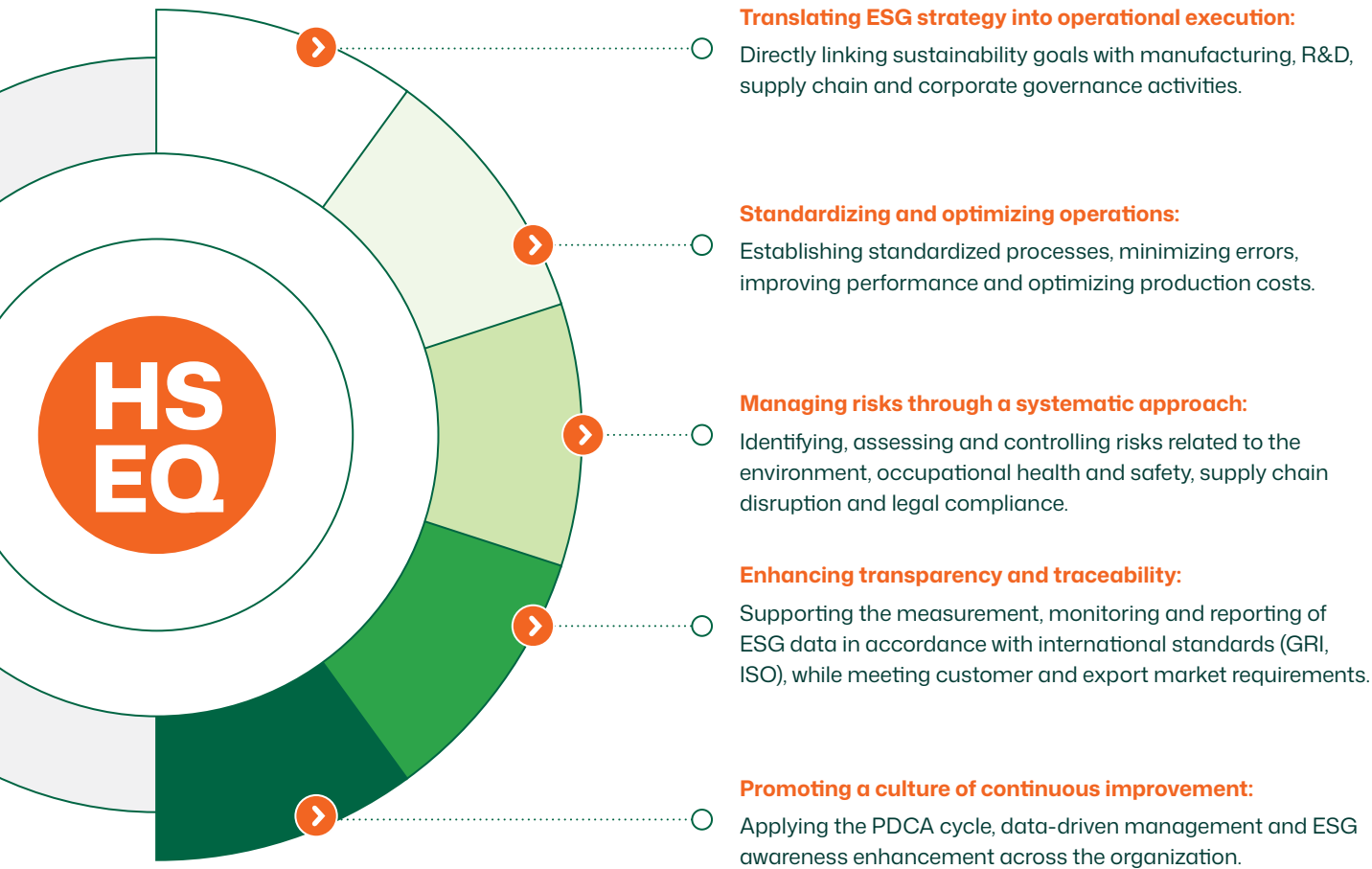


Vicostone recognizes the establishment of an integrated governance system as a prerequisite for maintaining competitiveness and achieving long-term growth sustainable development..



1. Overview - HSEQ concept and role (Continued)

At Vicostone, the HSEQ system does not merely serve as a compliance control tool, it also operates as a “governance operating system” with the following core functions:



Through the implementation of HSEQ, Vicostone has progressively transitioning its management model across the following stages: **Compliance → Standardization → Operational optimization → ESG integration → Sustainable value creation.**

Consequently, HSEQ is not merely a technical foundation, but has become a strategic operational pillar for ESG. It enables the Company to improve resource and energy efficiency, reduce emissions and environmental impacts, protect health and develop human resources, strengthen governance and risk control capabilities, and reinforce brand reputation and stakeholder trust.

Within Phenikaa Group's overall development strategy, Vicostone's HSEQ system serves as the central platform for ESG implementation in the industrial manufacturing sector, while also provides the foundation for promoting a green, smart and sustainable manufacturing model across the entire value chain.

At Vicostone, HSEQ is not merely a management tool; it is the foundation for transforming the sustainability strategy into practical operational capabilities and long-term competitive advantage.

2. International Management Standards and Certifications

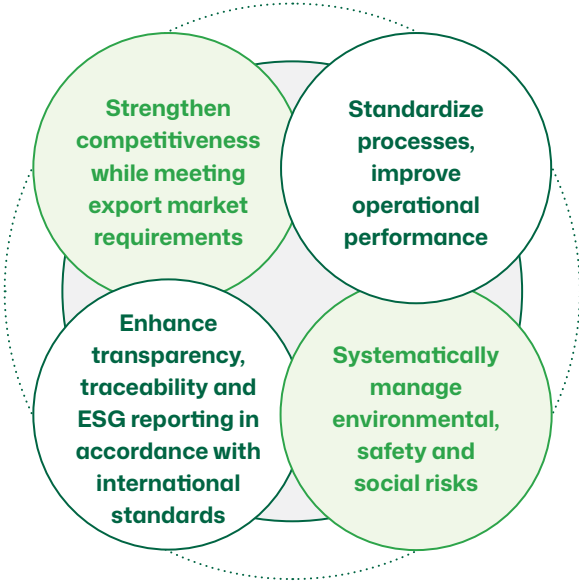
To ensure effective and transparent operations while meeting the increasingly stringent requirements from international markets, Vicostone implements an integrated HSEQ management system based on international standards. This serves as a vital foundation for the Company to standardize business and manufacturing operations, control risks and progressively integrate ESG across the value chain.

The year 2025 marked an important milestone in the refinement of the HSEQ system, particularly with the implementation and certification of ISO 50001:2018. This achievement positions energy management as a strategic pillar, contributing to promoted energy efficiency and reduced Greenhouse Gas (GHG) emissions in line with the Net Zero roadmap.

Concurrently, Vicostone continues to maintain and upgrade its existing management systems to enhance operational efficiency, strengthen risk management and accelerate the green transition in manufacturing operations.

Standards	Initial Registration Date	Latest Revision Date	Effective Date	Certificate No.	Certification Body
ISO 9001:2015	05/11/2005	18/10/2024	18/10/2024	VN012561	Bureau Veritas Vietnam
ISO 14001:2015	25/10/2006	18/10/2024	18/10/2024	VN012624	Bureau Veritas Vietnam
ISO 45001:2018	20/10/2015	18/10/2024	18/10/2024	VN012560	Bureau Veritas Vietnam
SA 8000:2014	21/12/2010	26/11/2025	26/11/2025	SA830114	BSI Vietnam
ISO 50001:2018	13/01/2025	13/01/2025	13/01/2025	44 764 25 94 0001	TÜV NORD Vietnam

The international standards system not only ensures compliance, but also serves as a strategic management tool that helps Vicostone :



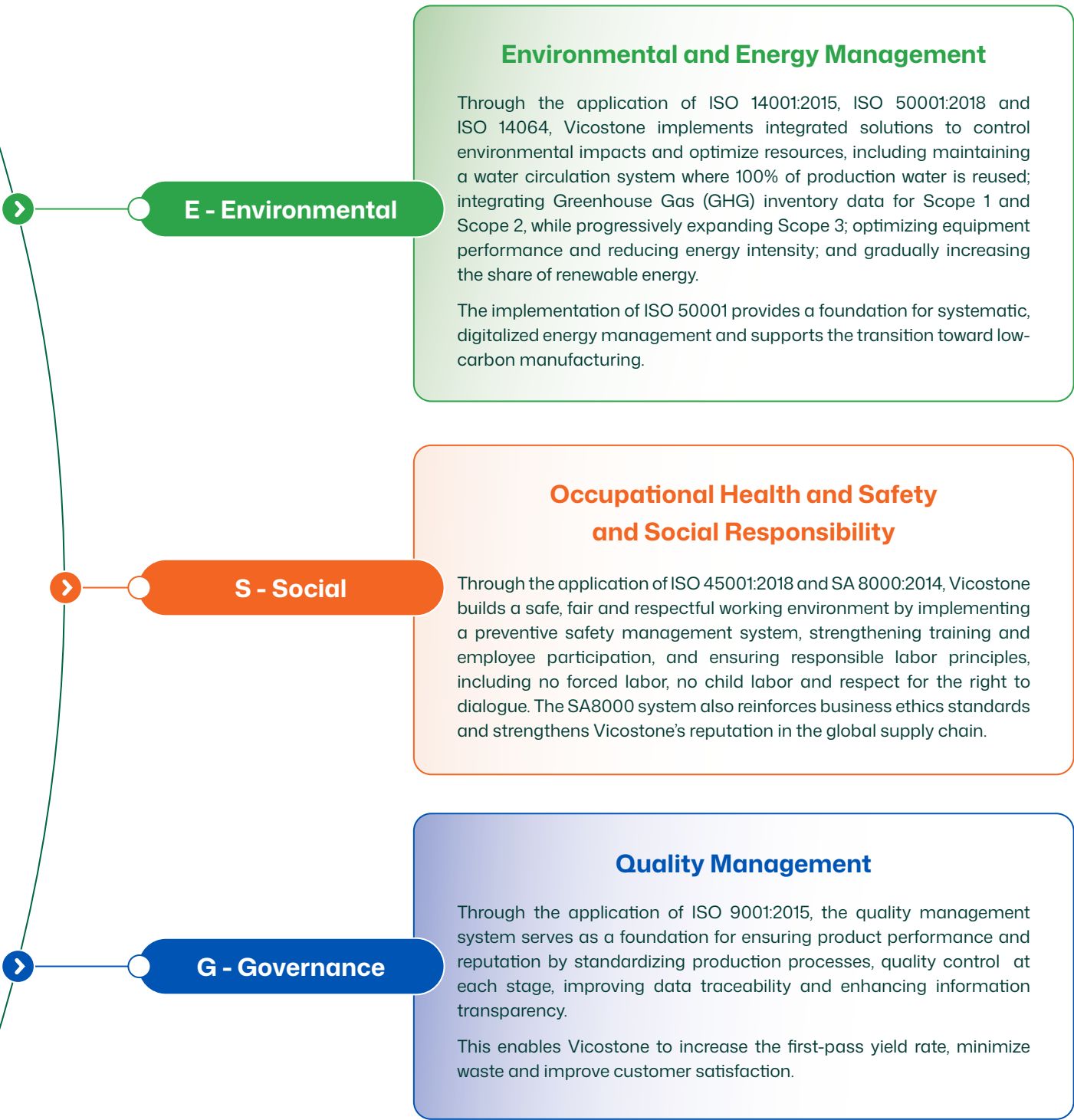
The international standards system provides the foundation for Vicostone to translate ESG commitments into operational capabilities, while reinforcing its position as an advanced materials manufacturer in the global market.

HSEQ Management System (Continued)

3. HSEQ Integration Model Aligned with ESG Pillars

Rather than operating management systems independently, Vicostone implements an integrated HSEQ model aligned with ESG pillars. This ensures that material topics are managed consistently, comprehensively and directly connected with business and manufacturing operations.

This model connects quality, environment, safety, energy and social responsibility within a unified system, thereby improving operational efficiency, strengthening risk control and providing a foundation for implementing the ESG strategy and Net Zero 2050 roadmap.



HSEQ Management System (Continued)

4. System Operation and Control Mechanism

The HSEQ Management System is operated in accordance with the Plan-Do-Check-Act (PDCA) cycle, with the involvement of the Executive Board, specialist departments, manufacturing plants and designated management system coordinators.

Key control mechanisms include:

- Conducting periodic internal audits and independent assessments by certification bodies;
- Operating a reporting and monitoring system for HSEQ indicators to support governance and decision-making;
- Applying risk-based thinking;
- Implementing the PDCA continuous improvement cycle;
- Gradually integrating HSEQ indicators into the KPI systems of functional units.

As a result, quality, environmental, safety and energy factors are managed in an coordinated, transparent and continuously improvable manner.



The HSEQ system enables Vicostone to control operations through data, periodic assessments and continual improvement.

5. Development Orientation - Toward an Advanced HSEQ Management Framework

In the context of increasingly stringent international market requirements, Vicostone aims to upgrade its HSEQ framework toward a modern, digitalized model that is deeply integrated with its ESG strategy:



Digitalizing the management system

Implementing centralized data management platforms to enable real-time monitoring of indicators and support data-driven management.



Standardizing integrated risk management

Linking HSEQ with the Enterprise Risk Management (ERM) system to ensure comprehensive ESG risk control across the value chain.



Expanding supply chain governance

Gradually integrating standards for supply chain security and sustainability standards, including ISO 28000 and ISO 28001.



Aligning HSEQ KPIs with management performance

Strengthening implementation accountability and improving performance measurement.

Conclusion

The HSEQ Management System enables Vicostone to standardize operations, effectively manage risks, enhance resource efficiency and improve the quality of management data.

It also provides a critical foundation for the meaningful and measurable integration of ESG requirements into the Company's business and manufacturing operations.

Risk Management System for Sustainable Development

1. Context, Role and Objectives of Risk Management

Vicostone recognizes Risk Management as a critical component of its Corporate Governance framework, enabling the company to proactively identify, assess, control and monitor factors that may affect its strategy, operations, financial performance, compliance, environmental and social responsibilities, and corporate reputation.

In an environment characterized by rapidly evolving market conditions, supply chain dynamics, regulatory requirements and ESG expectations, Risk Management enhances

Vicostone's resilience and adaptability, safeguards long-term value creation and supports the achievement of its Sustainable Development objectives.

The company's Risk Management framework is designed as an integrated framework covering strategic, financial, operational and ESG-related risks, while being directly embedded into decision-making, resource allocation and strategy execution across the organization.

The objectives of Vicostone's Risk Management framework are to:

01 Protect and enhance corporate value by

Proactively identifying, assessing and effectively managing risks that may affect operational and financial performance, financial results and corporate reputation;

03 Enable informed strategic decision-making by

Providing risk intelligence and analytical insights to support management in selecting optimal courses of action under changing conditions;

05 Strengthen organizational resilience and adaptability

Framework risks such as climate change, the energy transition, supply chain disruptions and shifts in global policy;

02 Support the achievement of strategic objectives by

Identifying risks that could impede business plans and Sustainability goals;

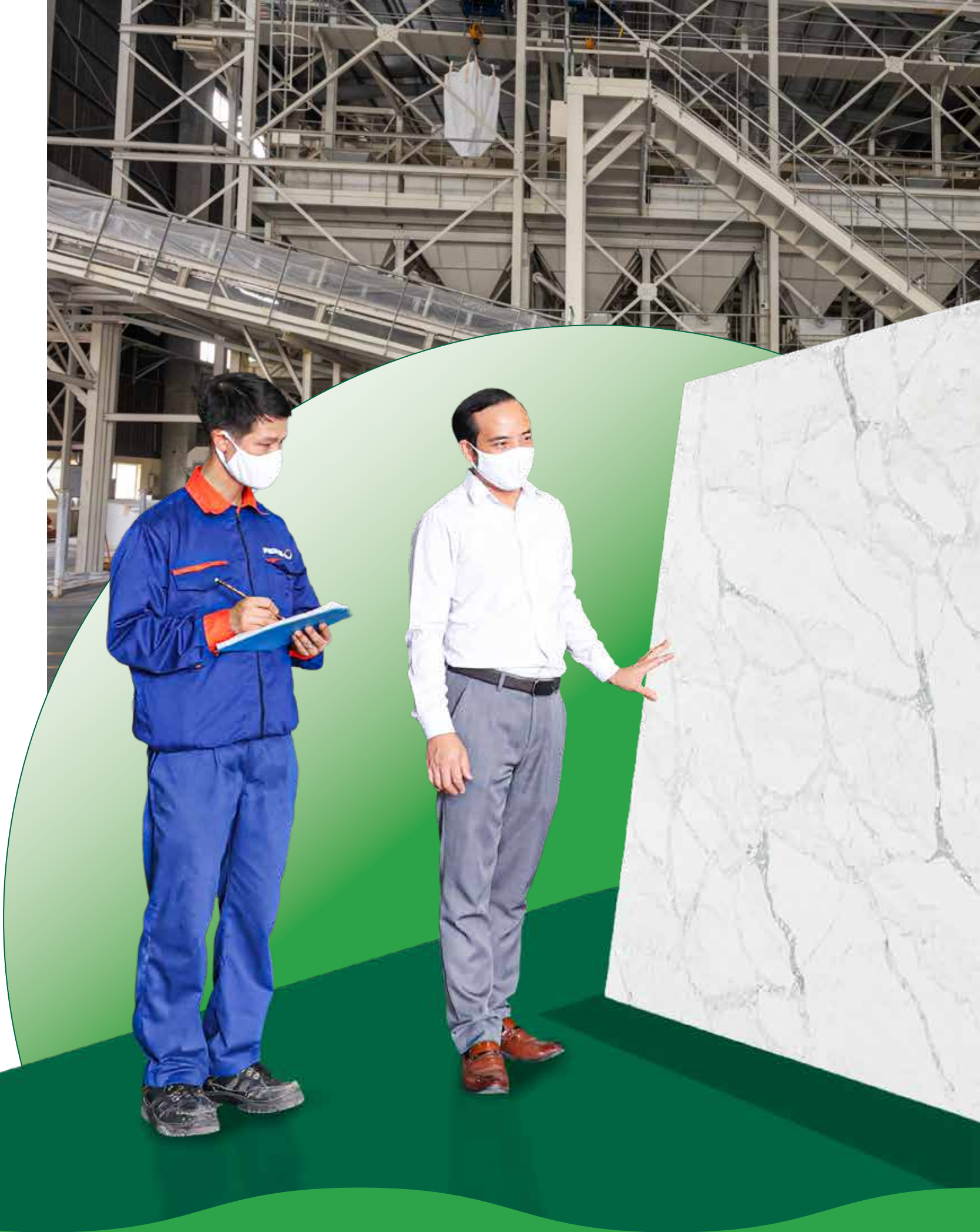
04 Ensure compliance with legal requirements and international standards:

Particularly in international trade, environmental management, Occupational Health and Safety, and ESG governance;

06 Foster a risk-aware culture, ensuring that

Every Employee clearly understands their responsibility for identifying, reporting and managing risks within their respective areas of responsibility.

By integrating Risk Management throughout its operations and strategic planning processes, Vicostone seeks to build a modern, transparent and proactive governance framework that enhances competitiveness while supporting long-term Sustainability.



Risk Management System for Sustainable Development

(Continued)

2. ERM Framework and Operating Principles

Vicostone has established and operates its Risk Management framework based on the Enterprise Risk Management (ERM) model to ensure that risk identification, assessment and management are conducted frameworkatically, consistently and in close alignment with the company's strategic development objectives.

Vicostone's ERM framework is developed by integrating internationally recognized standards and best practices, including:

- **ISO 31000:2018** - Risk Management - Guidelines;
- **COSO Enterprise Risk Management (2017)** - Integrating Strategy and Performance.

The integration of these frameworks enables Vicostone to adopt a holistic approach to Risk Management that extends beyond internal controls to encompass impact and opportunity management within the broader context of Sustainability.

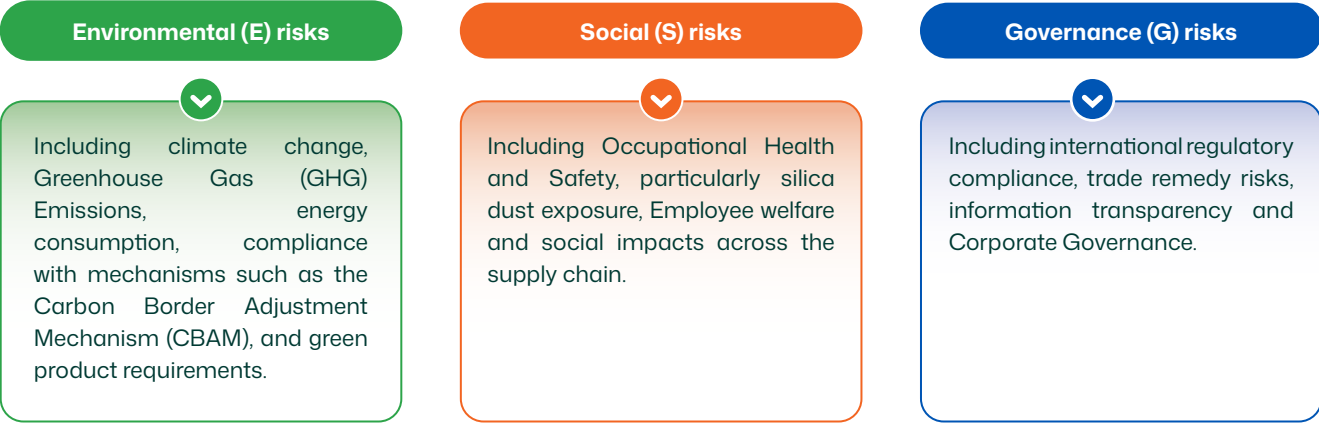
2.1. ERM Framework and Reference Standards

Vicostone's ERM framework is built upon the following core principles:

- **Integration into strategy and operations:**
Risk Management is embedded into strategic planning, business planning and day-to-day operations, rather than being carried out as a standalone function or applied only as a post-event control mechanism;
- **Comprehensive risk coverage:**
The ERM framework simultaneously manages strategic, financial, operational and ESG-related risks to ensure that no significant factors affecting the company's long-term objectives are overlooked;
- **Risk-and-opportunity approach:**
Beyond mitigating risks, the framework also supports the identification and capture of opportunities arising from market changes, technological advancement and global ESG trends;
- **Risk quantification and prioritization:**
Risks are assessed based on their potential impact and likelihood, providing the basis for prioritizing control resources and enabling strategic decision-making;
- **Continuous monitoring and improvement:**
The ERM framework operates under the Plan-Do-Check-Act (PDCA) cycle to ensure continual review, adaptation and improvement in response to evolving business conditions.

2.2. ERM Operating Principles

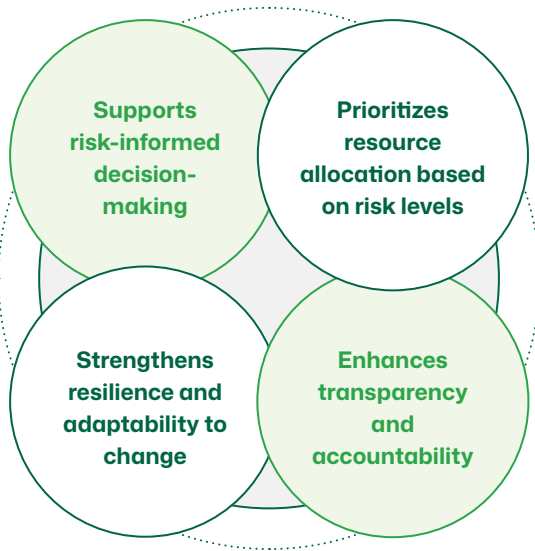
Vicostone's ERM framework is closely integrated with its ESG governance framework through the management of:



The integration of Enterprise Risk Management (ERM) with Material ESG Topics enables Vicostone to proactively identify, assess and mitigate sustainability-related risks, while strengthening planning, KPI monitoring and ESG reporting processes.

2.3. Integration of ERM with ESG and the Sustainability Strategy

Value Delivered by ERM



Through ERM, Vicostone enhances its ability to identify material risks at an early stage, allocate resources effectively, and maintain continuity in governance, operations and sustainable development.

Risk Management System for Sustainable Development

(Continued)

3. Governance Structure and the Three Lines Model

3.1. Three Lines Model for Risk Management

To ensure that Risk Management operates effectively, transparently and independently, Vicostone adopts the internationally recognized Three Lines Model, aligned with the COSO ERM framework and ESG governance best practices.

Three Lines Model



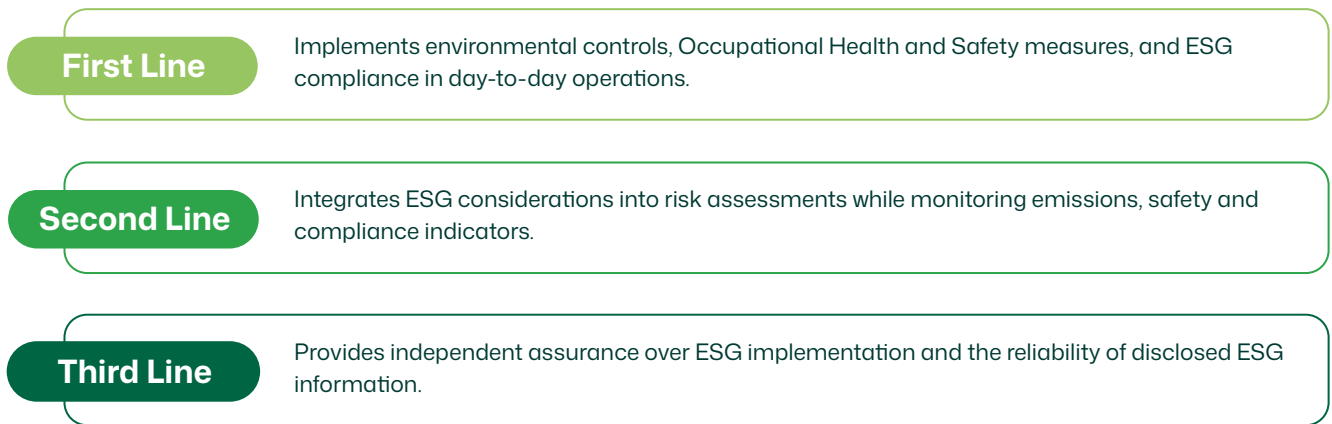
Governance Roles and Risk Appetite

Vicostone's Three Lines Model is implemented based on the following principles:

- Clear segregation of responsibilities, avoiding overlap among operational, control and audit functions;
- Effective coordination and communication, enabling risk information to flow across all three lines to strengthen Enterprise Risk Management;
- Appropriate independence between the three lines, particularly the Internal Audit function, to ensure objectivity;
- Clear accountability, with each Material Risk assigned to a designated Risk Owner responsible for its management.

Integration with ESG Governance and Corporate Strategy

The Three Lines Model supports not only operational Risk Management, but also the effective implementation of Vicostone's ESG strategy:



Through this governance framework, Vicostone ensures that its Risk Management framework not only strengthens internal controls, but also enhances sustainable governance capabilities and meets international expectations for transparency and accountability.

3. Governance Structure and the Three Lines Model (Continued)

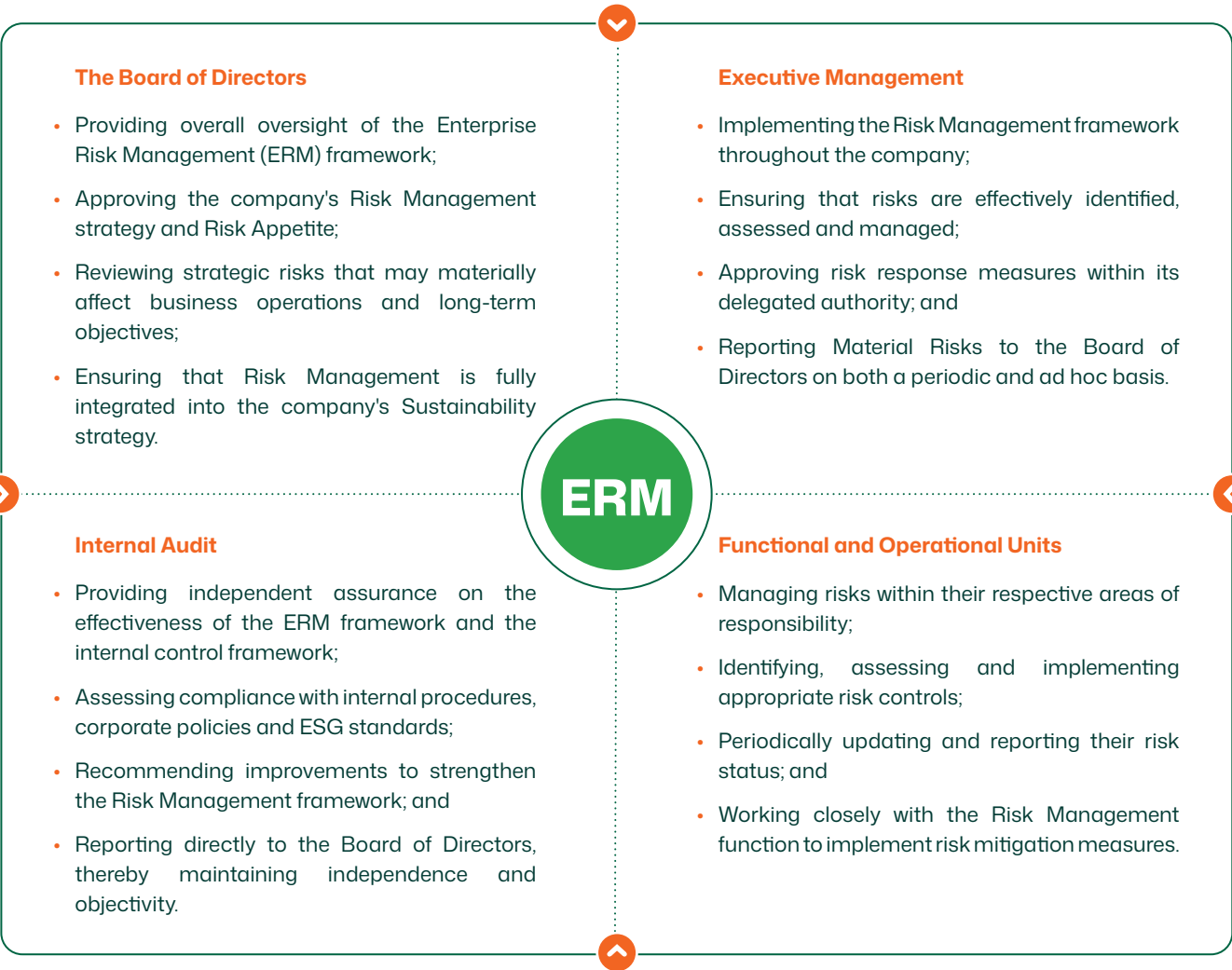
3.2. Governance Roles and Risk Appetite

Vicostone's Risk Management framework is established and operated under a clearly defined governance structure with distinct roles and responsibilities, ensuring effective oversight from the strategic level through operational execution, in alignment with the Corporate Governance disclosures under GRI 2-12 and GRI 2-13.

The clear allocation of roles and responsibilities across governance levels enhances transparency, strengthens the effectiveness of risk oversight and control, and improves the quality of decision-making throughout the organization.

3.2.1. Roles of Governance Levels in the Risk Management Framework

The ERM framework at Vicostone is implemented based on the following core principles:



100% of Material Risks are assigned to designated Risk Owners and are subject to periodic review at least once a year.

3.2.2. Risk Appetite

Vicostone defines Risk Appetite as a strategic governance tool that establishes the level of risk the company is willing to accept in pursuing its business objectives. The company's Risk Appetite is designed to be flexible, reflecting the characteristics of each risk category and supporting its long-term strategic direction.

• Legal, Compliance and ESG Risks:

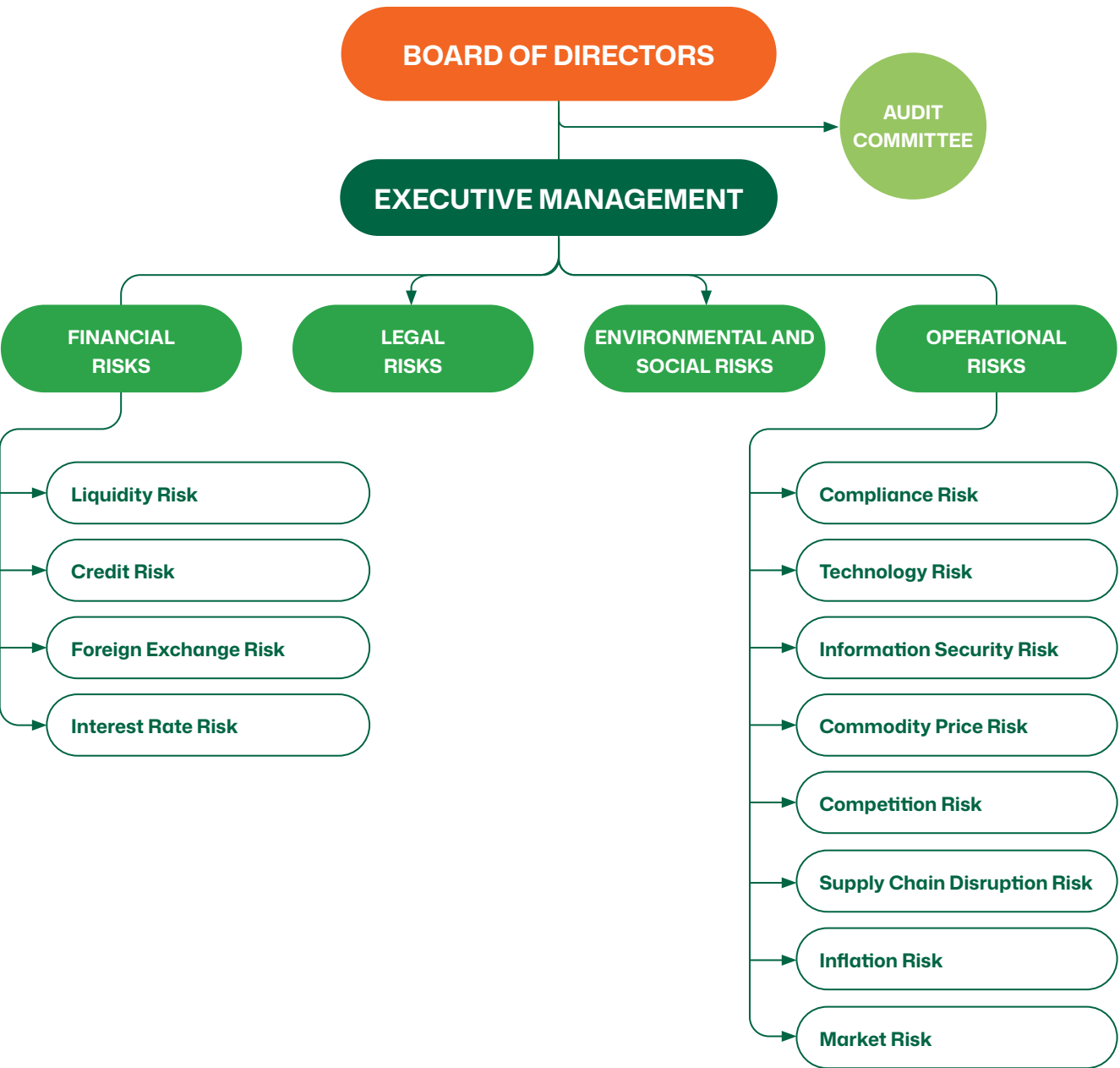
The company adopts a very low or zero risk appetite, particularly for risks that could result in violations of applicable laws, environmental standards, Occupational Health and Safety requirements, or damage to the company's reputation;

• Financial and Operational Risks:

Risk appetite is determined on a balanced basis, taking into consideration both business performance and risk control to optimize long-term value creation;

• Strategic and Market Risks:

The company maintains a controlled risk appetite to seize growth opportunities, market expansion and product innovation.



Risk Management System for Sustainable Development

(Continued)

4. ESG Risk Management: Identification, Assessment and Treatment

4.1. Risk Management Process

Vicostone operates its risk management process through a cycle of identification, assessment, response, monitoring and reporting, in alignment with the company's ERM framework. The process encompasses key steps from establishing the context and assessing risks to risk treatment, monitoring and reporting, supported by ongoing communication and consultation across the organization.

4.1.1. Establishing the Scope, Context and Objectives

This initial stage provides the foundation for ensuring that risks are identified within the company's strategic and operational context..

Key activities include:

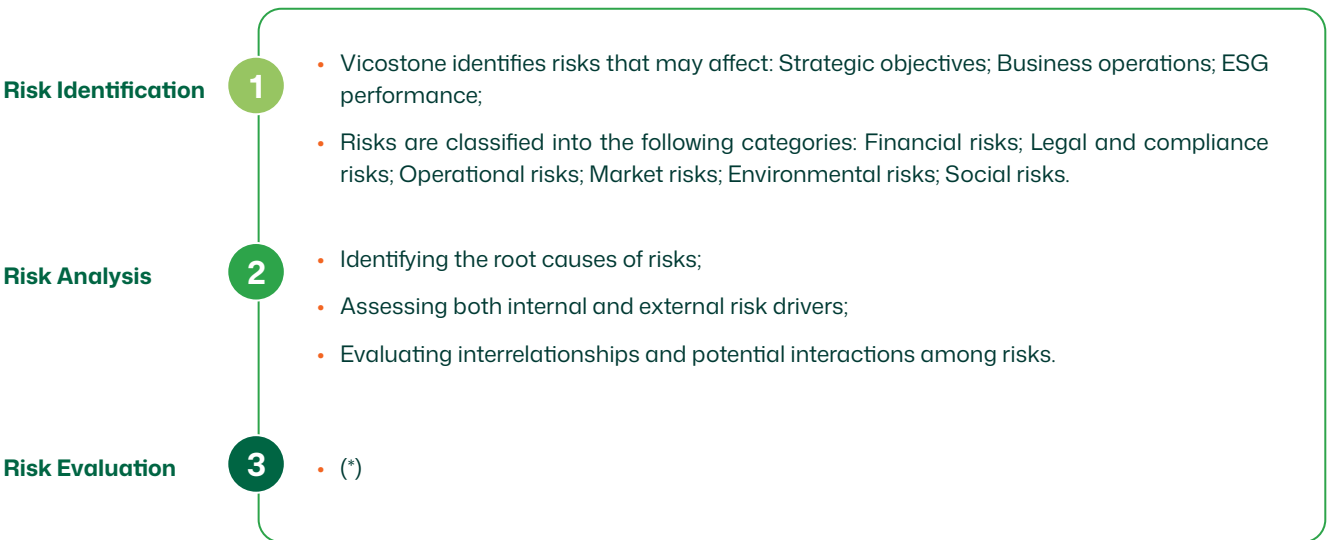
- Defining strategic objectives, business plans and ESG objectives;
- Analyzing the domestic and international business environment, including macroeconomic conditions, international trade developments, regulatory changes and climate-related factors;

- Identifying Stakeholders and other Material Factors that may influence the company's objectives; and
- Defining the scope of risk assessment at the Group, business unit and project levels.

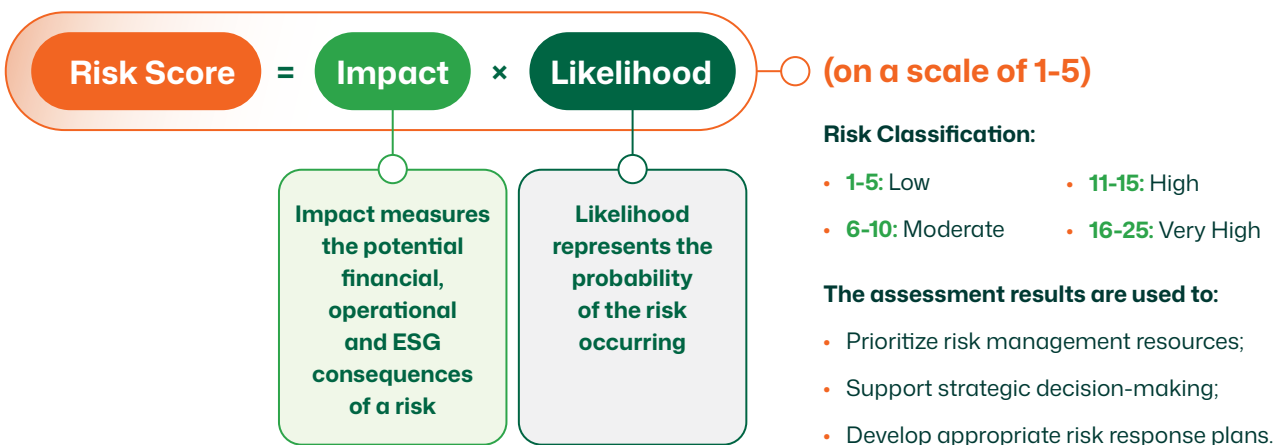
The outputs of this stage provide the basis for comprehensive and context-appropriate risk identification.

4.1.2. Risk Assessment

Risk Assessment represents the core component of Vicostone's Enterprise Risk Management process and consists of three principal activities:



(*) Vicostone applies a quantitative risk assessment methodology using the following formula:



Expanded ESG Impact Assessment Framework

In addition to financial impacts, Vicostone expands the assessment of Impact to incorporate ESG dimensions, including:

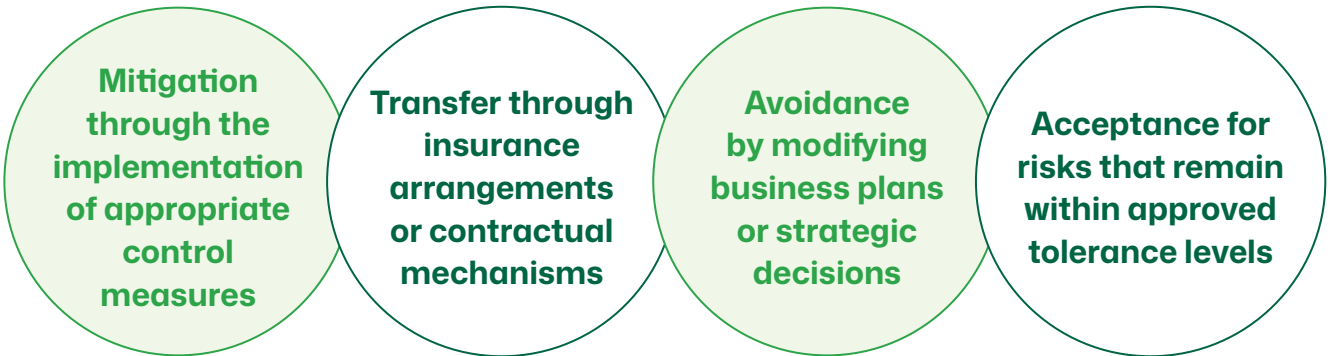


This enhancement represents a significant advancement in aligning the company's Risk Management framework with the requirements of the GRI Standards and international ESG reporting practices.

4. ESG Risk Management: Identification, Assessment and Treatment (Continued)

4.1.3. Risk Treatment

Following Risk Assessment, Vicostone selects appropriate risk treatment options in line with its risk appetite, including:



Each treatment measure is translated into a formal action plan specifying:

- The responsible business unit;
- The implementation timeline; and
- Performance monitoring indicators (KPIs/KRIs).



4.1.4. Risk Recording, Reporting and Communication

Vicostone maintains a centralized risk information management framework to enhance transparency and support effective governance, including:

Maintaining the enterprise risk register and Risk Assessment results; Providing periodic reports to Executive Management and the Board of Directors; Sharing risk information across business units.

Communication and Consultation:

Communication and consultation are conducted throughout the Risk Management process to ensure that relevant risk information is shared effectively among stakeholders, thereby supporting informed decision-making and strengthening risk awareness across the organization.

4.1.5. Monitoring and Review

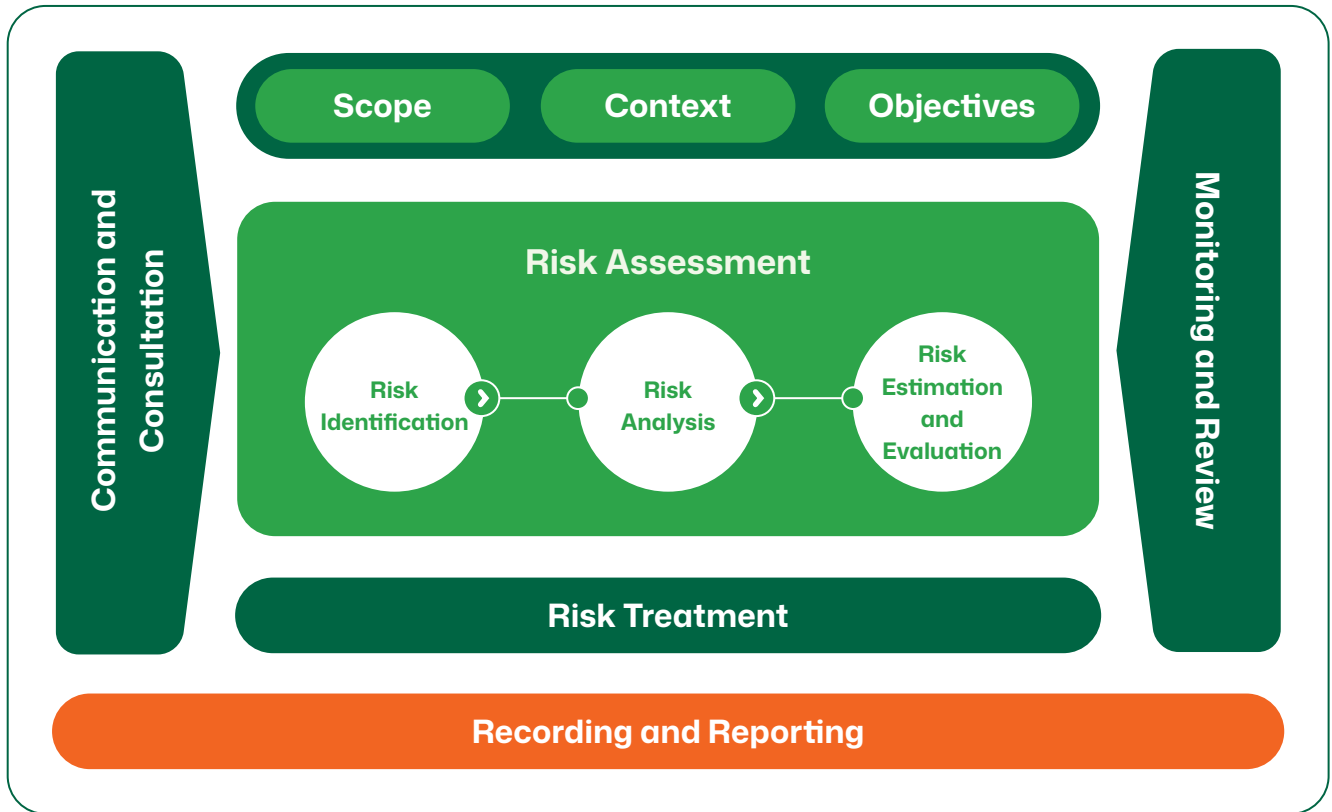
Risk monitoring is performed on an ongoing basis to ensure that the Enterprise Risk Management framework remains effective, responsive and aligned with the company's evolving business environment. Key monitoring activities include:

- Monitoring Key Risk Indicators (KRIs);
- Conducting periodic reviews of the enterprise risk register on a quarterly and annual basis;
- Evaluating the effectiveness of risk control measures; and
- Identifying and assessing emerging risks.

Risks that exceed the company's approved Risk Appetite are escalated and managed in accordance with established internal governance procedures.

Continuity and Continuous Improvement: Vicostone's Enterprise Risk Management process operates in accordance with the Plan-Do-Check-Act (PDCA) cycle, enabling the company to: Respond proactively to changes in market conditions; Continuously enhance the effectiveness of risk controls; Strengthen organizational resilience and adaptability.

Material Risks are reviewed and reported on a quarterly and annual basis through the company's Enterprise Risk Management framework. The results serve as the basis for updating the enterprise risk register and continuously refining risk control measures.



4. ESG Risk Management: Identification, Assessment and Treatment (Continued)

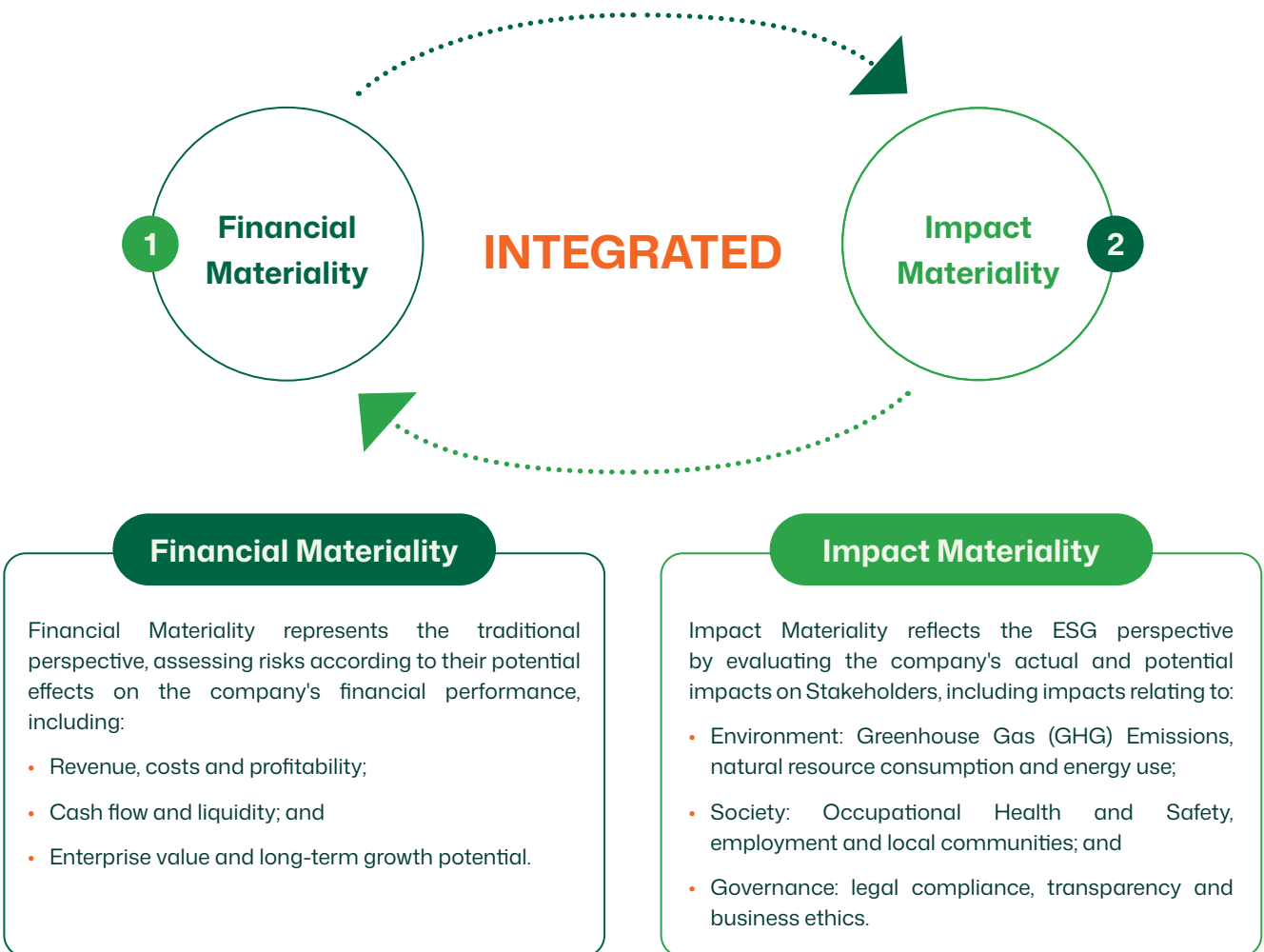
4.2. Material Risk Portfolio under an Integrated Approach

To ensure that its risk management framework remains aligned with the sustainability context, Vicostone identifies its material risk portfolio using an integrated risk management approach. Accordingly, each risk is assessed in terms of its potential impacts on business activities, financial performance, operations, legal compliance, the environment, society, governance and Stakeholders.

This approach enables the company to evaluate risks not only from the perspective of their potential financial effects on the business (financial materiality), but also from the perspective of the company's actual and potential impacts on the environment and society across the entire Value Chain (impact materiality).

Double Materiality Principles

Vicostone's Material Risk portfolio is determined based on two complementary perspectives:

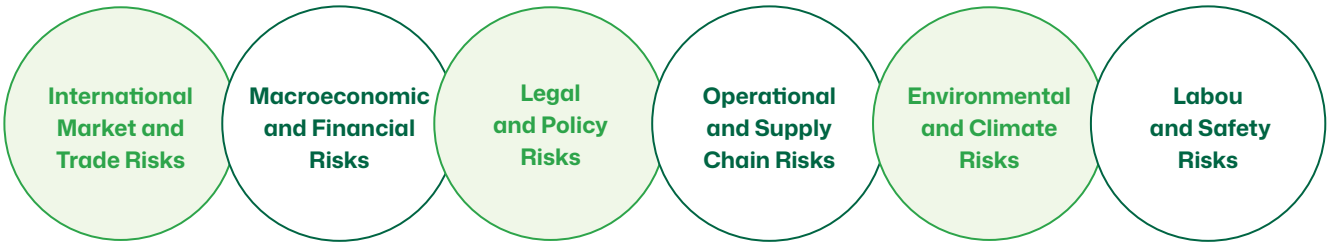


Vicostone adopts an integrated risk management approach, combining assessments of financial, operational, legal and ESG impacts to identify material risks.

4.2. Material Risk Portfolio under an Integrated Approach (Continued)

Material Risk Categories

Based on the Double Materiality assessment, Vicostone classifies its Material Risks into six principal categories encompassing the key factors that may affect business performance and the successful execution of its Sustainability strategy:



This classification provides a frameworkatic basis for monitoring, assessing and managing risks across specialized functional areas.

Linking Risks with KPIs, KRIs and Monitoring Mechanisms

Each Material Risk is linked to:

- Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs) to support quantitative measurement and monitoring of control effectiveness;
- A defined monitoring frequency (monthly, quarterly or annually), depending on the significance of the risk; and
- A designated Risk Owner, who is directly accountable for risk management and reporting.

The Material Risk portfolio is reviewed at least once a year and updated whenever significant changes occur in market conditions, regulatory requirements or global ESG developments.



Alignment with ESG Material Topics (GRI 3)

The company's Material Risks are directly aligned with the Material Topics disclosed in Vicostone's Sustainability Report, including:

- Energy and Greenhouse Gas (GHG) Emissions;
- Fair competitive practices;
- Occupational Health and Safety;
- Customer privacy and data security;
- Transparent tax practices;
- supply chain and social impacts;
- Environmental impacts of suppliers.

Integrating Risk Management with ESG Material Topics enables Vicostone to:

- Ensure consistency between Enterprise Risk Management and ESG impact management;
- Enhance the quality and transparency of disclosures in accordance with the GRI Standards; and
- Prioritize resources toward issues with the greatest strategic significance and sustainability impact.



Role of the Risk-Based Approach in Strategic Management

The integrated risk management approach enables Vicostone to incorporate financial, operational, legal and ESG risks within a single management framework. This provides the company with a stronger basis for prioritizing

resources, implementing appropriate control measures and enhancing decision-making quality in response to evolving market conditions, regulatory requirements and Sustainable Development expectations.

4. ESG Risk Management: Identification, Assessment and Treatment
(Continued)

4.3. 2025 Material Risk Portfolio

Based on its Double Materiality assessment, Vicostone has identified a portfolio of Material Risks that could significantly affect the company's business operations, financial performance, and environmental, social and governance (ESG) performance.

The Material Risk portfolio is categorized into key risk groups and linked to both financial and ESG impacts, as well as the relevant GRI Standards, to enhance transparency and support effective Risk Management.

Risk Category	Material Risk	Financial Impact	ESG Impact
Market & International Trade	Trade Remedies and Reciprocal Tariffs	Reduced export revenue; increased tariff and compliance costs	supply chain disruptions; impacts on employment and livelihoods across the Value Chain
Environment & Climate	Climate Change and CBAM	Increased carbon-related and compliance costs; risk of reduced export market access	Higher pressure to reduce Greenhouse Gas (GHG) Emissions, accelerate the transition to low-carbon energy and strengthen emissions transparency
Market & International Trade	Industry Competition	Reduced profit margins and market share	Increased demand for product innovation and development of sustainable, environmentally friendly materials
Legal & Regulatory	International Legal and Regulatory Compliance	Increased compliance costs and potential business disruptions	Risks relating to compliance with labour, environmental and Corporate Governance requirements
Operations & supply chain	supply chain Disruptions	Supply interruptions and increased raw material and logistics costs	Risks relating to labour practices, environmental performance and ESG compliance throughout the supply chain
Macroeconomic & Financial	Macroeconomic Conditions	Reduced market demand affecting revenue and cash flow	Impacts on employment, employee income and workforce stability
Macroeconomic & Financial	Inflation and Interest Rates	Increased financing, operating and capital costs	Reduced real income and employee welfare
Labour & Occupational Health and Safety	Occupational Health and Safety (Silica Exposure)	Higher medical expenses, compensation costs and production disruptions	Direct impacts on employee health and safety
Market & International Trade	Market Concentration	Revenue volatility arising from dependence on key export markets	Indirect impacts on employment stability and the Value Chain

Principles for Managing the Material Risk Portfolio

Vicostone manages its Material Risk portfolio based on the following principles:

- Risk ownership: Each Material Risk is assigned to a designated business unit responsible for its management and ongoing monitoring;
- Quantitative monitoring through KRIs: Risks are monitored using Key Risk Indicators (KRIs) to facilitate early warning and proactive Risk Management;

- Periodic review: The Material Risk portfolio is reviewed at least once a year, or whenever significant changes occur in market conditions, regulatory requirements or ESG developments;
- Alignment with strategy and ESG: Material Risks are aligned with the company's strategic priorities and ESG Material Topics.

Strategic Role of the Material Risk Portfolio

The Material Risk portfolio provides an important foundation for:

- Prioritizing Risk Management resources;
- Supporting business planning and strategic decision-making;
- Strengthening forecasting and response capabilities;
- Enhancing transparency and the quality of ESG disclosures.

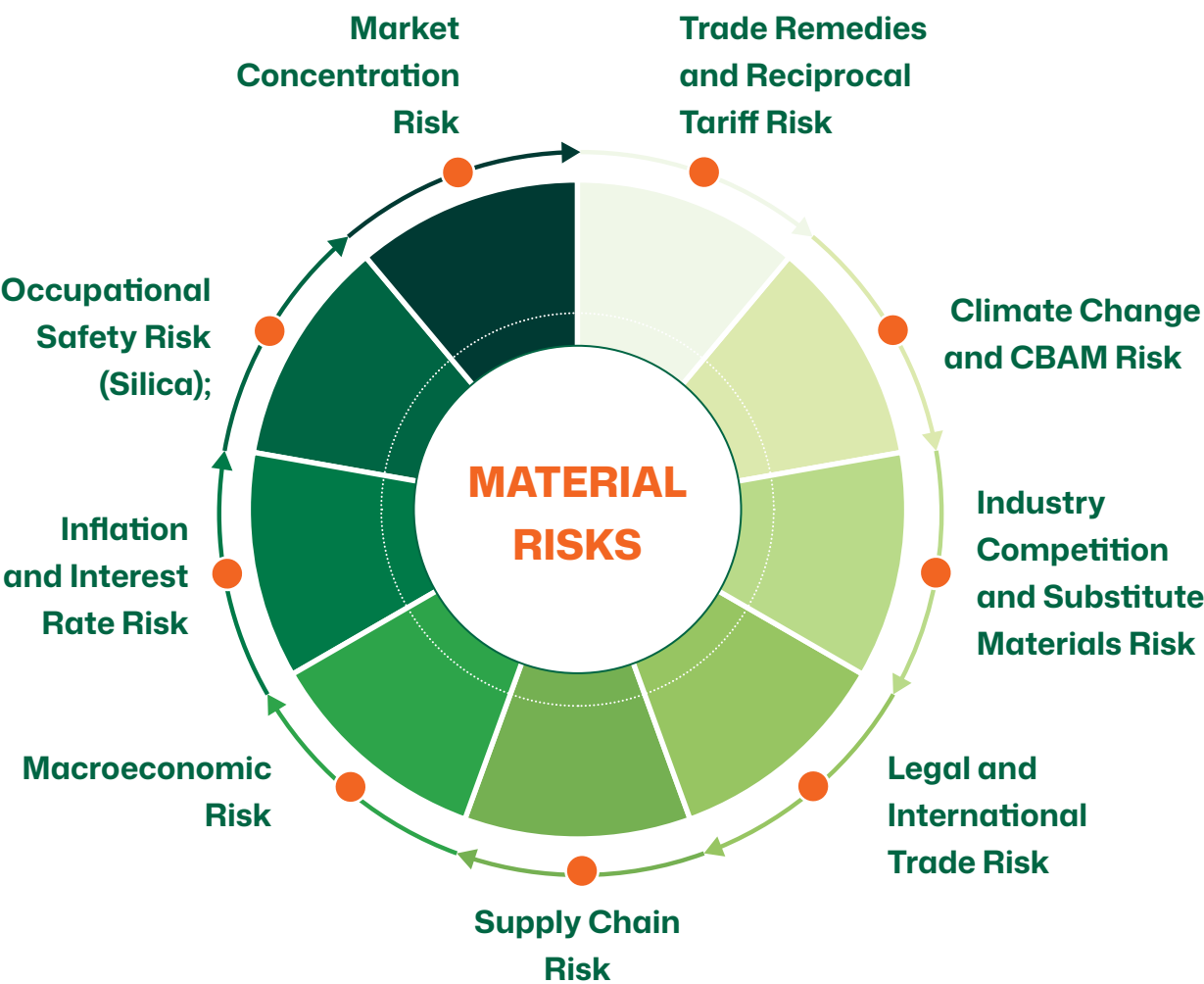


Through a frameworkatic, risk-based and quantitative approach to managing its Material Risk portfolio, Vicostone strengthens its Risk Management capabilities, enhances operational effectiveness, and reinforces the foundation for long-term sustainable value creation.

4. ESG Risk Management: Identification, Assessment and Treatment (Continued)

4.4. Description of Key Material Risks

The following Material Risks have been identified as having the highest potential impact and are therefore prioritized within Vicostone's current Risk Management framework. Each risk is assessed from both financial and ESG perspectives, taking into account prevailing market conditions.



Vicostone continues to maintain 5S and Kaizen as foundational tools for improving working conditions, controlling risks and strengthening employees' safety awareness.



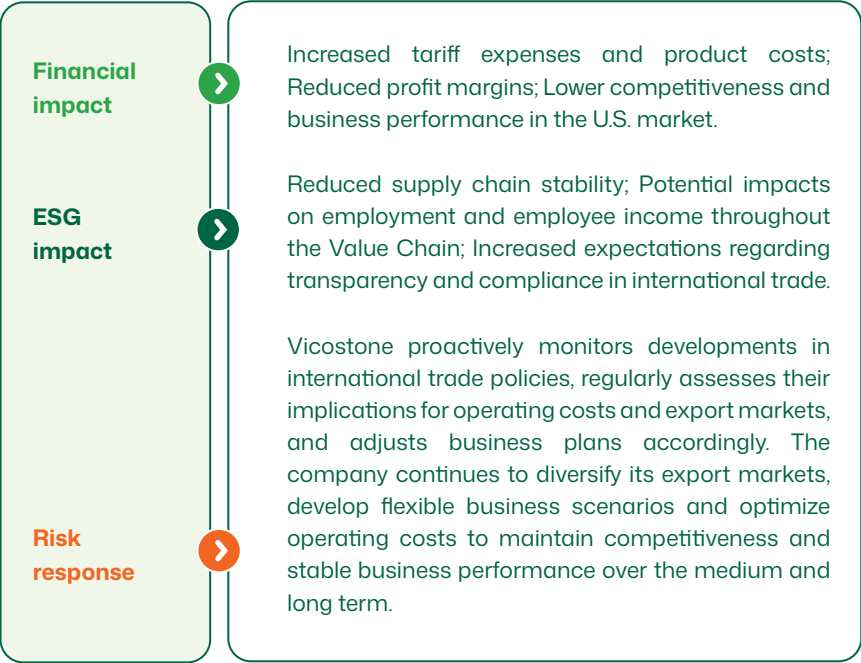
4.4. Description of Key Material Risks (Continued)

4.4.1. Trade Remedies and Reciprocal Tariff Risk

a. Reciprocal Tariff Policy Risk

During 2025, changes in U.S. trade policy continued to represent a significant macroeconomic factor affecting Vietnamese exporters. On April 2, 2025, the United States announced the implementation of a reciprocal tariff mechanism on imported goods to address trade imbalances and strengthen domestic manufacturing. At one point, reciprocal tariffs applicable to Vietnamese exports reached 46%. Subsequently, on April 9, 2025, the United States suspended the implementation of the policy for 90 days for more than 75 countries, including Vietnam. Effective August 1, 2025, the reciprocal tariff applicable to Vietnamese exports was reduced to approximately 20% to facilitate bilateral trade negotiations.

These developments demonstrate that U.S. trade policy is evolving rapidly, remains difficult to predict and increasingly reflects a protectionist approach aimed at safeguarding domestic industries. Such changes create direct cost pressures, affect product pricing and market sentiment, increase uncertainty in international trade and may result in future adjustments or the reintroduction of higher tariff rates.



b. Trade Remedy Risk

In addition to tariff policy risks, Vicostone faces increasing exposure to trade remedy measures, including: Anti-dumping; Countervailing duties; Safeguards; Anti-circumvention measures.

According to 2025 statistics, Vietnamese exports were subject to 21 new trade remedy investigations initiated by 11 jurisdictions. The United States remained the most active investigating authority, initiating seven investigations, accounting for approximately 33% of all new cases. The total number of ongoing investigations exceeded 100, highlighting the continued increase in global trade barriers.

On November 17, 2025, the United States International Trade Commission (USITC) formally initiated a global safeguard investigation following a petition submitted by the Quartz Manufacturing Alliance of America (QMAA). The petition alleged that imports of engineered surface products increased from 135 million square feet in 2020 to 234 million square feet in 2024, representing an increase of 73.4%, resulting in serious injury to the U.S. domestic industry⁽¹⁾. QMAA requested emergency safeguard measures, asserting that the U.S. engineered surface industry was suffering serious injury, and proposed that the USITC consider measures including:

- Establishing country-specific import quotas;
- Imposing ad valorem tariffs on all imported engineered surface products, or alternatively, applying weight-based specific duties where appropriate.

As the United States remains one of the most important export markets for Vietnam's engineered industry and for Vicostone in particular, this investigation represents a significant potential risk to both the industry and the company. In response, Vicostone has proactively developed appropriate response strategies and engaged leading international law firms to prepare for the investigation process, thereby protecting the legitimate rights and interests of both the company and Vietnam's engineered industry before the USITC. At the same time, the company continues to maintain operational flexibility by closely monitoring developments and implementing appropriate commercial measures to minimize potential impacts on business performance.

(1) https://www.usitc.gov/investigations/import_injury/fact_sheets_usitc_global_safeguard_investigations/quartz_surface_products_ta-201-79

b. Trade Remedy Risk (Continued)

The United States has previously imposed anti-dumping and countervailing duties on engineered stone products imported from China ⁽²⁾, India and Turkey. Specifically, the U.S. Department of Commerce (DOC) officially imposed anti-dumping and countervailing duties on quartz surface products imported from China with effect from July 11, 2019, for a five-year period, with duty rates varying by producer. Although the DOC had not initiated equivalent measures against Vietnamese engineered stone products during 2025, the USITC safeguard investigation launched in November 2025 indicates that Vietnamese-origin engineered stone products remain exposed to potential future anti-dumping and countervailing investigations.

According to Vietnam's Trade Remedies Authority, Vietnamese exports were subject to 21 new foreign trade remedy investigations during 2025 across 11 export markets, with the United States accounting for seven cases (accounting for 33% of all new investigations during the year). In addition to these new investigations, the Vietnamese government, industry associations and exporting enterprises continue to manage more than 100 ongoing trade remedy investigations initiated in previous years. ⁽³⁾

As of April 2025, Vietnamese exports had been subject to 284 trade remedy investigations worldwide. These investigations comprised: Anti-dumping investigations (54.6%); Safeguard investigations (20.8%); Anti-circumvention investigations (13.7%); Countervailing duty investigations (10.9%). To date, the United States has initiated 22 anti-circumvention investigations involving Vietnamese exports. ⁽⁴⁾

As a company with a significant proportion of exports destined for the U.S. market, Vicostone, like many other Vietnamese exporters, faces the potential risk of anti-circumvention investigations amid heightened scrutiny of product origin,

manufacturing processes and supply chains, together with increasing reliance on trade remedy measures. Although this risk is currently assessed as Low, the company continues to manage it proactively by maintaining a comprehensive and transparent data management framework capable of supporting product traceability and regulatory investigations whenever required.

For Vicostone—whose business is significantly dependent on exports to the U.S. market—this risk is assessed as low; however, it still requires proactive and continuous management.

Financial impact

ESG impact

Risk response

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Increased legal and compliance costs; Potential additional tariffs or export restrictions; Adverse impacts on revenue and business performance.

Increased requirements for supply chain transparency and traceability; Higher expectations regarding labour and environmental standards; Potential impacts on Value Chain stability.

Vicostone has implemented the following measures:

- Strengthening legal and trade compliance capabilities through cooperation with leading international law firms;
- Establishing a transparent and comprehensive traceability framework;
- Proactively participating in and responding to trade remedy investigations;
- Closely monitoring developments in international trade policy and regulatory environments.

Risk characteristics:

This is primarily a regulatory risk, characterized by well-defined investigation procedures and a relatively high degree of predictability, allowing the company to prepare appropriate response strategies in advance.

(2) <https://m.vcci.com.vn/nguy-co-dieu-tra-phong-ve-thuong-mai-voi-san-pham-lien-quan-mat-da-thach-anh>

(3) <https://vcci.com.vn/news/11-thi-truong-khoi-xuong-21-vu-viec-phong-ve-thuong-mai-voi-hang-viet>

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4.4. Description of Key Material Risks (Continued)

4.4.2. Climate Change and CBAM Risk

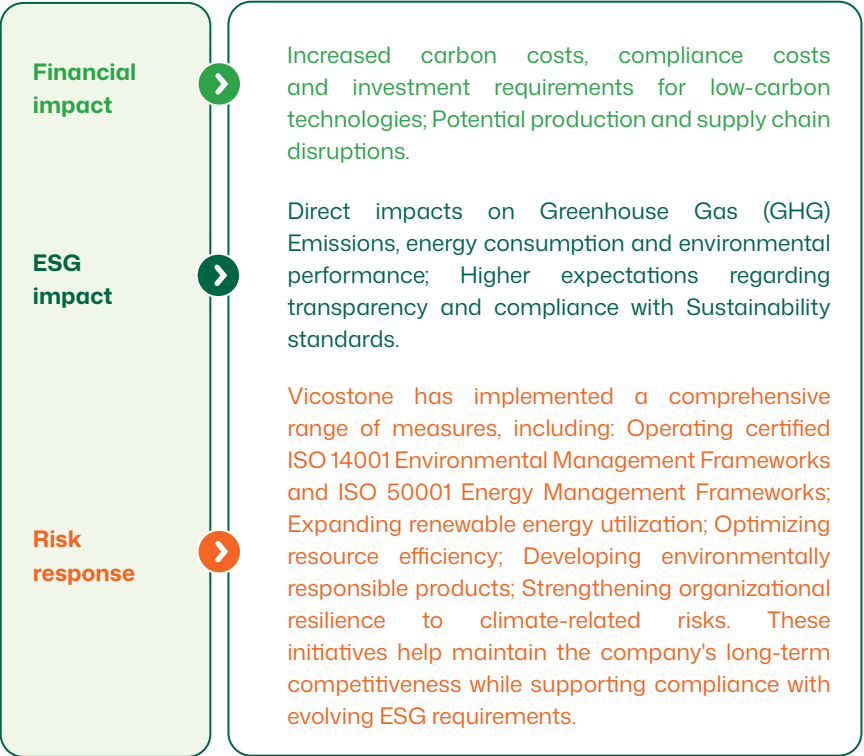
As the impacts of global climate change continue to intensify, extreme weather events such as prolonged heatwaves, severe storms, and droughts are creating significant challenges for industrial operations, including Vicostone's operations. The company classifies climate-related risks into two principal categories: Physical risks, arising from weather-related events that may disrupt manufacturing operations and supply chains; Transition risks, resulting from evolving policies, regulations and market shifts toward a low-carbon economy.

In particular, the implementation of mechanisms such as the European Union's Carbon Border Adjustment Mechanism (CBAM), together with increasingly stringent emissions regulations and environmental standards in developed markets, has created growing pressure on exporting companies to improve emissions transparency and effectively manage carbon-related costs. International certification frameworks and standards—including LEED, WELL, Environmental Product Declarations (EPDs), together with environmental and safety requirements in the United States—are further raising expectations regarding product performance and manufacturing processes. At the same time, the growing preference among customers and business

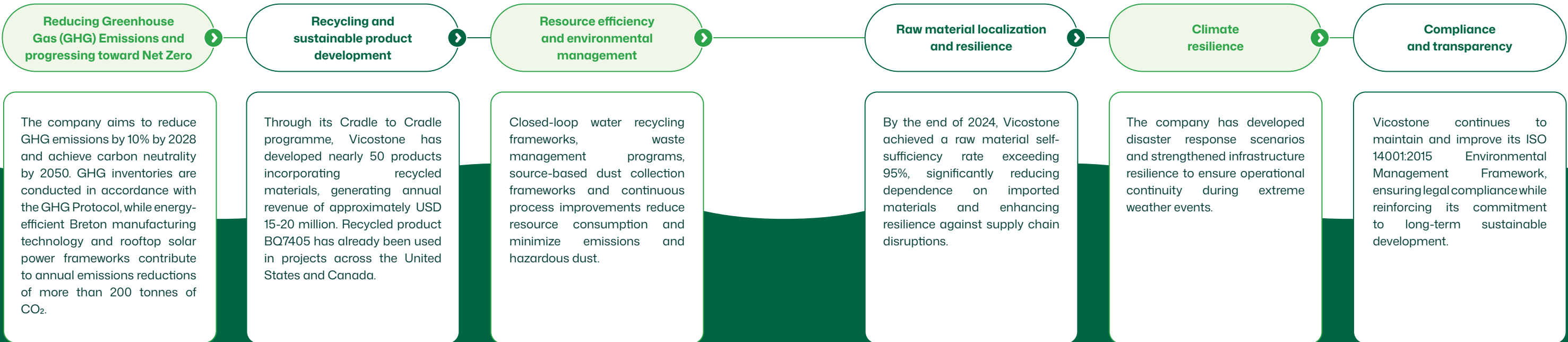
partners for environmentally friendly products and suppliers increases the risk of exclusion from global supply chains for companies that fail to meet ESG expectations.

Recognizing these trends, Vicostone has established a clear Sustainability roadmap, targeting a 10% reduction in Greenhouse Gas (GHG) Emissions by 2028 and achieving Net Zero by 2050. The company conducts GHG inventories in accordance with internationally recognized methodologies, invests in energy-efficient manufacturing technologies, expands the use of renewable energy and continuously optimizes operational processes to reduce emissions. Vicostone is also accelerating the development of sustainable product portfolios through increased use of recycled materials, implementation of Circular Economy initiatives and more efficient resource management, thereby strengthening its ability to respond to increasingly stringent environmental requirements.

In parallel, the company continues to enhance climate resilience through disaster preparedness planning, infrastructure reinforcement and localization of raw material supplies, achieving a high degree of self-sufficiency that reduces dependence on external supply chains and strengthens operational resilience.



To mitigate the impacts of climate change and maintain sustainable competitiveness, Vicostone has implemented a range of effective measures:



4.4. Description of Key Material Risks (Continued)

4.4.3. Industry Competition and Substitute Materials Risk

The engineered industry is facing increasing competitive pressure from both existing market participants and substitute materials. In key markets such as the United States, Canada, Australia and Europe, engineered competes directly with natural stone across most market segments, while also competing with alternative surface materials including porcelain, sintered stone, stainless steel, concrete and recycled materials in mid- to high-end residential applications. Currently, demand for engineered in developed markets remains concentrated primarily in kitchen applications, whereas in bathroom applications engineered competes directly with granite, particularly in the United States.

In recent years, interior design trends have increasingly diversified as consumers choose among a broader range of materials based on aesthetics, durability and sustainability. Among these alternatives, porcelain has emerged as one of the fastest-growing surface materials globally, with market share expected to increase significantly- potentially doubling by 2028- driven by technological innovation and enhanced product performance. This trend is gradually reshaping the competitive landscape of the surface materials industry.

In addition to competition from substitute materials, the U.S.- Vicostone's principal export market- continues to experience intense competition within the engineered stone industry. Recent years have witnessed increased domestic manufacturing capacity in the United States, together with investments and capacity expansions by international manufacturers seeking to reduce dependence on imports and respond to trade barriers. According to data published by the U.S. International Trade Commission (USITC), India, Vietnam, Spain, Thailand and Turkey remain among the largest exporters of engineered stone products to the U.S. market, intensifying competition in terms of price, quality and customer service.

In the domestic market, Vietnam's engineered stone industry has also expanded rapidly, with numerous new entrants primarily targeting the mid-range segment through price-based competition. Against a backdrop of cautious market demand and increasing consumer price sensitivity, widespread price reductions have created considerable pressure for premium-positioned manufacturers, including Vicostone.

These developments create a dual challenge for the company: maintaining cost competitiveness while continuing to deliver superior product quality, innovative design and compliance with increasingly demanding ESG and Sustainability standards.

To address this evolving competitive landscape, Vicostone has identified innovation as a strategic pillar for sustaining its long-term competitive advantage. The company continues to invest substantially in research and development to improve product quality, diversify designs and develop differentiated, high-value products that are difficult to replicate, including ECO Surfaces and other environmentally responsible materials. At the same time, Vicostone continues to strengthen its distribution network in key markets, enhance customer experience and service quality, adopt flexible pricing strategies tailored to individual markets and customer segments, optimize production costs, maintain prudent financial management and strengthen collaboration across the construction and real estate value chain. These initiatives enable the company to protect profit margins while enhancing resilience to changing market conditions.

Financial impact

Pressure on profit margins; Increased pricing competition; Potential loss of market share in key export markets.

ESG impact

Stronger demand for safer and more environmentally responsible products; Increased pressure to develop green materials and meet increasingly stringent Sustainability standards.

Risk response

Vicostone continues to strengthen its R&D capabilities, develop differentiated sustainable products, optimize production costs, enhance operational efficiency and reinforce market competitiveness, thereby maintaining its long-term competitive position.



Visitors experience 36 premium quartz designs from the VICOSTONE® ECO Surfaces collection at the 2026 Melbourne Home Show (Australia).



Vicostone proactively registers, maintains and expands the scope of protection for its brands, trademarks, product designs and patterns...

4.4. Description of Key Material Risks (Continued)

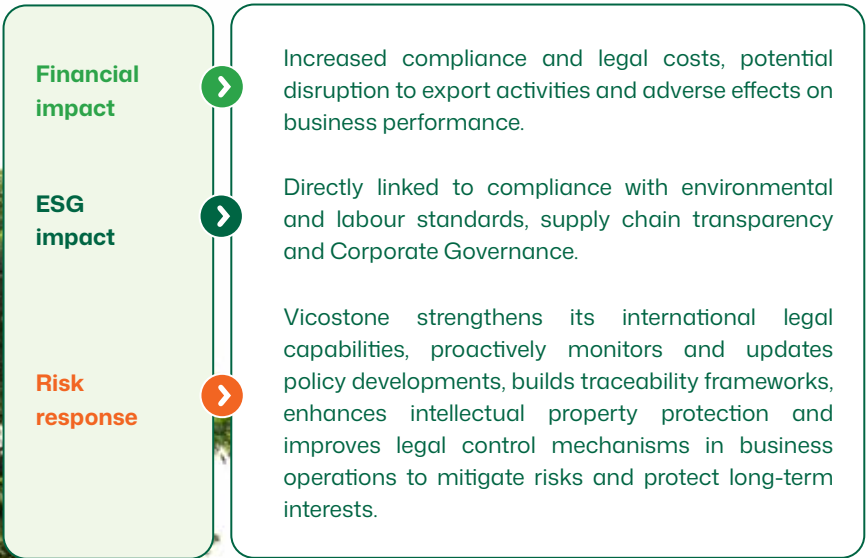
4.4.4. Legal and International Trade Risk

Operating in more than 50 countries exposes Vicostone directly to changes in international legal frameworks, particularly as trade barriers and compliance requirements continue to increase. As of 2025, Vietnamese exports had faced 284 trade remedy investigations initiated by international markets, of which anti-dumping cases accounted for 54.6%, followed by safeguard measures at 20.8%, anti-circumvention measures at 13.7% and countervailing duties at 10.9%. These figures reflect the growing complexity and increasing significance of the legal environment in global trade.

In addition to tariff-related and trade remedy risks, Vicostone must also comply with increasingly stringent legal requirements on the environment, labour and traceability in developed markets. At the same time, amid intensifying global competition, the company may face legal disputes arising from contract performance, quality standards compliance, environmental and social responsibility, or intellectual property rights, particularly for products with high design and brand value.

Beyond ordinary commercial disputes, Vicostone may also be exposed to strategic litigation or unfair competition practices by competitors aimed at increasing costs, disrupting business operations or affecting brand reputation in key markets. Even where the outcome is favorable to the company, such disputes may prolong the resolution process, give rise to significant legal costs and divert management resources.

Against this backdrop, Vicostone considers legal Risk Management and intellectual property protection an important part of its strategy to safeguard competitive advantage. The company proactively registers, maintains and expands protection for its brand, trademarks, product designs and industrial designs, while strengthening legal reviews of contracts and international trade activities to mitigate dispute risks and protect its legitimate interests.



4.4.5. Supply Chain Risk

Global supply chains continue to face complex disruptions, including risks relating to logistics, transportation costs, raw material supply and rapid changes in the legal environment across international markets. For Vicostone, which operates in more than 50 countries and territories, these factors may directly affect the continuity, efficiency and adaptability of its supply chain.

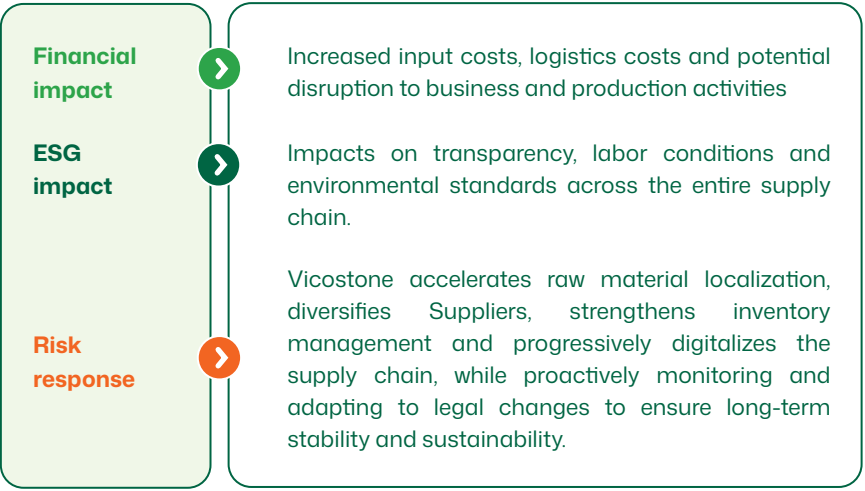
In addition to traditional factors such as transportation cost volatility and raw material availability, Supply chain risks are increasingly affected by regulatory changes in host markets. Regulations relating to technical standards, product circulation requirements, environmental and safety requirements, or trade policies may change within a short period, beyond the normal preparation cycle of businesses. Such structural changes may require companies to adjust technologies, product designs or operating models to maintain market access.

The ban on the use of engineered stone containing crystalline silica in Australia is a typical example showing that supply chain risk is not limited to supply disruption, but may also alter product orientation and affect investment efficiency in specific markets. These factors may disrupt business and production plans, give rise to transition costs and affect the execution of the company's strategy.

Against this backdrop, Vicostone has proactively implemented a raw material localization strategy, achieving a self-sufficiency rate of over 95%, thereby significantly reducing dependence on external supply and enhancing operational autonomy. At the same time, the company maintains a proactive legal monitoring mechanism, supported by international legal advisory capabilities and its internal legal function, to identify early policy changes that may affect the supply chain and support strategic decision-making.

In parallel, Vicostone continues to diversify Suppliers, optimize inventory management and progressively digitalize the supply chain to improve transparency, forecasting capability and operational flexibility.

Vicostone has proactively implemented a raw material localization strategy, achieving a self-sufficiency rate of over 95%



4.4. Description of Key Material Risks (Continued)

4.4.6. Macroeconomic Risk

The divergence between domestic and international economic growth is creating unpredictable changes in market demand and the business environment. According to the December 2025 forecast by the Organization for Economic Co-operation and Development, global GDP growth is expected to slow from 3.2% in 2025 to 2.9% in 2026, before recovering slightly to 3.1% in 2027. In Vicostone's key export markets, economic growth is expected to weaken, with the United States projected to decline from 2.0% to 1.7% in 2026, while the Eurozone remains low at approximately 1.2%.

In contrast, Vietnam's economy continues to maintain strong growth momentum, with the 2026 GDP growth target set at over 10% under the Resolution of the National Assembly, creating a significant gap between domestic and international growth. This context indicates that consumer and investment demand in developed markets may slow, while production costs and competitive pressure remain high.

For Vicostone, which has a substantial export share, slower growth in key markets may directly affect demand for its products, particularly in construction and home renovation. Macroeconomic volatility may also affect input costs, investment activities and the company's overall business performance.

Against this backdrop, Vicostone proactively develops flexible business scenarios from the beginning of the year, focusing on strengthening its ability to adapt to market volatility. The company promotes research and development of new products that meet diverse market needs, while continuously improving production technologies to enhance efficiency and optimize costs. Vicostone also expands sales channels and adjusts business policies flexibly by market and customer segment, thereby supporting long-term growth and operational stability.

Financial impact

ESG impact

Risk response

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Reduced market demand, affecting revenue, cash flow and business performance.

Impacts on employment, income and workforce stability amid economic volatility.

Vicostone implements flexible business scenarios, diversifies markets and products, optimizes operations and expands sales channels to strengthen resilience against macroeconomic fluctuations.

4.4.7. Inflation and Interest Rate Risk

Global inflation and interest rate movements continue to be key macroeconomic factors directly affecting capital costs, access to finance and market demand. According to economic forecasts, global inflation remained around 4.2% in 2025, placing considerable pressure on living costs and business operations. In 2026, inflation is expected to decline to approximately 3.6%, particularly in major economies such as the United States and Europe, supported by monetary easing and the easing of energy and food price shocks.

This trend is reflected in the policy adjustments of central banks. On December 10, 2025, the U.S. Federal Reserve cut interest rates for the third consecutive time, bringing the federal funds rate down to approximately 3.5%-3.75%, the lowest level since late 2022. In Asia, inflation in 2026 is forecast to remain at around 2.1%, while in Vietnam, deposit interest rates are showing a slight upward trend, increasing pressure on domestic funding costs.

For Vicostone, lower inflation and monetary easing in key markets, particularly the United States, may support demand for construction, home renovation and commercial projects, thereby contributing to demand for quartz stone products. However, given persistent uncertainties in the global economy, risks relating to financing costs, cash flow and market volatility must continue to be closely managed.

In response, Vicostone proactively monitors and analyzes macroeconomic developments to develop flexible business policies, while optimizing financial management through effective capital structure management, taking advantage of favourable timing to negotiate with Suppliers and proactively using appropriate financial instruments.

Financial impact

ESG impact

Risk response

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Increased financing costs, cash flow pressure and impacts on capital efficiency.

Impacts on real income, employee welfare and workforce stability amid fluctuations in living costs.

Vicostone applies flexible financial management, optimizes its capital structure and balances domestic and foreign currency borrowings as appropriate, while closely monitoring interest rates, inflation and commodity markets to proactively adjust procurement strategies, raw material inventory planning and resource efficiency.



Vicostone proactively developed flexible business scenarios from the beginning of the year, with a focus on strengthening its ability to adapt to changing market conditions.

4.4. Description of Key Material Risks (Continued)

4.4.8. Occupational Health and Safety Risk (Silica)

Silica dust risk is a sector-specific risk in the engineered stone industry and one of the company’s Material ESG issues, with direct impacts on Employee health and the company’s legal compliance in the global Value Chain. As developed countries increasingly tighten regulations on Occupational Health and Safety and social responsibility, standards relating to silica content and silica dust concentration control in stone manufacturing and fabrication are undergoing significant changes.

In the United States, from December 29, 2023, the temporary emergency silica standards issued by the California Division of Occupational Safety and Health were approved and applied to engineered stone products containing more than 0.1% silica and natural stone containing more than 10% silica. These standards impose stricter requirements on fabrication processes, dust control and safety training for Employees. In Australia, since July 2024, the use of engineered stone in many applications has been restricted or fully banned, reflecting a broader trend toward stricter regulation globally.

These changes not only create compliance pressure, but also require businesses to ensure safe working conditions, control occupational health risks and maintain access to international supply chains.

Against this backdrop, Vicostone maintains a proactive approach to Occupational Health and Safety Risk Management by regularly updating legal requirements in export markets and reviewing and improving its Occupational Health and Safety control framework. The company implements comprehensive silica dust control measures, including providing personal protective equipment with high filtration performance, conducting periodic workplace environmental monitoring, supervising compliance with personal protective equipment requirements, and organizing health examinations and occupational disease screening for Employees twice a year.

In addition, Vicostone actively implements Kaizen and 5S programmes to control and reduce dust concentrations at source, particularly in high-risk areas such as material loading, crushing and screening. The company also continues to prioritize resources for R&D to develop safer technologies and materials that are more protective of health and the environment, thereby adapting to increasingly stringent global legal requirements and supporting its long-term Sustainability orientation.

Financial impact

ESG impact

Risk response

Medical costs, investment costs for workplace environmental control and potential production disruption if compliance requirements are not met.

Direct impacts on Employee health, safety and workplace environmental quality, as well as social responsibility and compliance with international standards.

Vicostone maintains and enhances its Occupational Health and Safety management framework in accordance with ISO 45001, strengthens silica dust control at source, provides training and awareness-raising for Employees, and accelerates research and development of safer materials and production technologies to reduce long-term risks.

4.4.9. Market Concentration Risk

Although Vicostone has expanded its business operations to more than 50 countries, the company’s revenue remains concentrated primarily in key markets such as the United States, Canada and European Union countries. With nearly 24 years of development in international markets, VICOSTONE® products have established their position as one of the world’s leading quartz stone brands, trusted in markets with stringent requirements for quality, safety and aesthetics.

However, revenue concentration in several major markets provides advantages in scale and brand recognition while also presenting significant risks, particularly as these

markets are strongly affected by macroeconomic volatility, trade policies, consumer trends and increasingly stringent ESG requirements. Any decline in demand, policy change or competitive shift in these markets may directly affect the company’s business results.

In response, Vicostone proactively implements a strategy to diversify markets and sales channels to reduce dependency risks. In addition to maintaining and developing key markets through flexible business policies, the company actively expands its customer base, identifies potential new markets and optimizes its distribution network to support long-term sustainable growth.



VICOSTONE Vitoria Regia BQ6716 at the IDS Vancouver 2025 exhibition space.

Financial impact

ESG impact

Risk response

Volatility in revenue and profit when key markets decline or policies change.

Indirect impacts on employment, Employee income and Value Chain stability.

Vicostone accelerates market diversification, expands its customer base and distribution channels, and flexibly adjusts its business strategy to reduce dependence on a limited number of markets and strengthen resilience against volatility.

Risk Management System for Sustainable Development

(Continued)

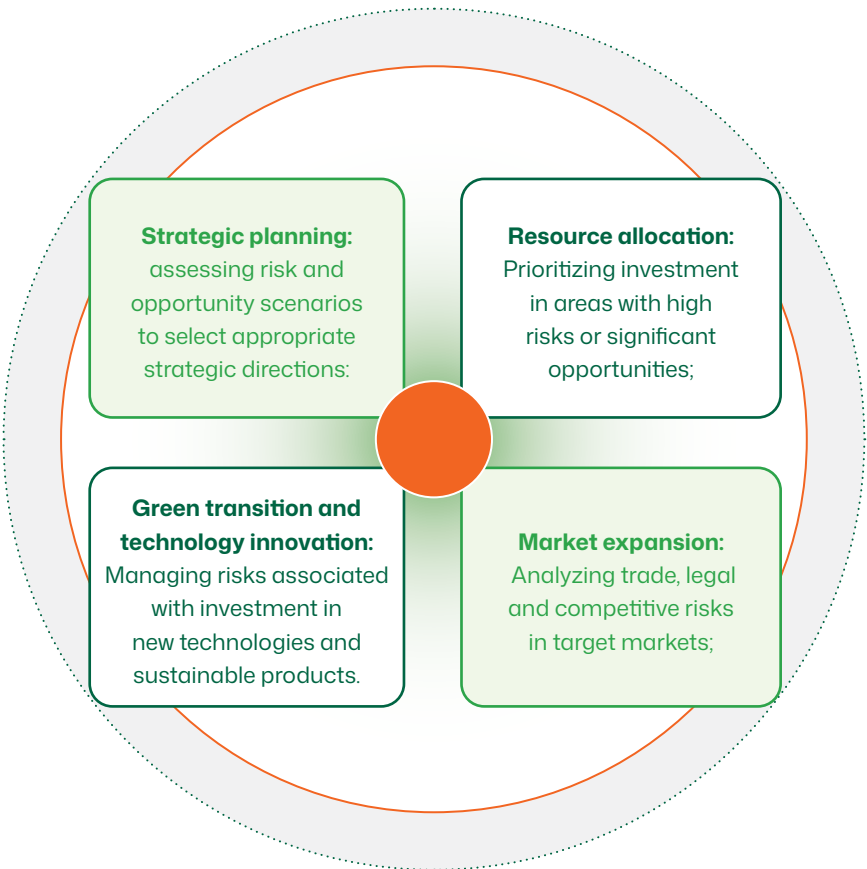
5. Monitoring, Performance and Future Direction

5.1. Integration of Risk Management with the Sustainability Strategy

Vicostone integrates risk management into the planning and implementation of its Sustainable Development strategy to ensure that key decisions are informed by risks, opportunities, operational impacts and Stakeholder expectations. This approach enables the company to align its material risk portfolio with Material ESG Topics, action plans, resource allocation and the KPI/ KRI framework.

Role of Risk Management in Strategic Planning

Risk Management directly supports Vicostone's strategic governance activities, including:



Linkage with Net Zero and Sustainability Objectives

The Risk Management framework provides an essential foundation for ensuring the successful implementation of Vicostone's strategic objectives, including:

- Reducing Greenhouse Gas (GHG) Emissions and optimizing energy use;
- Developing environmentally responsible products and green materials;
- Enhancing ESG transparency and compliance;
- Strengthening resilience against global disruptions.

By integrating Risk Management into its ESG strategy, Vicostone not only mitigates negative impacts but also proactively captures development opportunities arising from the transition to a low-carbon economy.



Value Created through Integrated Risk Management

Integrating Risk Management with the Sustainability strategy enables Vicostone to:

- Improve the quality of strategic decision-making;
- Strengthen forecasting and response capabilities;
- Optimize resource efficiency;
- Reinforce competitiveness and market position internationally.

Accordingly, Risk Management has become a strategic governance tool that supports sustainable growth and long-term value creation for the company and its Stakeholders.

5. Monitoring, Performance and Future Direction (Continued)

5.2. Improvement and Future Direction of Risk Management

In the context of a rapidly changing and increasingly unpredictable global business environment, Vicostone recognizes the continuous enhancement of Risk Management capabilities as essential to ensuring adaptability, maintaining operational efficiency and successfully implementing its Sustainability strategy.

The company's Risk Management framework is developed by integrating international standards and frameworks such as ISO 31000, COSO ERM and the GRI Standards, while remaining closely aligned with the ESG strategy and Net Zero 2050 objective. In the coming period, Vicostone will continue to advance this framework with the following priorities:

Enhancing ERM maturity

Further develop a synchronized Risk Management framework that is deeply integrated with the Corporate Governance framework; strengthen quantitative and predictive risk identification and assessment capabilities; and expand the scope of Risk Management across the entire Value Chain.

Accelerating digitalization and risk data management

Build a centralized risk database; apply technology to risk monitoring, analysis and early warning; and integrate risk data with operational management and ESG management frameworks. This is an important step in transitioning from manual Risk Management to data-driven Risk Management.

Strengthening integration with ESG and Net Zero

Establish stronger linkages between Risk Management, emissions reduction and the energy transition; expand risk assessments to fully cover environmental, social and governance factors; and meet increasingly stringent international market requirements for ESG transparency.

Developing a risk-aware culture across the organization

Raise Employee awareness of the role of Risk Management; integrate Risk Management into KPIs and performance evaluation; and encourage proactive risk identification and reporting.

Enhancing forecasting capability and resilience

Develop response scenarios for macroeconomic risks, climate change and supply chain disruptions; strengthen adaptability to changes in international trade policies and legal requirements; and proactively capture opportunities arising from market and technology transitions.

Improving monitoring and continuous improvement mechanisms

Strengthen the role of internal audit and independent oversight mechanisms; periodically review the Risk Management framework and Material Risk portfolio; and continuously update methodologies and tools in line with international practices.

Long-term orientation

In the long term, Vicostone aims to build a modern, transparent and fully integrated Risk Management framework in which Risk Management becomes an inseparable part of strategic governance; business decisions are supported by data and risk analysis; and the company is able to anticipate, adapt to and lead through change.



Vicostone's Risk Management System is developed based on an integrated approach incorporating international standards such as ISO 31000, COSO ERM and GRI.

Risk Management System for Sustainable Development (Continued)

6. Conclusion

Vicostone's risk management framework is guided by recognized risk management frameworks, including ISO 31000 and COSO ERM, while also aligning with impact management and sustainability disclosure requirements under the GRI Standards.

By integrating ERM with Material ESG Topics, the HSEQ management framework, KPI/KRI frameworks and the strategic planning process, Vicostone is progressively strengthening its capabilities in risk anticipation, risk control and adaptation to market changes. This provides a foundation for maintaining stable operations, enhancing competitiveness and advancing the company's long-term Sustainable Development objectives.

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Internal Audit System linked to the Sustainability Report

Amid increasingly stringent requirements in key export markets such as the United States, Canada, and the European Union regarding ESG transparency, emissions control, supply chain traceability and compliance, Vicostone recognizes that enhancing its internal control and internal audit capabilities is critical to supporting sustainable development and maintaining competitive advantage.

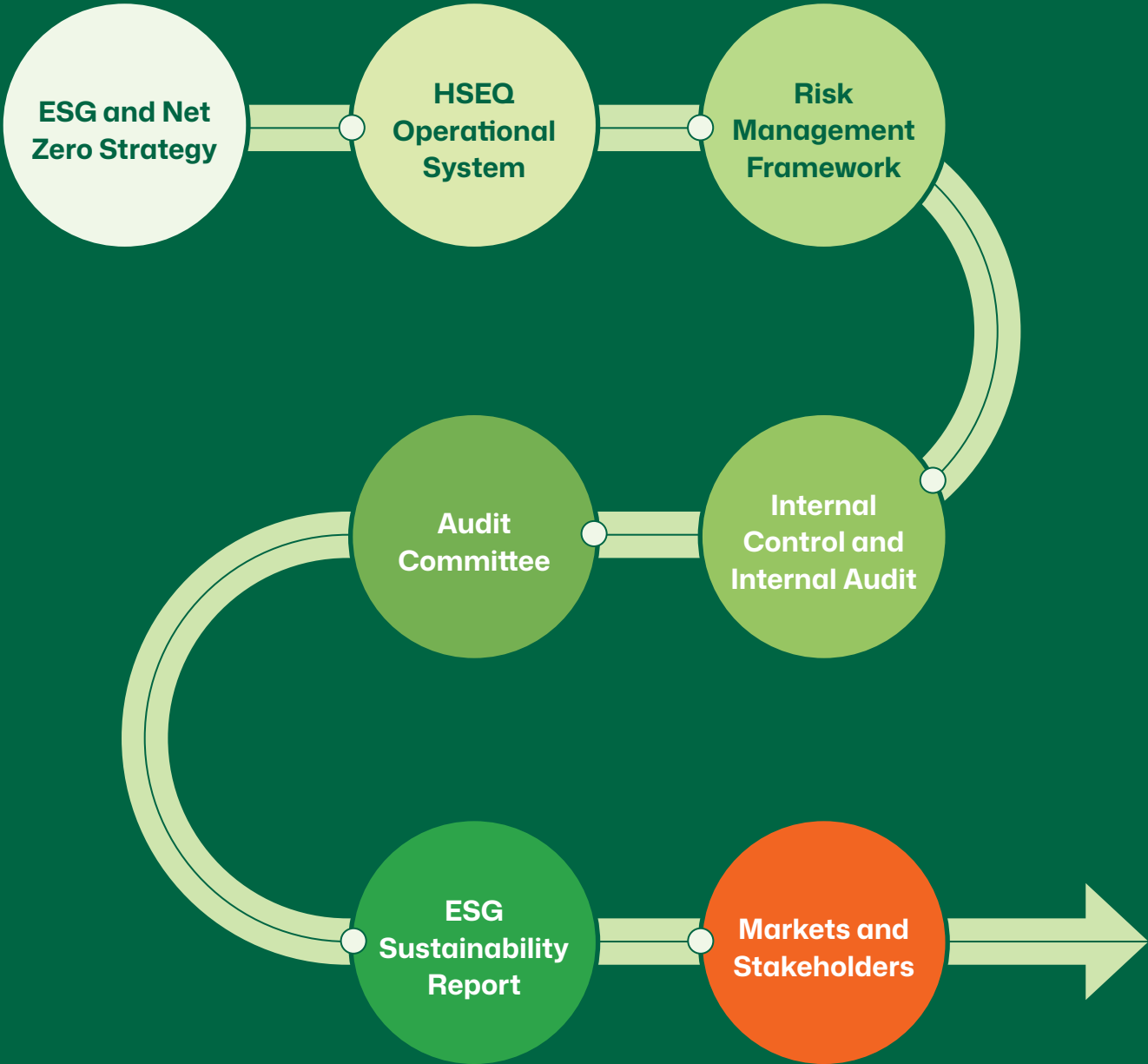
Accordingly, the Company has progressively developed and operated an ESG-integrated internal audit system, not only to monitor compliance but also to support strategic governance by:

- Enhancing the completeness, consistency and traceability of ESG data;
- Assessing the effectiveness of the internal control system and risk management framework;
- Supporting Executive Board in identifying risks and opportunities related to sustainable development.

The internal audit system is designed to ensure a consistent linkage among the ESG - Net Zero strategy, the HSEQ operating system, Enterprise Risk Management (ERM) and the oversight mechanism of the Audit Committee, thereby forming a closed-loop governance framework that supports Sustainability Report disclosure and responds to stakeholder expectations.



Vicostone is progressively developing and operating its internal audit system with an integrated ESG approach.



Internal Audit System linked to the Sustainability Report (Continued)

1. Roles and activities of the audit committee and internal audit process at Vicostone Joint Stock Company

1.1. Roles of the Audit Committee in assisting the Board of Directors in Sustainability Governance

The Audit Committee of Vicostone Joint Stock Company (Vicostone) plays a vital role in supporting the Board of Directors in fulfilling its highest oversight responsibilities over the Company's governance, internal control and sustainability systems. The Audit Committee reports periodically and directly to the Board of Directors on material ESG issues, thereby ensuring transparency, accountability and governance effectiveness at the highest governance level.

The key functions of the Audit Committee in strengthening internal control and ESG risk management include

- Assessing the internal control system for the collection, consolidation and disclosure of ESG data;
- Overseeing the integration of ESG risks and opportunities into the Enterprise Risk Management (ERM) framework;
- Reviewing the identification and assessment of potential financial impacts of ESG factors;
- Reviewing and assessing the reasonableness of Greenhouse Gas (GHG) Emissions data based on information provided by specialized units;
- Strengthening reliability through independent assurance by reviewing environmental and social data, ensuring that reporting is aligned with the GRI Standards and meets transparency requirements in export markets.



2025 Performance Results

The Audit Committee held four regular meetings to review and assess the Company's ESG performance against established objectives, issued a reasonable assurance report on the information disclosed in the Sustainability Report, and fully exercised its powers in accordance with its Operating Regulations.



Internal audit and control model

Vicostone's internal audit system operates under the a three-line-of-defence model, comprising:

- Operational units responsible for direct controls;
- Functional departments such as HSEQ, ESG and Risk Management;
- The Audit Committee and Internal Audit, which carry out independent oversight.

This model supports comprehensive risk control and aligns with international risk management practices.

In addition, the Company maintains a grievance and whistleblowing mechanism based on confidentiality principles and transparent handling procedures, contributing to stronger integrity and business ethics in line with ESG standards.

1. Roles and activities of the audit committee and internal audit process at Vicostone Joint Stock Company (Continued)

1.2. Audit Committee Process at Vicostone

1.2.1. Legal Framework and Implementation Principles

The Audit Committee was established and operates under the Regulations issued by the Board of Directors on May 7th, 2021. It performs an independent oversight function over the internal control system, risk management and information disclosure, including the Sustainability Report.

The Audit Committee does not directly participate in operational activities, but it independently reviews methodologies, data and disclosed content to ensure objectivity, transparency and verifiability.

ESG audit and review activities are performed at a limited assurance level, in line with international practices for non-financial information assurance, with a gradual orientation toward reasonable assurance and closer alignment with international standards.



1.2.2. Basis for Determining Material Topics

Vicostone's material ESG topics are determined in accordance with GRI 3:2021, based on:

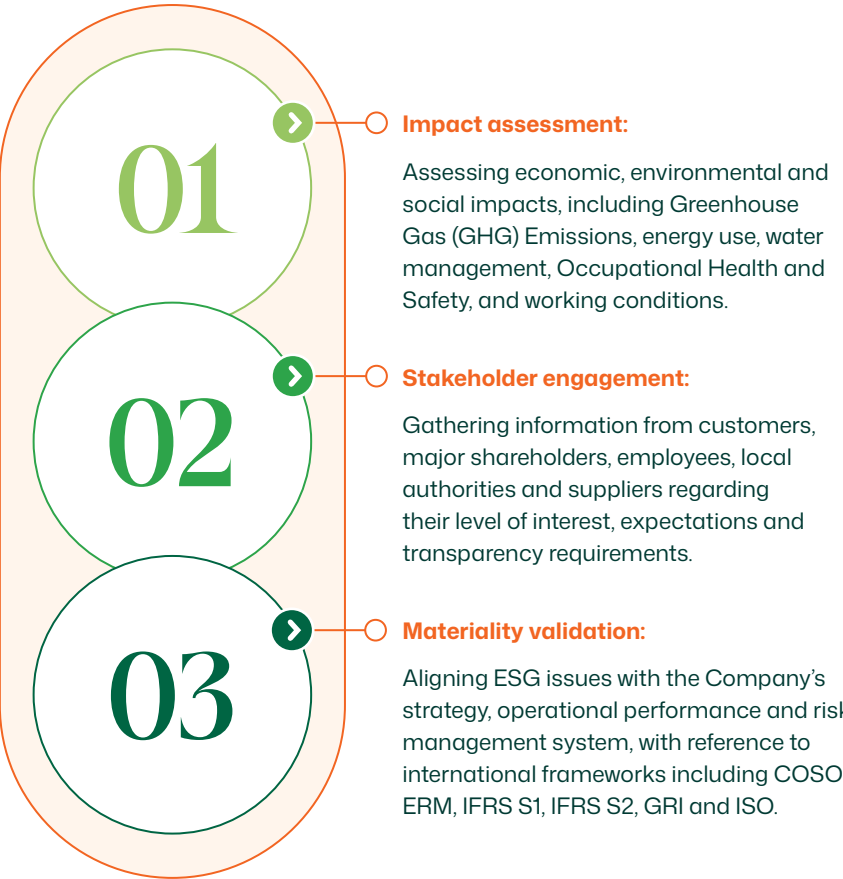
- The actual and potential impacts of the business on the economy, environment and society;
- The level of interest and expectations of stakeholders;
- ESG risks and opportunities associated with the Company's strategy and business model.

The Audit Committee does not directly identify material topics; rather, it reviews the appropriateness of the process, the underlying data, and the consistency between the material topic assessment results, the Company's strategy, Risk Management approach and disclosures presented in the Sustainability Report.

Material ESG Topics are also assessed in terms of potential financial impacts, including the effects of energy costs, carbon compliance costs, raw material costs, technology investment and access to export markets, thereby strengthens the linkage between ESG and financial performance.

1.2.3. Process for Identifying and Monitoring material topics

The process for identifying material topics comprises three key components:



Throughout this process, the Audit Committee provides independent oversight focused on:

- Assessing the appropriateness and consistency of the material topic identification methodology;
- Reviewing the integration of material ESG risks and opportunities into the corporate risk management framework;
- Verifying the completeness, consistency and traceability of data used for disclosure;

The list of material topics is updated annually or whenever significant changes occur. The Audit Committee reviews these updates to ensure consistency and comparability across reporting periods.

1.2. Audit Committee Process at Vicostone (Continued)

1.2.4. List of Material Topics in 2025

The results of this process have been incorporated into the 2025 Sustainability Report through the identification of 17 Material Topics, as detailed in Chapter 2 of this Report.



The 2025 Material ESG Topics list was identified through the above process and disclosed in the Sustainability Report, reflecting the Company's Material economic, environmental and social impacts. The Audit Committee conducted an independent review to ensure that:

- The 2025 Material ESG Topic list have been identified in accordance with GRI 3:2021;
- Material risks and opportunities were reflected comprehensively;
- Consistency with the Company's disclosures, management indicators and strategic orientation;
- The topics are closely aligned with disclosures in the Sustainability Report.

These topics reflect a balance among compliance requirements, international market expectations and Vicostone's Sustainability strategy for the next phase.



Vicostone has developed its Sustainable Development strategy in close alignment with the United Nations' 17 Sustainable Development Goals (SDGs).

1. Roles and activities of the audit committee and internal audit process at Vicostone Joint Stock Company (Continued)

1.3. Internal Audit Activities supporting the 2025 Sustainability Report

In the context of increasingly stringent regulatory requirements, environmental standards and Supply Chain due diligence expectations across export markets, Vicostone recognizes the strengthening of the Internal Audit (IA) in monitoring ESG data, ensuring monitoring and supporting risk management as a key component of its sustainability governance framework. In particular, evolving policy developments relating to climate change, the energy transition, carbon pricing, product traceability and non-financial disclosure transparency in the United States, Canada and other international markets are placing increasingly ever-higher demands on exporters of building materials, including Vicostone.

Accordingly, during 2025, the Internal Audit proactively carried out audit activities aligned with the Sustainability Report, focusing on ESG compliance, the reliability of disclosed ESG data and the effectiveness of internal controls relating to the Company's material topics.

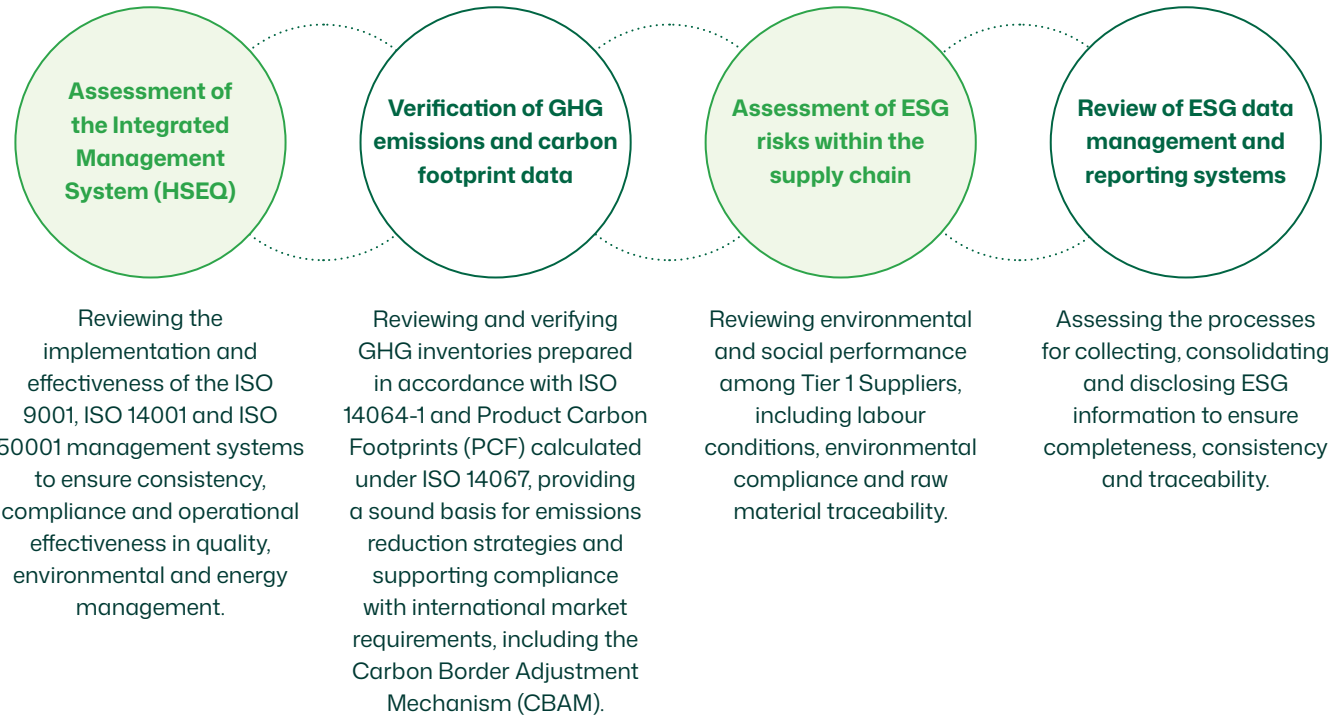
The primary objectives of the 2025 Internal Audit activities as follows:

- Assessing the Company's compliance with international requirements, standards and best practices relating to environmental management, energy, quality and ESG governance;
- Verifying the reliability, consistency and verifiability of ESG data disclosed in the Sustainability Report;
- Assessing the extent to which ESG factors are integrated into the Company's Enterprise Risk Management (ERM) framework;
- Supporting Management Board in strengthening governance capabilities, proactively managing risks and responding effectively to the evolving requirements of export markets.

The audit scope covered all manufacturing and business operations within Vicostone's operational control, including its main manufacturing facilities. ESG data reviewed included environmental indicators- such as Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions, with the gradual expansion of Scope 3 emissions- together with energy and resource consumption, Occupational Health and Safety, and social factors across the supply chain.



2025 Internal Audit program focused on the following areas:



Internal Audit activities were conducted using a risk-based approach, incorporating interviews with relevant business units, reviews of internal processes and documentation, sampling of ESG data, reconciliation of information against operational systems (including HSEQ and ERP), and assessments of the consistency between data and publicly disclosed information.

Internal Audit activities were implemented through an integrated approach with the HSEQ management system and were closely aligned with the Company's Enterprise Risk Management (ERM) framework. Audit data and findings were used to identify and update material ESG risks, assess their significance and the effectiveness of existing controls, support Management Board in strategic decision-making and strategic adjustments, enhance operational efficiency, while minimizing compliance risks.

Audit procedures were performed at a limited assurance level, in line with internationally recognized practices for the assurance of non-financial information while progressively aligning with evolving international assurance standards.

Through these activities, the Internal Audit function contributed to:

- Enhancing the transparency, completeness and independent verifiability of ESG data disclosed in the 2025 Sustainability Report;
- Supporting the accurate measurement, transparent reporting and verification of Greenhouse Gas (GHG) emissions in line with the requirements of international export markets;
- Demonstrating the Company's ability to ensure raw material traceability and effectively manage environmental and social risks across the supply chain, thereby strengthening Vicostone's reputation and competitiveness in international markets.

Internal control indicators for ESG data have been established and are subject to ongoing monitoring. A high proportion of material ESG data undergoing internal review, ensuring completeness and verifiability for disclosure purposes.

Internal Audit System linked to the Sustainability Report (Continued)

2. Results of the 2025 internal audit at Vicostone

2.1. Results of oversight of the Board of Directors' activities

In 2025, the Audit Committee conducted independent oversight of the Board of Directors and noted the following:

- The Board of Directors effectively fulfilled its responsibilities for strategic oversight, business direction and enterprise-wide risk management, ensuring that strategic decisions were aligned with the Company's sustainable development objectives and the long-term interests of shareholders.
- The Board operated in full compliance with applicable laws, the Articles of Association and Corporate Governance Regulations. Resolutions and decisions were issued in a timely manner, following appropriate procedures and within the appropriate authority.
 - Board members performed their duties and responsibilities in accordance the provisions of the Company's Articles of Association;
 - The Board comprehensively assessed market conditions and the domestic and international economic and geopolitical environment, including persistent inflation in multiple countries, geopolitical conflicts and increased competition in export markets. Based on these assessments, the Board adopted timely management measures and strategic directions to support the achievement of the Company's business objectives.
- No conflicts of interest were identified among Board members or between Board members and the interests of the Company.
- Salaries and bonuses for executive Board members were paid in accordance with labor contracts and the remuneration policy approved by the Board, while Board remuneration was paid in accordance with the levels approved by the General Meeting of Shareholders.
- Non-executive members of the Board of Directors received remuneration in accordance with resolutions of the General Meeting of Shareholders.
- Board meetings were convened in compliance with applicable regulations, and meeting minutes were properly prepared and retained in accordance with statutory requirements.
- Through its supervisory work, the Audit Committee has not identified any material irregularities in the activities of the Board of Directors during the reporting period.

2.2. Results of oversight of Management Board's activities

- The Board of Management remained proactive in managing and operating the Company. Business and production plans were developed and adjusted flexibly in line with the Company's strategic direction and evolving domestic and international market conditions, while financial and operational performance indicators were closely monitored.
- Management Board conducted its activities in compliance with applicable laws the Company's Articles of Association and the Internal Governance Regulations;
- No conflicts of interest were identified between Management Board and the Board of Directors, or between the personal interests of Management Board members and the interests of the Company;
- Salaries, bonuses and other remuneration for Management Board were paid in accordance with labor contracts and the Company's internal policies, decisions and remuneration regulations.



The Management Board's management and executive activities are carried out in compliance with applicable laws and regulations.

2. Results of the 2025 internal audit at Vicostone
(Continued)

2.3. Results of supervision of the financial statements, business performance and financial position

2.3.1. Financial Statements

In 2025, the Audit Committee reviewed the Company's quarterly financial statements prior to public disclosure and coordinated with the independent auditor in conducting the review of the semi-annual financial statements and the audit of the 2025 financial statements.

Based on these results, the Audit Committee concluded that:

- No indications were identified that could impair the independence or confidentiality obligations of the independent auditor, Ernst & Young Vietnam Limited, or members of the audit engagement team during the provision of audit services.
- The 2025 financial statements present fairly, in all material respects, the Company's financial position as of December 31st, 2025, together with its financial performance and cash flows for the year then ended.

- The Financial Statements were prepared in accordance with Vietnamese Accounting Standards (VAS) and relevant legal requirements, and fairly present the Company's financial position as of the reporting date.
- No material misstatements or indications of fraud were identified that could affect the fairness and reliability of the Financial Statements.
- The quarterly, semi-annual and audited 2025 annual financial statements were prepared in compliance with the regulations of the State Securities Commission of Vietnam, the Hanoi Stock Exchange (HNX) and other applicable legal requirements.

Based on its review, the Audit Committee concluded that the preparation and disclosure of the Company's financial statements were conducted fully, accurately, in a timely manner and in strict compliance with regulations.

2.3.2. Business Performance

In 2025, both the Board of Directors and Management Board demonstrated strong commitment and proactive leadership in managing the Company's business operations.

Against the backdrop of continued global economic uncertainty and increasing competition from low-cost engineered stone suppliers in international markets, the Company's business performance was affected and did not fully achieve the targets approved by the General Meeting of Shareholders.

However, the Audit Committee noted that the Company maintained supporting resilient operations and promptly adjusted its business and production plans in response to changing market conditions, thereby supporting long-term financial resilience and sustainable development.

2.3.3. Financial Position

- In 2025, the Company's financial position remained stable, maintaining adequate liquidity and a prudent capital structure despite market volatility.
- As of December 31st, 2025, the Company's total assets and capital structure remained at a healthy level. Liquidity ratios continued to improve, reflecting strong financial capacity and the Company's ability to meet its financial obligations as they became due.

Indicators	Unit	Dec 31st, 2024	Dec 31st, 2025	Increasing/(Decreasing)
Total assets (1)	VND billion	6,466.97	5,750.40	(716.58)
Current assets (2)	VND billion	5,473.45	4,803.94	(669.51)
Total equity and liabilities (3)	VND billion	6,466.97	5,750.40	(716.57)
Total liabilities (4)	VND billion	1,357.35	617.70	(739.65)
<i>Current liabilities (5)</i>	VND billion	1,326.64	523.54	(803.10)
Overall solvency ratio (6) = (1)/(4)	Times	4.76	9.31	4.55
Current ratio (7) = (2)/(5)	Times	4.13	9.18	5.05

- The Company did not issue any corporate bonds during the reporting period. Bank loans were utilized efficiently and for their intended purposes, with all loan principal and interest payments settled on schedule.
- Based on the review, the Audit Committee identified no material financial risks that could adversely affect the Company's ability to continue as a going concern during the reporting period.



2. Results of the 2025 internal audit at Vicostone (Continued)

2.4. Results of the Review of the Internal Control and Risk Management Systems

- The Internal Control and Risk Management systems remained effective and appropriate to the scale and nature of the Company's operations, contributing to the effective management of material risks;
- No material deficiencies were identified within the Internal Control system that could significantly affect the Company's operations, financial position or reputation;
- The level of compliance with internal policies and procedures across audited business units remained at a high level, with no material instances of non-compliance identified;
- Operational procedures were reviewed, updated and enhanced in a timely manner to reflect evolving business conditions, particularly in response to changing market dynamics and governance requirements;
- Internal assessments and certification activities relating to the Company's management systems- including ISO 9001 (Quality Management), ISO 14001 (Environmental Management) and ISO 50001 (Energy Management)- continued to be conducted regularly and consistently;
- As Sustainability requirements and international trade compliance obligations continue to increase, the Company's Internal Control system has become an essential foundation for identifying, assessing and managing ESG risks, as well as risks associated with export markets;
- The continuous enhancement of the Internal Control system not only strengthens regulatory compliance but also improves the Company's resilience and adaptability to evolving policy developments and increasingly stringent ESG expectations across international markets;
- Vicostone's internal control and risk management systems continue to operate effectively, in a manner appropriate to the scale and nature of its business operations.



Vicostone's internal control and risk management systems continue to operate effectively, in a manner appropriate to the scale and nature of its business operations..

2.5. Results of the Review of the Company's Legal Compliance

Following a review and assessment, the Audit Committee noted:

- The Company fully complied with applicable laws and regulations relating to tax administration, environmental protection, natural resource and mineral management, as well as other legal requirements governing its manufacturing, business, and export activities;
- No outstanding tax liabilities or overdue tax obligations were identified. All statutory financial obligations to the State were fulfilled in full and on a timely basis;
- No material legal violations were identified during the audit period that could adversely affect the Company's financial position, operations or reputation.

Furthermore, with a view to further enhancing compliance levels and proactively adapting to changes in the domestic and international legal environment, the Audit Committee recommends:

- Strengthen training programs to raise employees' awareness of legal compliance and professional ethics across all departments;
- Regularly update and communicate new legal and regulatory requirements, particularly those relating to taxation, environmental protection and international trade;
- Continue to maintain internal monitoring and review mechanisms to minimize potential legal and compliance risks.

Based on its oversight activities in 2025, the Audit Committee concluded that the Company maintained a high level of legal compliance, supporting resilient operations and sustainable development.

2.6. Assessment of Coordination Between the Audit Committee, the Board of Directors and Management Board

In 2025, the Audit Committee's performance of its internal audit and oversight functions received active, proactive and transparent cooperation from the Board of Directors and the Management Board.

- Throughout audit and oversight activities, the Board of Directors and Management Board provided complete and timely access to internal policies, procedures, reports and other information relating to the Company's governance and management activities, enabling the Audit Committee to perform its responsibilities independently, objectively and effectively;
- The Audit Committee participated in key meetings of the Board of Directors and Management Board, thereby gaining a timely understanding of critical issues and offering advisory opinions on the formulation and adjustment of strategic direction, business planning and implementation;
- Through ongoing oversight and regular communication, the Audit Committee effectively fulfilled its independent oversight responsibilities while providing valuable recommendations to strengthen corporate governance, internal control and risk management.

Based on the cooperation achieved in 2025, the Audit Committee recommends further strengthening its advisory role in strategic decisions relating to risk management, compliance and sustainable development, thereby enhancing the Company's resilience and ability to respond proactively to changes in the business environment.

2. Results of the 2025 internal audit at Vicostone (Continued)

2.7. Audit result on the 2025 Sustainability Report

In 2025, the Audit Committee performed the necessary audit procedures on the Sustainability Report to provide an independent and objective conclusion regarding the appropriateness, accuracy and consistency of the information disclosed.

2.7.1. Scope and Responsibilities

The 2025 Sustainability Report is the responsibility of Management Board and has been prepared and presented in accordance with:

- The current applicable GRI Standards;
- The Company's internal policies and procedures;
- Relevant disclosure requirements.

The responsibility of the Audit Committee is to perform assurance procedures and provide an independent conclusion as to whether any matters have come to its attention that would indicate the Sustainability Report has not been prepared and presented, in all material respects, in accordance with the applicable standards.

2.7.2. Methodology

The assurance procedures, which are limited in scope, include but are not limited to:

- Interviewing individuals responsible for compiling and aggregating ESG data;
- Review of the material topic identification process;
- Sample testing of selected environmental, social and governance indicators;
- Assessment of the consistency between disclosed information and the Company's internal policies;
- Review of the integration of ESG considerations into the Company's strategy and manufacturing and export operations.

2.7.3. Conclusion

Based on the procedures performed, the Audit Committee concluded that no material matters were identified that would cause the 2025 Sustainability Report to be improperly prepared and presented, in all material respects, in accordance with the applicable reporting criteria.

The Audit Committee further concluded that Vicostone Joint Stock Company's governance, Internal Control system and Enterprise Risk Management framework continued to operate effectively, contributing to supporting resilient operations, enhanced transparency and the achievement of the Company's sustainable development.

The scope of the audit of the Sustainability Report covered key environmental, social and governance indicators; the methodology employed was based on a sample-based audit approach, interviews, data reconciliation and a review of consistency with the internal policy framework.

2.8. Roadmap to Enhance the Independence and Reliability of the Sustainability Report (2025-2030)

Roadmap for Enhancing the Independence and Reliability of the Sustainability Report (2025-2030)

Vicostone aims to progressively transition from internal audit and limited assurance toward comprehensive independent third-party assurance, in line with legal requirements and international best practices, particularly those applicable in key export markets such as the European Union and the United States.

Stage	Scope of Audit	Initiatives to enhance the Independence and Reliability of the Sustainability Report
2025-2027	Partial audit	• Financial Statements independently audited by Ernst & Young Vietnam; • Greenhouse Gas (GHG) inventory verified by an independent third party;. • ISO management systems periodically assessed and certified; • Material ESG data subject to internal audit review to ensure completeness, transparency and verifiability.
2028-2030	Third-party accreditation	• Sustainability Report independently assured and externally verified where required by applicable regulations or stakeholders (e.g. customers); • Strengthen compliance with regulatory requirements, meet stakeholder expectations, enhance corporate credibility and align with international standards.

Alignment with Current Practices

Material ESG information is currently subject to comprehensive internal audit review by the Audit Committee to ensure completeness, transparency and verifiability. The implementation of this roadmap will further strengthen the independence and credibility of the Sustainability Report, enhancing Vicostone's reputation, reinforcing its competitiveness in export markets and demonstrating the Company's commitment to internationally recognized Sustainability reporting standards.

Conclusion

Vicostone's internal audit systems serves as a crucial line of defence in ensuring transparency, managing risks and enhancing corporate governance effectiveness.

Through the close integration of the Company's HSEQ, ESG and Enterprise Risk Management (ERM) frameworks with the internal audit, Vicostone continues to strengthen its Sustainability governance framework in line with international best practices, thereby enhancing the Company's competitiveness, supports compliance with the evolving requirements of global markets and advances its long-term commitment to achieving Net Zero 2050.

04

Chapter 04

Sustainable
economic
development

- 180 Economic Performance
- 202 Market Presence and Employment
- 240 Tax (GRI 207)



1103 Koren

(Vicostone Eco Surfaces collections)

Koren captures the natural beauty of delicate speckles scattered across a pure white background. The combination of subtle textures and soft tones creates an elegant and harmonious look, bringing warmth and sophistication to any space.

(Eco collection)

Economic Performance

1. Business Context and Performance in 2025

1.1. Overview the Economic Performance of 2025

In 2025, Vicostone operated in a global economic environment that continued to face both cyclical and structural challenges. Persistently high interest rates, the prolonged downturn in the real estate and construction sectors, geopolitical instability, and the increasing prevalence of trade barriers directly affected global demand for construction materials.

At the same time, requirements relating to product safety, environmental protection, carbon emissions and traceability became increasingly stringent, particularly in key export markets such as North America, Europe and Australia.

Despite these challenges, Vicostone maintained a stable operational foundation, demonstrating flexible management and strong adaptability to market fluctuations. The Company's key financial indicators for 2025 were as follows:

Total revenue

4,271

VND 4,271 billion, equivalent to approximately 96% of 2024

Profit before tax

832.35

billion, equivalent to approximately 87% of 2024

Profit before tax margin

20.16%

Average employee income

24.14

Average monthly employee income: VND 24.14 million per person, up 23.7% compared with that of 2024 (*)

Total liabilities

617.7

VND 617.7 billion, down 45.5% compared with 2024

Notably, Vicostone continued to improve employee income, contributing to workforce stability and long-term production capacity. The significant reduction in liabilities, together with the maintenance of profit margins under challenging market conditions, reflects the Company's disciplined governance and effective operational management.



1.1. Overview the Economic Performance of 2025 (Continued)

Highlights
& Notable
Achievements in
2025

In 2025, Vicostone continued to be recognized by State authorities and reputable organizations for its outstanding achievements in product quality, operational efficiency and sustainable ESG governance practices. serves as a driving force, encouraging the Company to continuously innovate and develop, contributing to the overall prosperity of the national economy and thereby affirming its brand position and competitive strength in the market.

The Company's 2025 performance demonstrates Vicostone's transition toward a growth model driven by operational efficiency, resilience, and sustainable development, in which ESG is being progressively integrated into operations and business strategies, laying the foundation for long-term growth.

In 2025, **Vicostone** continued to receive recognition from State authorities and reputable organizations...



1.1.1. Recognized Awards and Titles



**VIETNAM
NATIONAL
BRAND 2024**
*(valid for two years from the
signing date)*

Ministry of Industry and Trade
Decision No. 2766/QĐ-BCT dated
October 21, 2024



**OUTSTANDING
LABOUR
COLLECTIVE**

Hanoi City
Decision No. 3643/QĐ-UBND
dated July 3, 2025



TOP 10
Key Industrial Products of
Hanoi City
*(certified for three years from
2024 to 2026)*

Hanoi People's Committee
Decision No. 6332/QĐ-UBND dated
December 9, 2024



1.1. Overview the Economic Performance of 2025 (Continued)

1.1.2. Forms of Recognition

GOLD AWARD
Vietnam National Quality Award
(honored on
December 18, 2024)

Prime Minister
Decision No. 132/QĐ-TTg dated
January 31, 2024

TOP 25
25 Leading Listed
Company Brands
in 2025

Forbes Vietnam
September 25, 2025

TOP 50
Vietnam Best
Profitable
Companies 2025

Vietnam Report and VietnamNet
October 14, 2025

TOP 500
Most Profitable
Companies in Vietnam
(PROFIT500)

Vietnam Report and VietnamNet
Decision No. 254/PROFIT-2025 dated
October 29, 2025

Record for the largest
Vietnamese National Flag
and Communist Party Flag
made from engineered stone
in Vietnam

Vietnam Records Organization
August 22, 2025

TOP 100
Green ESG Enterprise
in Vietnam 2025

**Organized by Finance and
Investment Newspaper, under
the Ministry of Finance, in
collaboration with Viet Research**
June 27, 2025

International ISO
certification for Greenhouse
Gas, supporting the Net Zero
2050 roadmap, in accordance
with ISO 14064-1:2018 and ISO
14067:2018

Bureau Veritas Vietnam
a leading French international
certification organization, May 23, 2025

TOP 10
Green ESG Enterprises in
Vietnam 2025 - Building
Materials Sector

**Viet Research in collaboration
with Finance and Investment
Newspaper, Ministry of Finance**

TOP 20
Best Annual Reports 2025 -
Non-financial Sector

**Investment Newspaper, Ho Chi
Minh Stock Exchange and Hanoi
Stock Exchange**
November 4, 2025

HNX
listed company with strong
Corporate Governance
practices for 2024-2025

**Annual Listed Company Conference
organized by the Hanoi Stock
Exchange (HNX)**
November 7, 2025

TOP 100
Sustainable Enterprises
in the Manufacturing
Sector in 2025

**Vietnam Chamber of
Commerce and Industry (VCCI)**
December 5, 2025

TOP 5
Companies with Outstanding
Corporate Governance
Improvement in 2025

**Vietnam Chamber of
Commerce and Industry (VCCI)**
December 5, 2025

TOP 100
Most Valuable Brands
in Vietna

Brand Finance (UK)
September 9, 2025

**Pioneering Enterprise
in Sustainability
in Vietnam's
Construction Sector**

**Ho Chi Minh City Construction and
Building Materials Association (SACA)**

TOP 500
Largest Enterprises
in Vietnam

**Organized by Vietnam Report
and VietnamNet**



1. Business Context and Performance in 2025 (Continued)

1.2. Economic Context and Adaptive Capacity

In 2025, the global business environment continued to be affected by adverse factors, including:	• Persistently high interest rates; • A downturn in real estate and construction sectors across key markets; • Increasing trade protectionism and technical barriers; • Increasingly stringent ESG requirements and environmental standards.
These factors directly affected Vicostone's operations through:	• Lower demand for construction materials, particularly in export markets, directly affecting revenue; • Increased price competition, putting pressure on profit margins; • Higher costs associated with ESG compliance and product standards, affecting operating costs; • Supply chain disruption risks and rising input costs, affecting cash flow and production plans.
In response, Vicostone proactively implemented adaptive measures, including:	• Adjusting its market structure by increasing the domestic market share and diversifying export markets, including expansion into new markets such as Australia and Japan; • Optimizing operations, controlling costs and improving resource efficiency; • Progressively integrating ESG factors into business and production activities, particularly through the development of safe, environmentally friendly products that comply with international standards.

As a result, the Company maintained operational stability, mitigated the negative impact of market fluctuations and strengthened its resilience over the medium and long term.

The 2025 context not only presented challenges but also accelerated Vicostone's transition toward a more flexible business model, with reduced dependence on any single market and closer alignment with global sustainable development trends.

1.3. Material Risks and Financial Impacts (GRI 201-2)

Amid global economic volatility and increasing sustainability requirements, Vicostone identifies and manages material risks through its Enterprise Risk Management (ERM) framework, ensuring that financial impacts are comprehensively assessed and integrated into decision-making.

Vicostone has identified the following material risk groups and financial impacts:

		
Macroeconomic and financial risks	Market risks	International trade risks
High interest rates increase the cost of capital, affecting profitability and the Company's ability to expand investment.	Declining demand in key export markets and increasingly intense price competition directly affect revenue and profit margins.	Increasing technical barriers and trade defence policies increase compliance costs and restrict market access.
		
Industry-specific risks	ESG and climate change risks	
Regulations relating to Occupational Health and Safety, particularly silica dust control, create additional compliance costs and legal risks.	Carbon tax mechanisms, green product requirements, low-emission standards and traceability requirements increase transition costs while creating pressure for technological and product innovation.	

Overall, these risks directly affect revenue, costs, profit margins and investment strategy, while accelerating the Company's transition toward a more sustainable growth model.

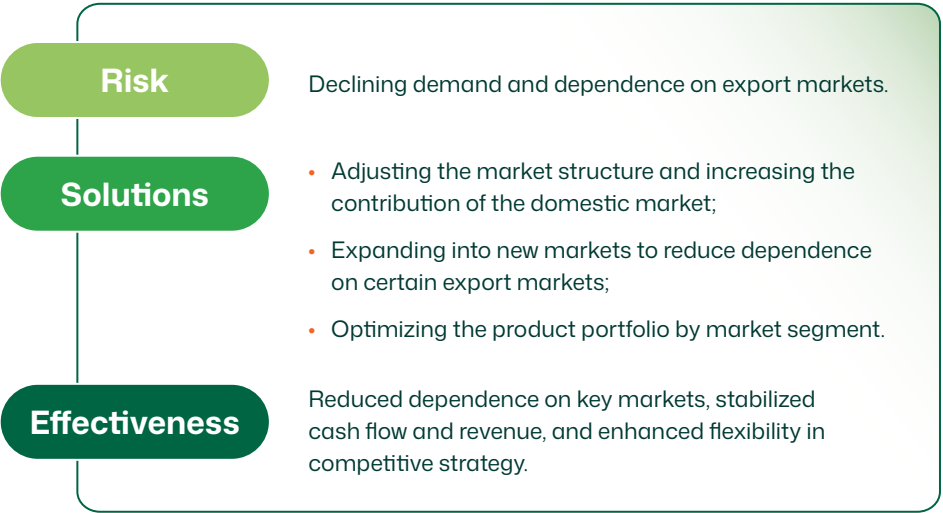
Risk identification and management not only aim to mitigate negative impacts but also provide the basis for the Company to strengthen resilience, restructure its product portfolio toward sustainability and enhance competitiveness amid significant shifts in global markets.

Economic Performance (Continued)

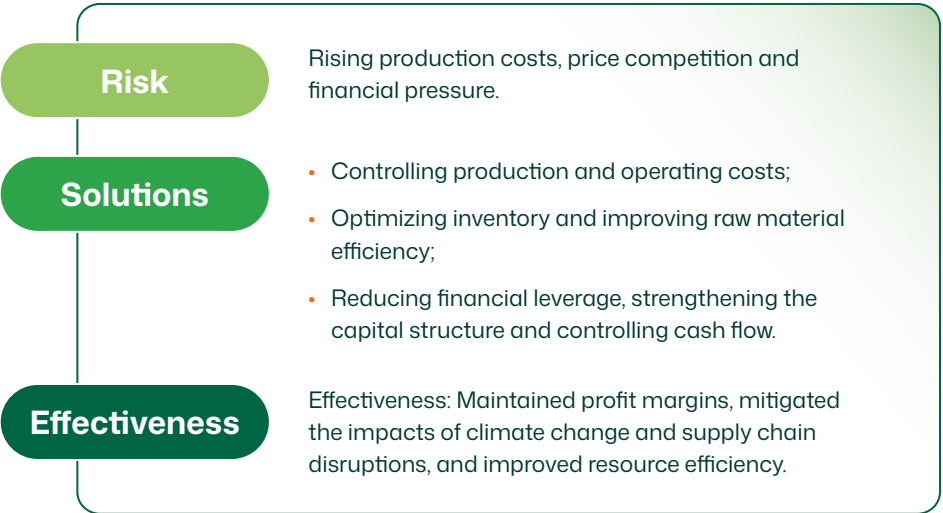
2. Management actions and Risk responses

Based on the identification of material risks, Vicostone implemented a comprehensive set of management measures to mitigate short-term adverse impacts and reinforce the foundation for long-term sustainable growth.

2.1. Stabilizing markets and revenue



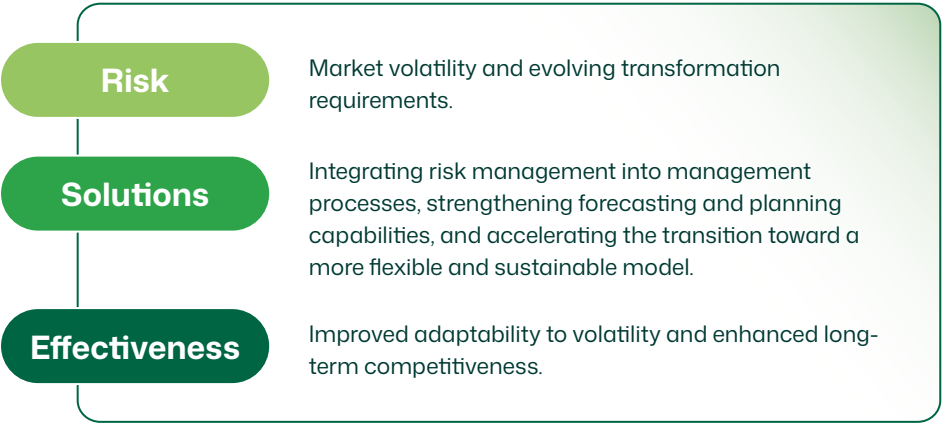
2.2. Optimizing Operations and Finance



2.3. Integrating ESG into Business operations



2.4. Enhancing governance capacity and Long-term adaptability



The management measures implemented in 2025 not only helped Vicostone mitigate the adverse impacts of industry cycles, but also marked an important shift in its development model. By combining operational optimization, prudent financial management and ESG integration, the Company progressively strengthened its foundation for sustainable growth, enhanced resilience and prepared for a market recovery.

Economic Performance (Continued)

3. Economic Performance and Resource Efficiency

3.1. Financial results and Trends for 2021-2025

No.	Indicators	Units	2021	2022	2023	2024	2025
1	Total import-export turnover	USD million	277.81	193.98	149.88	147.33	128.29
	Of which:						
	Import turnover	USD million	48.99	42.03	14.37	18.14	21.38
	Export turnover	USD million	228.82	151.95	135.51	129.18	106.91
2	Total revenue	VND billion	7,136.65	5,761.95	4,457.17	4,425.42	4,271.14
3	Operating expenses	VND billion	4,927.12	4,238.72	3,348.18	3,401.55	3,362.17
4	Profit before tax	VND billion	2,097.40	1,377.22	999.44	953.34	832.35
5	Profit after tax	VND billion	1,772.06	1,148.70	846.38	807.12	694.46
6	State budget contributions	VND billion	448.40	379.02	165.68	223.12	292.30
7	Total liabilities	VND billion	2,018.72	1,721.17	1,482.43	1,357.35	617.70
8	Equity at year-end	VND billion	4,874.20	4,868.74	4,985.82	5,109.62	5,132.69
9	Charter capital	VND billion	1,600.00	1,600.00	1,600.00	1,600.00	1,600.00
10	Dividend payout ratio (cash and share dividends)	% of par value of outstanding shares	43.09%	60.00%	40.00%	40.00%	38.00%
11	Average monthly income (*)	VND million /person	19.49	18.17	19.34	19.52	24.14
12	Interest expense	VND billion	56.88	48.52	57.62	34.57	46.38
13	Profit before tax /Net revenue	%	29.67%	24.33%	22.96%	22.06%	20.16%
14	Profit after tax /Net revenue	%	25.06%	20.29%	19.44%	18.67%	16.82%
15	Return on average equity (ROAE)	%	40.59%	23.58%	17.18%	15.99%	13.59%
16	Return on average assets (ROAA)	%	27.37%	17.04%	12.96%	12.48%	10.74%

(*) Vicostone independent data.

Trend Analysis

Vicostone's 2021-2025 performance clearly reflects the impact of the global building materials sector cycle, particularly the market correction following the previous period of strong growth. Amid weakening market demand and an increasingly challenging business environment, the Company's financial performance declined but remained resilient relative to broader industry trends.

- Total revenue decreased from VND 7,136.65 billion in 2021 to VND 4,271.14 billion in 2025;
- Profit before tax decreased from VND 2,097.40 billion to VND 832.35 billion;
- The profit before tax margin decreased to 20.16%.

The decline was primarily attributable to weakening demand in export markets, intensified price competition, increasing trade protectionism, and rising input costs and compliance requirements. Nevertheless, profitability remained competitive within the industry, demonstrating the Company's disciplined cost management and agile operational and commercial management.

Capital efficiency declined, with ROAE decreasing from 40.59% in 2021 to 13.59% in 2025, while ROAA followed a similar trend. This reflects the impact of an expanded capital base, adjustments to the capital structure and the Company's strategic emphasis on financial resilience and stability amid prolonged market volatility. The decline represents a managed adjustment consistent with Vicostone's long-term Sustainability strategy.

The Company's financial position strengthened significantly over the period. Total liabilities declined sharply from VND 2,018.72 billion to VND 617.70 billion, while equity increased to VND 5,132.69 billion. This capital restructuring reduced financing pressure enhanced financial autonomy and strengthened resilience against economic uncertainty.

Operational efficiency remained stable as Vicostone continued to maintain disciplined control over operating expenses through production optimization, effective inventory and raw material management, and efficient resource utilization. These measures were instrumental in preserving profitability despite adverse market conditions.

Human capital remained a key strength throughout the period. Average employee income increased steadily, particularly in 2025 when it rose by 23.7%, reflecting the Company's commitment to retaining skilled employees, enhancing workforce engagement and productivity, and minimizing operational disruption risks.

Overall, Vicostone is transitioning from a growth model driven primarily by scale expansion and export markets toward a more resilient model focused on operational efficiency, risk management and sustainability. This strategic transformation reflects a shift from maximizing short-term profitability to creating long-term value through balanced financial performance and progressive ESG integration across manufacturing and product development.

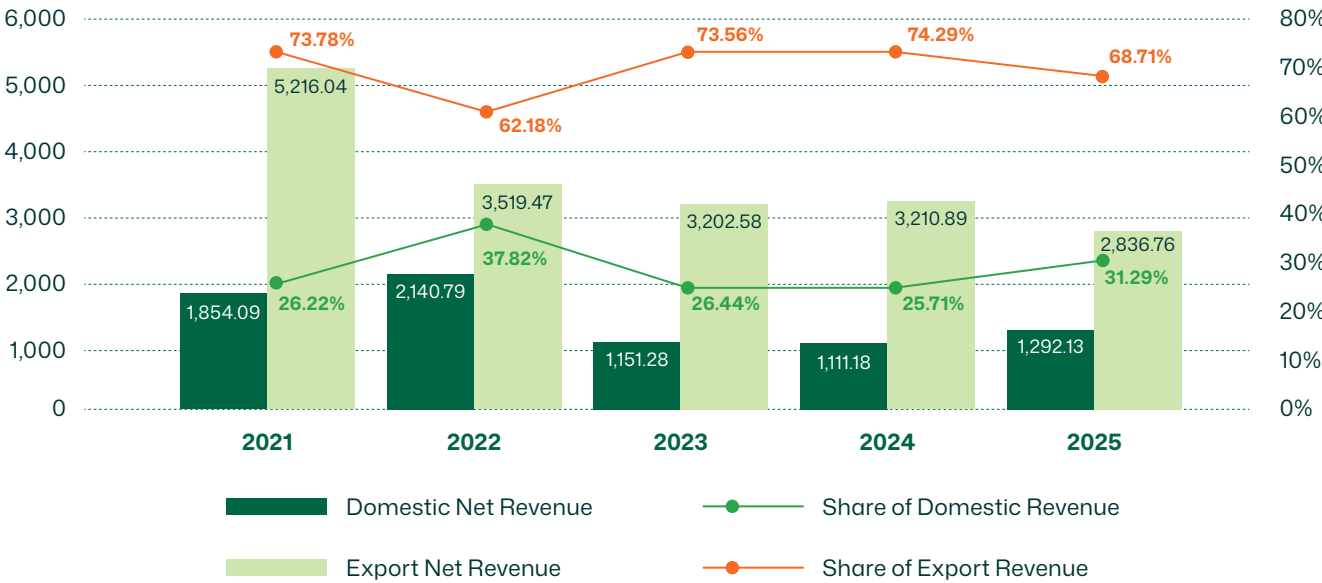
These results demonstrate the Company's efforts to maintain stable operations, proactively diversify target markets, accelerate the development of safer and more environmentally friendly products, and improve inventory management and resource efficiency. As a result, capital efficiency remained positive despite a challenging business environment.

3. Economic Performance and Resource Efficiency
(Continued)

3.2. Revenue structure by Region

No.	Indicator	Unit	2021	2022	2023	2024	2025
1	Domestic net revenue	VND billion	1,854.09	2,140.79	1,151.28	1,111.18	1,292.13
2	Domestic revenue share	%	26.22%	37.82%	26.44%	25.71%	31.29%
3	Export net revenue	VND billion	5,216.04	3,519.47	3,202.58	3,210.89	2,836.76
4	Export revenue share	%	73.78%	62.18%	73.56%	74.29%	68.71%

Revenue Structure by Market



Vicostone’s revenue structure during the 2021-2025 period continued to be driven primarily by export markets, while the contribution of the domestic market increased in 2025.

Domestic revenue reached VND 1,292.13 billion, accounting for 31.29% of total revenue and increasing by 16.28% compared with that of 2024.

Export revenue reached VND 2,836.76 billion, accounting for 68.71% of total revenue, representing a decline from the previous year.

Vicostone promotes the development of environmentally friendly products, maintains access to export markets and enhances its long-term competitive advantage.

The shift in revenue composition was mainly driven by weakening demand in export markets, particularly in the real estate and construction sectors, together with increasingly stringent trade barriers, technical requirements and ESG-related expectations, including traceability, low-emission products and green product standards. Meanwhile, the domestic market remained relatively stable and was less directly affected by global market volatility.

The increased contribution of domestic revenue helped reduce dependence on international markets, stabilize cash flow and enhance business flexibility. At the same time, the continued dominance of export revenue demonstrates Vicostone’s strong international competitiveness and its ability to comply with demanding global standards.

Against the backdrop of increasingly stringent ESG requirements and environmental regulations in international markets, together with climate transition risks such as carbon pricing, green product standards and growing demand for safe and environmentally friendly products, this shift in revenue structure represents not only a short-term response but also a long-term strategic direction. Through this approach, Vicostone mitigates market risks, promotes the development of environmentally friendly products, maintains access to export markets and strengthens its sustainable competitive advantage.

3. Economic Performance and Resource Efficiency (Continued)

3.3. Financial management and Capital efficiency

Throughout the 2021-2025 period, Vicostone consistently pursued a prudent and flexible financial management approach aimed at strengthening resilience amid market volatility. In a challenging business environment, the Company prioritized reinforcing its financial foundation, managing risks effectively and optimizing capital efficiency.

A notable achievement was the Company's proactive optimization of its capital structure toward a more prudent financial profile. Total liabilities declined significantly from VND 2,018.72 billion in 2021 to VND 617.70 billion in 2025,

while equity increased to VND 5,132.69 billion. This reduced financing costs, improved cash flow and strengthened the Company's financial independence.

Capital efficiency indicators also reflected market conditions. ROAE and ROAA declined from 40.59% to 13.59% and from 27.37% to 10.74%, respectively. However, these changes primarily reflected the industry downturn and the Company's deliberate strategy to reduce financial leverage, while maintaining stable operational performance.



Vicostone
is progressively
integrating ESG
factors into
its financial
management.

The Company also continued to strengthen working capital management through effective inventory control, receivables management and improvements in capital turnover, thereby enhancing asset utilization efficiency and maintaining healthy liquidity.

Notably, ESG considerations have been progressively embedded into Vicostone's financial management framework. Investments in green manufacturing technologies, energy efficiency and environmentally friendly products may increase short-term costs but contribute to reducing long-term business risks, particularly those associated with carbon pricing mechanisms and evolving environmental regulations.

Vicostone's financial management strategy reflects its transition from short-term profit maximization toward a balanced approach that integrates efficiency, financial resilience and sustainability, providing a solid foundation for long-term value creation.

3.4. Direct and Indirect Economic Values (GRI 201-1, 203-1)

In 2025, Vicostone generated and distributed economic value in a balanced manner among its Stakeholders while maintaining financial resilience amid market volatility.

Direct Economic Values

Government	Shareholders	Employees
State budget contributions amounted to VND 292.30 billion, an increase of 31% compared with that of 2024, demonstrating the Company's continued fulfillment of its tax and statutory obligations despite lower profitability.	The Company maintained a dividend payout ratio of 38%, safeguarding shareholder interests under challenging market conditions.	Average employee income reached VND 24.14 million per person per month, representing a 23.7% increase (*), contributing to workforce stability and higher operational productivity.

Indirect Economic Values

Beyond its direct economic contributions, Vicostone generated broader value across its business ecosystem by:

- Promoting the domestic supply chain through prioritizing local suppliers, thereby supporting local economic development and reducing dependence on international sourcing;
- Maintaining stable production, creating employment and income opportunities for business partners, suppliers and service providers throughout the value chain;
- Contributing to the advancement of the building materials industry through product innovation and continuous improvements in manufacturing standards.

Linkage with Risks and ESG

Against a backdrop of economic uncertainty and increasing ESG expectations, maintaining stable economic value distribution enables Vicostone to:

- Mitigate operational risks arising from workforce and supply chain disruptions;
- Strengthen corporate reputation and financial resilience;
- Support the transition toward a more sustainable business model by prioritizing the domestic supply chain and creating broader social value.

These activities also contribute to meeting increasingly stringent ESG expectations, particularly with respect to responsibilities toward employees, communities and Stakeholders throughout the value chain.

Balanced economic value creation and distribution not only support Vicostone's short-term operational stability but also establish a strong foundation for sustainable development. This strengthens the Company's long-term competitiveness, reinforces stakeholder confidence and enhances its ability to adapt to the ongoing transformation of the global economy.

Economic Performance (Continued)

4. ESG and Socio-economic Value

4.1. ESG and Sustainable growth

As environmental, social and governance requirements increasingly become mandatory standards in global markets, Vicostone recognizes ESG not only as a compliance requirement, but also as a key driver of growth and long-term competitiveness.

In 2025, the Company continued to integrate ESG factors into its business and production activities, from product development and operational optimization to resource management. This approach enabled Vicostone to create economic value while mitigating risks and strengthening adaptability.

Environmentally friendly product development:

Vicostone accelerated research and development of product lines using environmentally friendly materials to meet increasingly stringent standards in export markets. As of 2025, nearly 50 products incorporated environmentally friendly materials, contributing approximately USD 15-20 million in annual revenue. These products not only support the Company's expansion in premium markets such as Europe and North America, but also help reduce compliance risks related to emissions and environmental standards.

Resource efficiency and Operational performance:

Vicostone focuses on optimizing input materials, increasing internal recycling and reuse, and improving production processes to reduce energy consumption, control costs and mitigate risks associated with fluctuations in raw material and energy prices. In 2025, the Company progressively integrated ESG considerations into its business operations—from product development and operational optimization to resource management—thereby creating economic value while reducing risks and strengthening resilience.

Human resources and Operational stability:

Average employee income increased by 23.7% in 2025, contributing to workforce stability, sustained productivity and reduced risks of production disruptions.

Through these efforts, ESG is progressively becoming an integral part of Vicostone's operational capabilities and competitive strength, supporting the Company in adapting to evolving market requirements, improving resource efficiency and establishing a foundation for long-term sustainable growth.



Vicostone recognizes ESG not only as a compliance requirement but also as a key driver of growth and long-term competitiveness.

4.2. Benefit obligations (GRI 201-3)

Vicostone fully fulfills its benefit obligations to its employees in accordance with legal requirements, while progressively enhancing its remuneration and benefits policies toward a more sustainable and long-term approach:



Mandatory benefits

100% of employees are fully covered by social insurance, health insurance and unemployment insurance as required by law.



Welfare and support policies

The Company provides support benefits for employees in cases of resignation, statutory leave and other welfare programs to ensure income security and stable living conditions.



Long-term orientation

Vicostone is researching and progressively developing long-term welfare policies, including supplementary retirement programs, to enhance employee engagement and social security.

Maintaining and improving employee benefits not only ensures legal compliance, but also contributes to workforce stability, improved labor productivity and reduced production disruption risks.

4.3. Financial assistance from government (GRI 201-4)

In 2025, Vicostone did not receive any direct financial assistance from the government, including cash grants, investment support or equivalent subsidies.

The Company operates under market mechanisms, fully fulfills its financial obligations and complies with applicable laws and regulations. Where general incentive policies apply, if any, the Company implements them in accordance with applicable regulations and discloses them fully in the relevant reporting periods.

The fulfillment of benefit obligations and transparency regarding government financial assistance reflect Vicostone's commitment to safeguarding employee rights and welfare, complying with legal requirements and international reporting standards, and enhancing transparency and accountability. These are important factors in strengthening stakeholder trust and supporting the Company's sustainability strategy.

Economic Performance (Continued)

5. Plans and Strategic Direction for 2026-2030

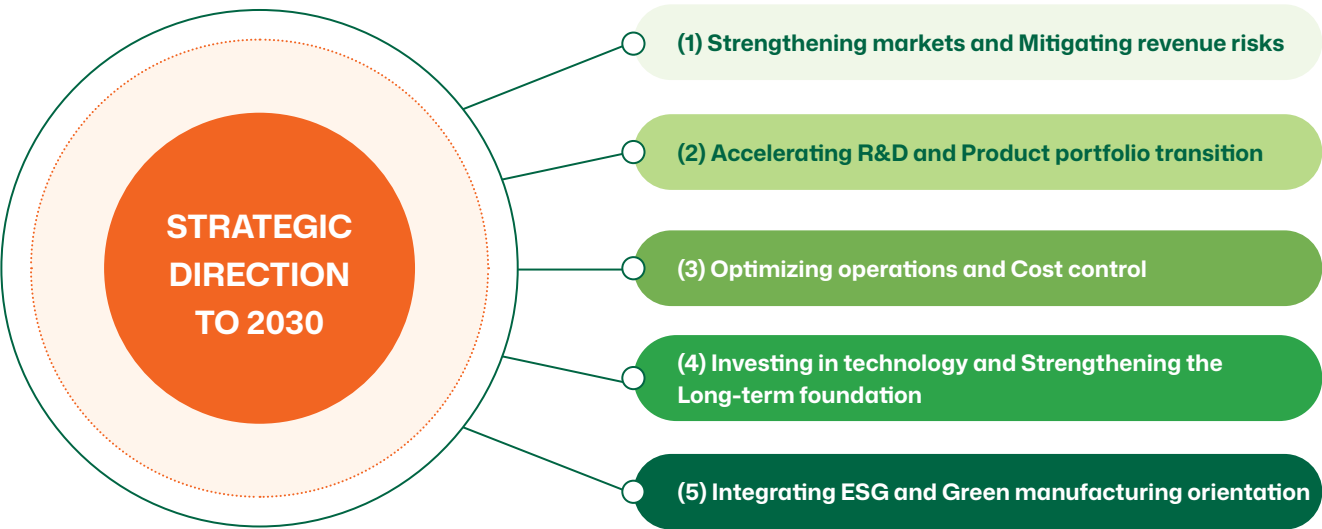
5.1. 2026 Plan and Strategic direction

Based on its assessment of market conditions and 2025 performance, Vicostone has developed its 2026 plan with a prudent orientation, prioritizing stability and resilience. The Company targets net revenue of VND 4,206 billion and profit before tax of VND 744 billion. This plan reflects the Company's flexible approach amid continued market uncertainty, while laying the foundation for the next phase of recovery and growth.

No.	Indicators	Units	2025	2026 Plan	Growth (%)
1	Net revenue from sales of goods and provision of services	VND billion	4,129	4,206	1.86%
2	Profit before tax	VND billion	832	744	-10.58%

5.1.1. Strategic direction to 2030

Over the medium and long term, Vicostone will focus on strategic priorities aimed at strengthening its financial foundation, enhancing competitiveness and integrating ESG into its growth model.



(1) Strengthening markets and Mitigating revenue risks

- Maintain and increase the share of revenue from the domestic market to reduce dependence on exports;
- Selectively expand into potential international markets aligned with the Company's capability to meet technical and ESG standards.

This direction aims to mitigate market risks, trade barriers and global demand volatility.

(2) Accelerating R&D and Product portfolio transition

- Strengthen research into new materials and develop product lines aligned with environmentally friendly design principles;
- Improve the Company's ability to meet environmental and technical standards in export markets.

This direction aims to maintain market access and reduce risks related to ESG requirements and climate change.

(3) Optimizing operations and Cost control

- Continue to improve production processes, optimize inventory and improve raw material efficiency;
- Enhance operational efficiency to maintain profit margins under challenging market conditions.

These measures contribute to improving resource efficiency and financial resilience.

(4) Investing in technology and Strengthening the Long-term foundation

- Upgrade technology systems, machinery and production processes;
- Increase operational flexibility to adapt to market volatility;
- Apply technology in governance and management.

These actions create a foundation for sustainable growth and enhanced competitiveness.

(5) Integrating ESG and Green manufacturing orientation

- Develop a portfolio of safe and environmentally friendly products;
- Strengthen emissions management and resource efficiency;
- Meet ESG standards in international markets.

Alignment with ESG standards in international markets, particularly amid increasing trade barriers and stringent environmental requirements, will help enhance the Company's operational efficiency and competitiveness. Within Phenikaa Group's development strategy, ESG serves as an important pillar, enabling the Company not only to meet rising market expectations, but also to mitigate risks, improve operational efficiency and strengthen adaptability to change.

5.1.2. Long-term vision and Orientation

Vicostone's strategic direction for the 2026-2030 period reflects a clear transition from a growth model driven by scale expansion to one centered on efficiency, innovation, and sustainability. Accordingly, by 2030, Vicostone aims for 100% of its product portfolio to be developed toward safety and environmental responsibility, meeting criteria on material use, resource optimization and compliance with environmental standards in key export markets.

This orientation contributes to mitigating risks related to ESG, climate change and trade barriers, while creating a foundation for long-term growth and strengthening the Company's competitiveness in international markets.

5. Plans and Strategic Direction for 2026-2030 (Continued)

5.2. Conclusion - Economic performance linked to sustainability

The 2021-2025 period marked an important adjustment cycle for Vicostone amid significant volatility in the global building materials market and increasing ESG requirements. Although affected by weakening demand, competitive pressure and compliance costs, the Company maintained a stable operating foundation, preserved core financial performance and strengthened resilience against macroeconomic volatility.

The results achieved not only reflect flexible management capabilities and financial discipline, but also demonstrate a clear transition in Vicostone's growth model: from growth driven by scale and export markets to a model based on efficiency, risk management and sustainability.

By proactively restructuring its financial position, optimizing operations, diversifying markets and progressively integrating ESG into its business and production strategy, the Company has not only mitigated short-term adverse impacts, but also built a solid foundation for long-term growth.

ESG is gradually becoming a core factor shaping Vicostone's development strategy, not only to meet compliance requirements but also to create competitive advantage through green products, resource efficiency and transparent governance.

In the coming period, with a development orientation linked to ESG and Net Zero objectives, Vicostone will pursue not only economic growth, but also a commitment to creating sustainable value for stakeholders and contributing to the broader development of the economy and society.

Vicostone is not merely adapting to change; it is proactively shaping a new growth model in which financial performance, technological innovation and ESG are integrated into sustainable competitive advantage.

Market Presence and Employment

(GRI 2-7, 2-8, 401-1, 401-2, 202-1, 202-2)

In 2025, Vicostone not only maintained employment stability but also advanced toward a sustainable human capital Management model, in which productivity, employee experience and values created by each employee became core priorities. This approach provides a solid foundation for strengthening the Company's resilience amid market volatility while creating long-term competitive advantage.



Market Presence and Employment (Continued)

Strategic Role of human capital in Sustainable Development

Throughout Vicostone’s development journey, people have been recognized not only as an operational resource but as a core source of value creation, determining the Company’s competitiveness and long-term sustainable growth. Guided by Vicostone’s sustainability philosophy, “For a Greener Future”, human capital Management is recognized as one of the key pillars of the Company’s ESG strategy, particularly under the Social (S) pillar.

In 2025, on a consolidated basis covering Vicostone and Phenikaa Hue Mineral Processing and Investment One Member Company Limited, the total workforce reached 841 employees. Despite continued volatility in the global construction materials and export markets, the Company maintained a stable workforce, recorded no involuntary layoffs, and kept employee turnover at a low level of approximately 6-7%. These results demonstrate proactive human capital Management, strong organizational adaptability and a clear commitment to providing sustainable employment.

Beyond maintaining workforce stability, Vicostone continued to improve the quality of its human capital. employees holding university degrees or higher accounted for 33.4% of the workforce, while the workforce structure shifted toward a higher proportion of technical and professional personnel, in line with increasing automation and technological advancement in manufacturing. At the same time, average monthly income reached VND 22.06 million per employee, equivalent to approximately 4.61 times the average regional minimum wage, reaffirming the Company’s strategy of competing through productivity, workforce quality and value creation rather than low labor costs.

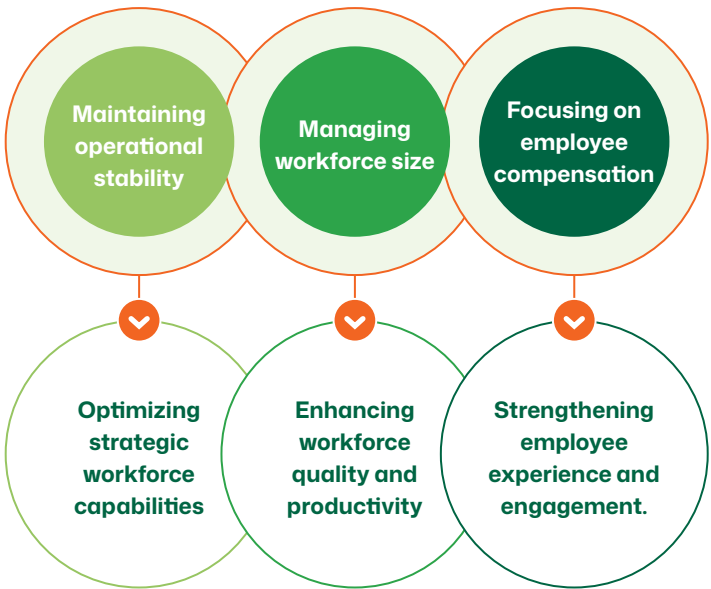
Alongside its remuneration policy, Vicostone continued to enhance its employee welfare framework toward a more comprehensive and people-centric approach, progressively

evolving from traditional compensation to holistic employee experience. Healthcare programs, family support initiatives, personal development opportunities and employee engagement activities were implemented in an integrated manner, contributing to higher employee satisfaction, stronger engagement and a more cohesive corporate culture.

From a labor market perspective, Vicostone continued to play an important role as a responsible employer in local communities, with approximately 47% of newly recruited employees coming from local areas. This localized recruitment approach not only supports regional socio-economic development but also provides a solid foundation for the Company’s long-term operational stability and sustainable growth.



Overall, 2025 marked a significant transformation in Vicostone’s human capital Management approach:



These strategic shifts not only enhanced the Company’s operational performance but also directly contributed to SDG 8 - Decent Work and Economic Growth through the creation of sustainable employment, improved income levels and the promotion of a fair and inclusive working environment.

This provides a strong foundation for Vicostone to further advance its ESG strategy and realize its long-term Sustainability ambitions, including its Net Zero 2050 commitment.

Market Presence and Employment

(Continued)

2025 ESG Highlights

Vicostone does not compete through low labor costs, but through productivity, workforce quality and the value created by each employee.

841

employees

~2.02

Starting salary: approximately 2.02 times of the average regional minimum wage

0

Involuntary layoffs

22.06

VND 22.06 million, equivalent to approximately 4.61 times of the average regional minimum wage

93.2%

Female-to-male income ratio

47%

employees were hired from local communities

Basis for Determining the Indicators

Employment, remuneration and market presence indicators are determined on a consolidated basis covering Vicostone and its subsidiary in accordance with the following principles:



Average income

is calculated by dividing total pre-tax remuneration- including salaries, allowances, bonuses, overtime payments and other salary-related benefits- by the average number of employees during the reporting period.



Regional minimum wages

are determined in accordance with applicable government regulations for each operating location. For consolidated reporting, the average regional minimum wage is calculated using a workforce-weighted average based on the number of employees at each entity.



Income-to-minimum wage ratios

are calculated by comparing average employee income with the weighted average regional minimum wage determined using the methodology described above.



The female-to-male income ratio

is calculated based on average income by gender and has not been adjusted for job position, grade or shift arrangements.



Employee turnover

includes all employment terminations during the reporting period, including voluntary resignations, retirements and internal transfers. No involuntary terminations occurred in 2025.



Local employees

are defined as employees whose place of residence is located within the Company's operating areas: Quoc Oai, Thach That and Hoa Lac for Vicostone, and Thua Thien Hue for the subsidiary.



The reported workforce

includes all employees under labor contracts. Non-employee workers, if any, are insignificant and are therefore excluded from the total reported workforce.

Market Presence and Employment

(Continued)

1. Workforce size and composition (GRI 2-7, 2-8)

1.1. Workforce Size - Optimized for Efficiency and Sustainability

Recognizing people as its most valuable asset and a key driver of long-term competitiveness, Vicostone continues to adopt a consistent human capital Management approach founded on the principles of stability, efficiency and sustainable development.

As of December 31, 2025, the consolidated workforce of Vicostone and its subsidiary totaled 841 employees, compared with 827 employees in 2024. The workforce at Vicostone remained stable at 645 employees, virtually unchanged from the previous year.

Against a backdrop of market volatility, maintaining a stable workforce with no involuntary layoffs while optimizing workforce size demonstrates the Company's proactive human capital Management capabilities and organizational resilience.

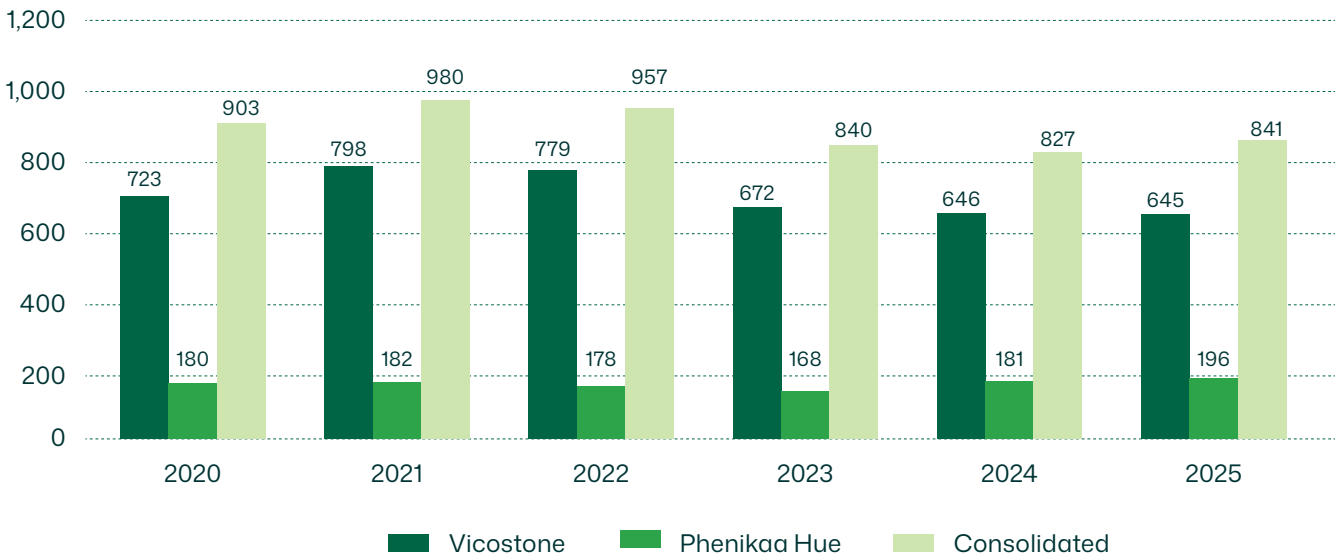
- From a growth model driven by workforce expansion;
- To a growth model driven by productivity, operational efficiency and value creation per employee.

Against a backdrop of continued market uncertainty, maintaining a stable workforce with no involuntary layoffs while optimizing workforce size demonstrates the Company's proactive human capital Management capabilities and organizational resilience.

From an ESG perspective, this reflects not only operational effectiveness but also a clear commitment to providing sustainable employment, minimizing adverse social impacts and ensuring stable income opportunities for employees.



Vicostone and Phenikaa Hue Workforce



Company	Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
	2024	2025	2024	2025	2024	2025	2025 Ratio
Number of workforce	645	645	181	196	827	841	100%
Male	522	519	154	165	676	684	81.33%
Female	124	126	27	31	151	157	18.67%
Kinh	641	640	179	194	820	834	99.17%
Ethnic minorities	5	5	2	2	7	7	0.83%
Office and indirect employees	248	241	56	61	304	302	35.91%
Direct production employees	398	404	125	135	523	539	64.09%

1. Workforce size and composition (GRI 2-7, 2-8) (Continued)

1.2. Workforce Composition by Job Function - Optimizing the Operating Model

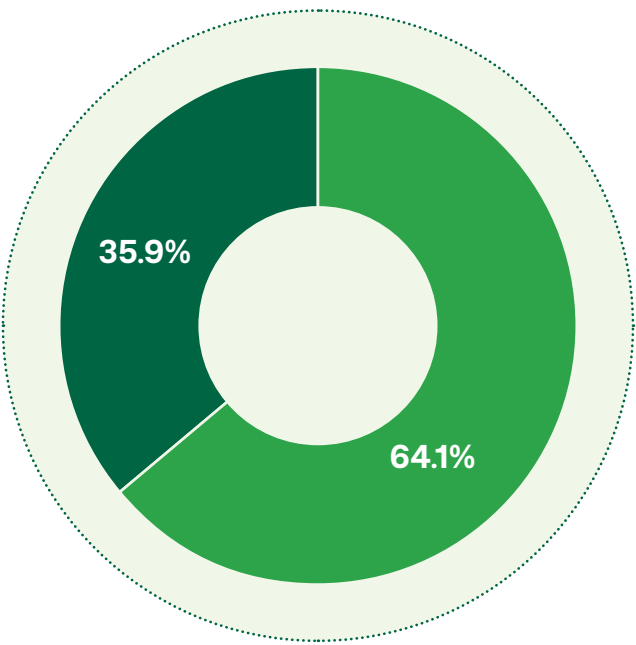
In 2025, Vicostone further optimized its workforce structure to enhance operational efficiency:

- **Direct production employees:** 64.1%;
- **Indirect employees:** 35.9%.

Compared with 2024, the proportion of direct production employees increased slightly, while the proportion of indirect employees declined correspondingly. This trend reflects the Company's strategic focus on strengthening its core manufacturing capabilities while streamlining management functions and optimizing operating costs.

Compared with the 2021-2023 period, when the proportion of direct production employees was higher, the current workforce composition demonstrates a strategic rebalancing toward technical, managerial and production support roles.

This transformation reflects Vicostone's evolution from a traditional manufacturing model to a lean operating model, where productivity and value generated per resource take precedence over simple capacity expansion.



● Direct production employees ● Indirect employees

Workforce Composition by Job Function

1.3. Gender Composition - Advancing Diversity, Equity and Inclusion

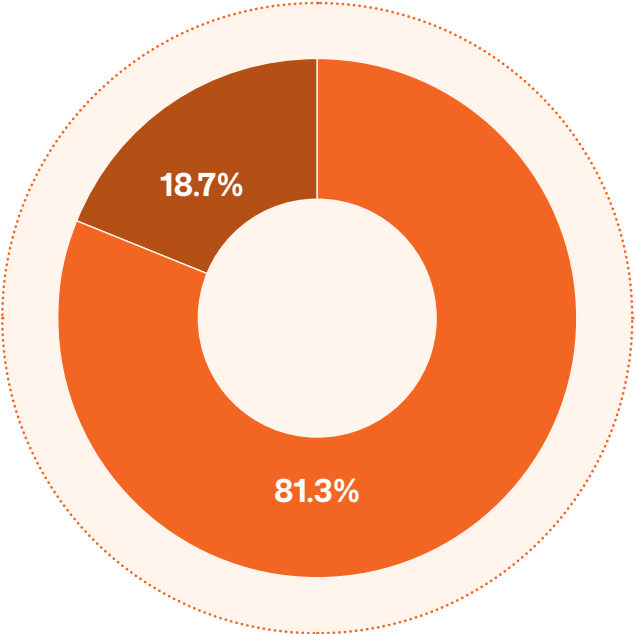
In 2025, Vicostone maintained a stable gender composition:

- **Male:** 81.3%;
- **Female:** 18.7%.

Compared with 2024 (approximately 80.8% male and 19.2% female), the change was minimal, reflecting the technical and physical requirements inherent in industrial manufacturing.

Nevertheless, Vicostone remains committed to progressively expanding employment opportunities for women, improving workplace conditions and advancing Diversity, Equity and Inclusion (DEI).

From an ESG perspective, this represents a long-term commitment to promoting equal career opportunities, enhancing workforce diversity and fostering a more sustainable and inclusive workplace.



● Male ● Female

Workforce Composition by Gender

1. Workforce size and composition (GRI 2-7, 2-8) (Continued)

1.4. Management Structure - Stability, Succession and Internal Talent Development

Company		Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
Structure	Indicator	2024	2025	2024	2025	2024	2025	2025 Ratio
Workforce size	Total workforce	646	645	181	196	827	841	100%
	Senior Management	7	8	3	3	10	11	1.31%
Management level	Local Senior Management	2	2	2	2	4	4	36.36%
	Female Senior Management	2	2	1	1	3	3	27.27%
	Middle Management	35	36	7	8	42	44	5.23%
	Female Middle Management	8	8	0	0	8	8	18.18%
	Professional employees	191	197	46	50	237	247	29.37%
	Production Workers	413	404	125	135	538	539	64.09%

As of December 31, 2025, Vicostone maintained a stable management structure comprising:

- **11 Senior Management members** (representing 1.3% of the total workforce);
- **44 Middle Managers** (representing 5.2% of the total workforce).

Regarding local representation, 36% of Senior Management positions were held by individuals originating from local communities, compared with 40% in 2024. This slight decrease primarily reflects changes in the management structure resulting from internal leadership rotation within the Group and the appointment of management personnel to meet evolving operational and strategic requirements.

Going forward, Vicostone remains committed to maintaining and increasing the proportion of locally sourced Senior Management through succession planning, internal talent development and structured career development programs.

From a gender diversity perspective:

- **27% of Senior Management positions were held by women** (compared with 30% in 2024);
- **18% of Middle Management positions were held by women** (compared with 19% in 2024).

These indicators demonstrate Vicostone's continued commitment to promoting gender equality and ensuring equitable career development opportunities across its management structure while progressively strengthening workforce diversity.

The Company's management model emphasizes stability, succession planning, adaptability and organizational agility, enabling effective responses to evolving economic conditions and business requirements.

1.5. Management Structure - Stability, Succession and Internal Talent Development

Company		Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
Structure	Indicator	2024	2025	2024	2025	2024	2025	2025 Ratio
Workforce size	Total workforce	646	645	181	196	827	841	100%
	Postgraduate	19	24	2	2	21	26	3.09%
Educational profile	Bachelor's degree	192	183	64	72	256	255	30.32%
	College diploma	89	83	38	39	127	122	14.51%
	Technical college, vocational and skilled technicians	283	292	23	24	306	316	37.57%
	General labor	63	63	54	59	117	122	14.51%

In 2025, Vicostone continued to strengthen the educational profile of its workforce:

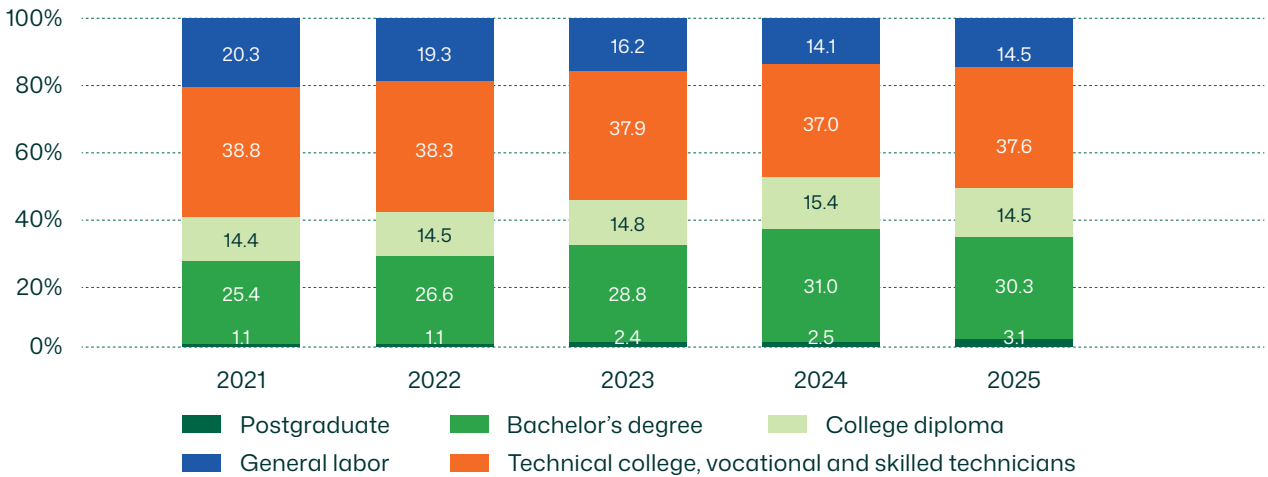
- Postgraduate: **3.1%**
- Bachelor's degree: **30.3%**
- College diploma: **14.5%**
- Technical, vocational and skilled technicians: **37.6%**
- Unskilled worker: **14.5%**

Compared with the 2021-2025 period, the proportion of employees holding a university degree or higher increased from approximately 25% to 33.4%, while the proportion of

unskilled workers has shown a long-term declining trend (despite a slight increase in 2025 resulting from the expanded consolidation scope).

This workforce profile demonstrates a clear transition from general labor toward technical and knowledge-based employees while maintaining a strong technical workforce as the foundation of manufacturing operations.

Strategically, this reflects the Company's continued investment in technological advancement, automation and digital transformation, contributing to higher productivity and improved operational efficiency. This transition is a key driver of Vicostone's competitiveness in global markets.



1. Workforce size and composition (GRI 2-7, 2-8) (Continued)

1.6. Age Profile -
Balancing Stability and Renewal

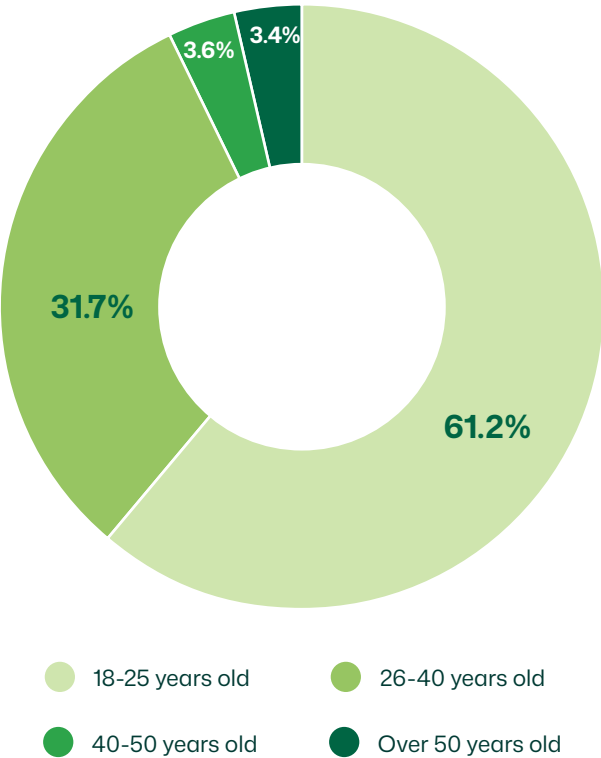
In 2025, Vicostone maintained a well-balanced workforce age profile:

- 26-40 years old: **61.2%**;
- 40-50 years old: **31.7%**;
- Under 25 years old: **3.4%**;
- Over 50 years old: **3.6%**.

Compared with 2024, the proportion of employees aged 26-40 declined slightly, while that of employees aged 40-50 increased, indicating a workforce with growing experience and greater operational stability.

At the same time, the Company continued recruiting young talent to strengthen its succession pipeline and foster innovation.

This age profile reflects a strategic balance between experienced employees, who ensure operational stability, and younger employees, who contribute flexibility, innovation and adaptability, thereby supporting the Company's long-term sustainable development.



Composition by Age Group

1.7. Employment Contract Structure -
A Foundation for Stability and Long-term Engagement

As of December 31 2025, Vicostone's consolidated labor contract structure remained highly stable:

- Approximately 82-83% of employees held indefinite-term labor contracts;
- Approximately 16-17% held fixed-term labor contracts;
- 100% of employees were employed on a full-time basis.

Compared with 2024, the workforce composition remained virtually unchanged, demonstrating the Company's long-term commitment to its employees while ensuring continuity in manufacturing operations.

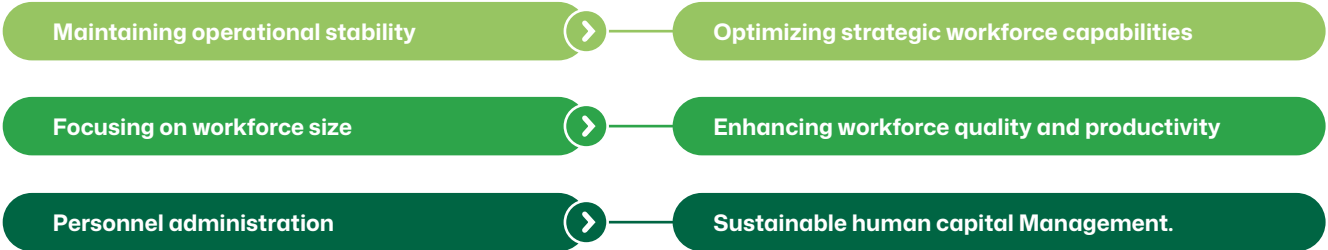
This stable employment model provides a strong foundation for reducing workforce turnover, retaining technical expertise, maintaining product quality and strengthening employee engagement.

Company		Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
Contract type	Indicator	2024	2025	2024	2025	2024	2025	2025 Ratio
Contract type	Indefinite-term contracts	548	555	141	140	689	695	82.64%
	Fixed-term contracts	98	90	40	56	138	146	17.36%

As of December 31, 2025, the consolidated labor contract structure was as presented above.

Overall Assessment - The Strategic Role of human capital in ESG

The year 2025 marked a significant transformation in Vicostone's human capital Management approach:



These strategic shifts have enabled the Company to maintain stable employment, improve workforce quality, strengthen organizational resilience and make a positive contribution to local labor market development.

Through these efforts, Vicostone directly contributes to SDG 8 - Decent Work and Economic Growth by creating sustainable employment opportunities, improving employee income and enhancing workforce capabilities, while establishing a strong human capital foundation to support its long-term ESG strategy and Net Zero commitments.

Market Presence and Employment (Continued)

2. Non-employee Workers (Third-party Workers) (GRI 2-8)

In addition to its official workforce, Vicostone engages a very limited number of third-party workers to support activities that are not directly related to manufacturing operations, primarily in security and guarding services.

In 2025, the total number of third-party workers on a consolidated basis was 19, compared with 17 in 2024, representing approximately 2% of the total workforce. This proportion remained low and stable, reflecting the Company's policy of limiting dependence on outsourced labor, thereby enhancing operational control and service quality.

Although these workers are not directly managed by Vicostone, the Company exercises oversight through its service provider management framework, with clear

requirements for compliance with labor laws, safety standards and working conditions. This demonstrates the extension of Vicostone's governance boundary across the value chain, in line with ESG practices on responsible Supply Chain management.

During the reporting year, no Material Risks related to third-party workers were identified. The Company continues to maintain this workforce ratio at an appropriate level while progressively integrating ESG criteria into Supplier selection and evaluation processes.

Overall, this approach ensures a balance between operational efficiency and social responsibility, contributing to SDG 8 and reinforcing the foundation for long-term Sustainability.

Company		Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
Structure	Indicator	2024	2025	2024	2025	2024	2025	2025 Ratio
Third-party workers	Security	8	8	9	11	17	19	2.26%



Vicostone continues to maintain an appropriate proportion of third-party workers while progressively integrating ESG criteria into Supplier selection and evaluation.



Market Presence and Employment

(Continued)

3. Employment and Workforce Turnover (GRI 401-1)

Amid continued volatility in the labor market and business environment, Vicostone maintains a consistent employment management approach focused on ensuring workforce stability, keeping turnover at an appropriate level and creating long-term career development opportunities for employees. This is not only an operational requirement but also a Material Topic within the Company's Sustainability strategy.

3.1. Recruitment - Selective Hiring for Long-term Development

Company	Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
	2024	2025	2024	2025	2024	2025	2025 Ratio
New hires	32	50	19	26	51	76	9.04%
Male	12	43	18	21	30	64	84.21%
Female	20	7	1	5	21	12	15.79%
Under 30 years old	8	32	10	9	18	41	53.95%
30-50 years old	24	18	9	17	33	35	46.05%
Over 50 years old	0	0	0	0	0	0	0.00%
Local hires	14	18	21	18	35	36	47.37%

In 2025, Vicostone recruited 76 new employees, compared with 51 in 2024, reflecting the need to strengthen workforce capacity for manufacturing operations and organizational capability as the market gradually recovered.

The recruitment profile reflects a clear strategic direction:

- 54% of new hires were under 30 years old, supporting workforce rejuvenation and succession development;
- Approximately 47% were recruited from local communities, strengthening the Company's connection with local labor markets;
- Recruitment was concentrated primarily among male employees, reflecting the characteristics of manufacturing operations.

Compared with 2024, when recruitment was tightly controlled, 2025 marked a shift toward a more balanced approach between supplementing operational capacity and developing long-term human capital.

This reflects Vicostone's proactive approach to building a sustainable workforce that meets both short-term operational needs and long-term strategic development requirements.

3.2. Turnover - Maintaining a Low and Effectively Managed Level

Company	Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
	2024	2025	2024	2025	2024	2025	2025 Ratio
Employment terminations	57	53	7	11	68	64	7.61%
Voluntary resignations	39	38	7	11	50	49	76.56%
Involuntary layoffs	0	0	0	0	0	0	0.00%
Retirement	1	2	0	0	1	2	3.13%
Internal transfers	17	13	0	0	17	13	20.31%
Under 30 years old	17	15	1	2	19	17	26.56%
30-50 years old	40	36	6	9	49	45	70.31%

In 2025, 64 employees ended their labor contracts, equivalent to a turnover rate of 7.6%, a slight decrease from 68 employees in 2024. Of these cases, 76.6% were voluntary resignations. No involuntary layoffs were recorded for the second consecutive year.

Notably, 13 cases involved internal transfers within the Group, reflecting flexible workforce allocation rather than a reduction in human capital. Excluding these internal transfers, the actual turnover rate was approximately 6.1%, significantly lower than the general level in the manufacturing sector.

Turnover was primarily concentrated among the 30-50 age group, which represents the core operational workforce. Effective control of turnover in this group contributes to production stability and workforce quality.

Compared with 2024, the continued low turnover rate and stronger internal mobility further supported :

- Resource optimization;
- Internal career development;
- And reduced external recruitment costs.

Overall, Vicostone demonstrated stable, flexible and sustainable human capital Management, in line with its ESG orientation and long-term workforce retention objectives.

3. Employment and Workforce Turnover (GRI 401-1) (Continued)

3.3. Assessment of Workforce Sustainability

In 2025, Vicostone maintained workforce turnover at approximately 6.1%-7.6%, significantly lower than the average turnover rate in Vietnam's manufacturing sector, estimated at around 10%-25%. Compared with 2024, this indicator remained stable, with no involuntary layoffs recorded for the second consecutive year.

This result indicates that the Company maintained a stable workforce, ensured continuity in production and sustained a resilient working environment.

Overall, Vicostone achieved a balanced approach between workforce stability and organizational flexibility through internal mobility, while no Material Risks related to workforce turnover were identified during the reporting period.



Vicostone maintained a stable workforce, ensuring continuity in production and a sustainable working environment.

3.4. Parental Leave - Maintaining Workforce Continuity and Supporting employees (GRI 401-3)

Company	Vicostone		Phenikaa Hue Mineral Processing and Investment One Member Company Limited		Consolidated		
	2024	2025	2024	2025	2024	2025	2025 Ratio
Employees taking parental leave	54	36	21	18	75	54	6.42%
Male	38	26	18	15	56	41	75.93%
Female	16	10	3	3	19	13	24.07%
Returned to work after parental leave	54	36	21	18	75	54	100%

Vicostone fully implements parental leave benefits in accordance with legal requirements while maintaining supportive conditions to facilitate employees' return to work after leave.

In 2025, 54 employees took parental leave, compared with 75 in 2024. Male employees accounted for 75.9%, while female employees accounted for 24.1%, reflecting the full application of childcare leave benefits for both genders.

Notably, 100% of employees returned to work after parental leave, maintaining the positive result achieved in the previous year. This outcome demonstrates the effectiveness of the Company's support policies, a high level of employee engagement and a stable working environment. These results contribute to workforce continuity while promoting gender equality and work-life balance.

Going forward, the Company will continue to monitor the retention rate of employees 12 months after returning to work to further enhance human capital Management in line with ESG practices.

Overall Assessment - Workforce Stability as a Competitive Advantage

In 2025, Vicostone effectively maintained a balance between stability and flexibility in human capital Management. This was reflected in controlled recruitment growth, a low turnover rate, no involuntary layoffs and strengthened internal mobility.

These factors help ensure workforce continuity while enhancing the Company's ability to attract and retain talent.

From an ESG perspective, effective employment management contributes to higher-quality employment, reduced social risks and stronger organizational engagement. Through these efforts, Vicostone directly contributes to SDG 8 by creating sustainable employment, improving working conditions and enhancing productivity.

Market Presence and Employment

(Continued)

4. Remuneration policy and competitiveness (GRI 202-1)

As part of its sustainable development strategy, Vicostone recognizes its compensation and remuneration policy not merely as a cost management tool, but as a strategic lever to attract, retain and develop high-quality human capital. On this basis, the Company has developed a remuneration framework that is transparent, fair and closely linked to job value and performance.

4.1. Principles for Developing the Remuneration Framework - From Cost to Value

Building on the foundation established in 2024, Vicostone continued to enhance its remuneration framework based on three core principles:

- Job value and contribution within the manufacturing value chain;
- Professional competence, skills and experience of employees;
- Individual performance, measured through the KPI framework and competency framework.



This approach helps ensure internal equity while motivating performance improvement and encouraging employees to develop their individual capabilities. Compared with previous periods, the remuneration framework has shifted from an administrative model to a performance-based management model, clearly reflecting the principle of paying for value created, not merely for position or tenure.

4.2. Income Structure and Salary Benchmarks

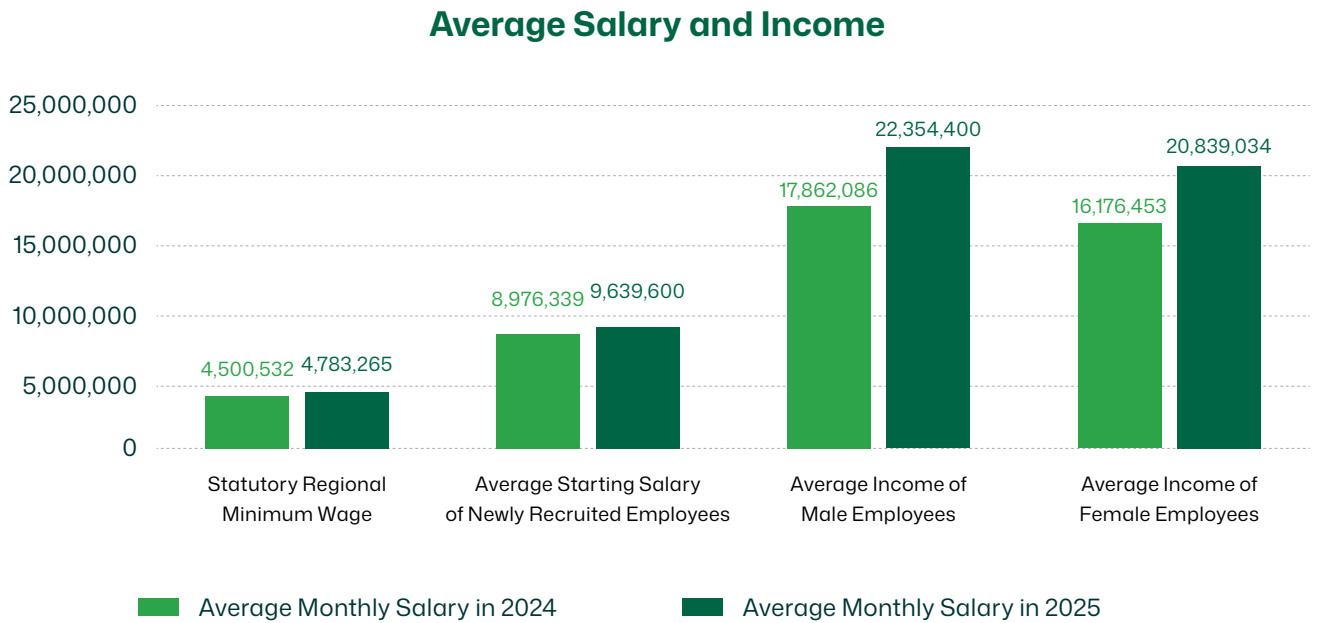
In 2025, employee income continued to be maintained at a highly competitive level in the labor market:

- **Average income:**
VND 22.06 million/person/month, equivalent to approximately 4.61 times of the regional minimum wage;
- **Average starting salary:**
Approximately VND 9.67 million/month, equivalent to approximately 2.03 times of the regional minimum wage;
- **Probationary salary:**

Maintained at a level significantly higher than statutory requirements.

Compared with 2024, when employee income was already significantly higher than the regional minimum wage by more than 3.5-4 times, the 2025 results further reinforced Vicostone's position as a company with a competitive remuneration policy in the industrial manufacturing sector.

Maintaining income levels substantially above the regional minimum wage reflects the Company's clear positioning: Vicostone does not compete through low labor costs, but through productivity and value added. This approach helps attract high-quality talent, reduce workforce turnover and strengthen organizational engagement.



4. Remuneration policy and competitiveness (GRI 202-1)
(Continued)

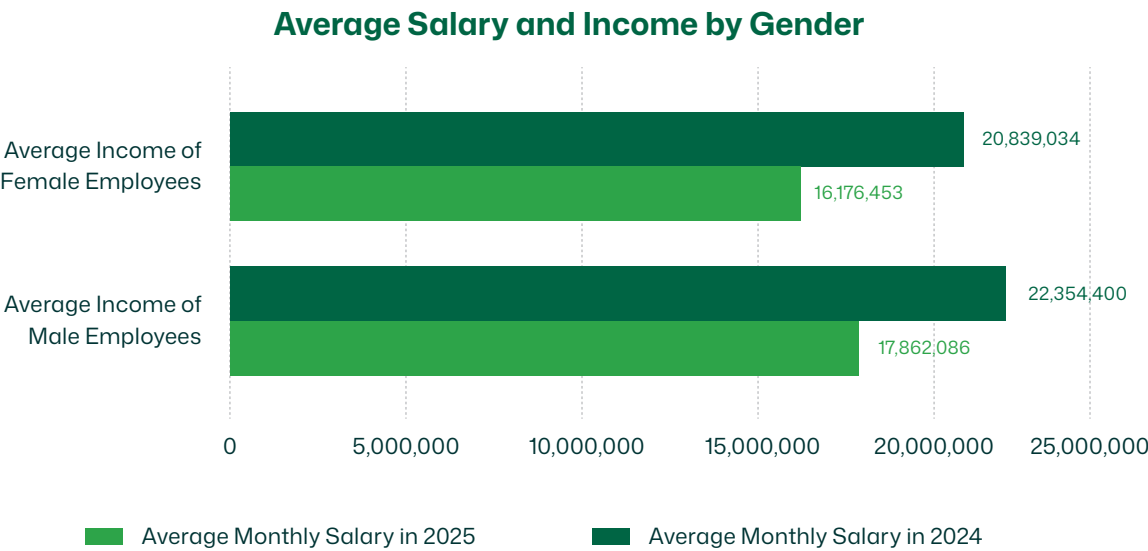
4.3. Average Income by Gender

In 2025, average income by gender was as follows:

- **Male:** approximately VND 22.35 million/month;
- **Female:** approximately VND 20.84 million/month;
- **Female-to-male income ratio:** 93.2%.

The income gap primarily reflects differences in job positions, job grades and manufacturing characteristics, and does not result from gender-based pay discrimination. Vicostone maintains the principle of remuneration based on job value and performance, in line with its commitment to promoting gender equality.

This policy remained stable compared with 2024, contributing to a transparent and fair workplace.



Income Structure - Balancing Stability and Performance Incentives. Vicostone's income framework goes beyond base salary and is structured as a total rewards model, comprising:

- Base salary linked to job position and competence;
- Job-related allowances, including meals, transportation and telephone allowances;
- Periodic bonuses, including holiday, Lunar New Year and business performance bonuses;
- Performance-based and innovation-related incentives.

This structure balances income stability with performance incentives, aligning individual interests with overall performance. It represents a shift from a static salary framework to a dynamic rewards model that encourages productivity and innovation across the organization.

4.4. Assessment of Income Competitiveness

In 2025, Vicostone's average income remained high, at approximately 4.61 times the regional minimum wage, demonstrating strong competitiveness in the labor market and the Company's ability to attract and retain high-quality employees.

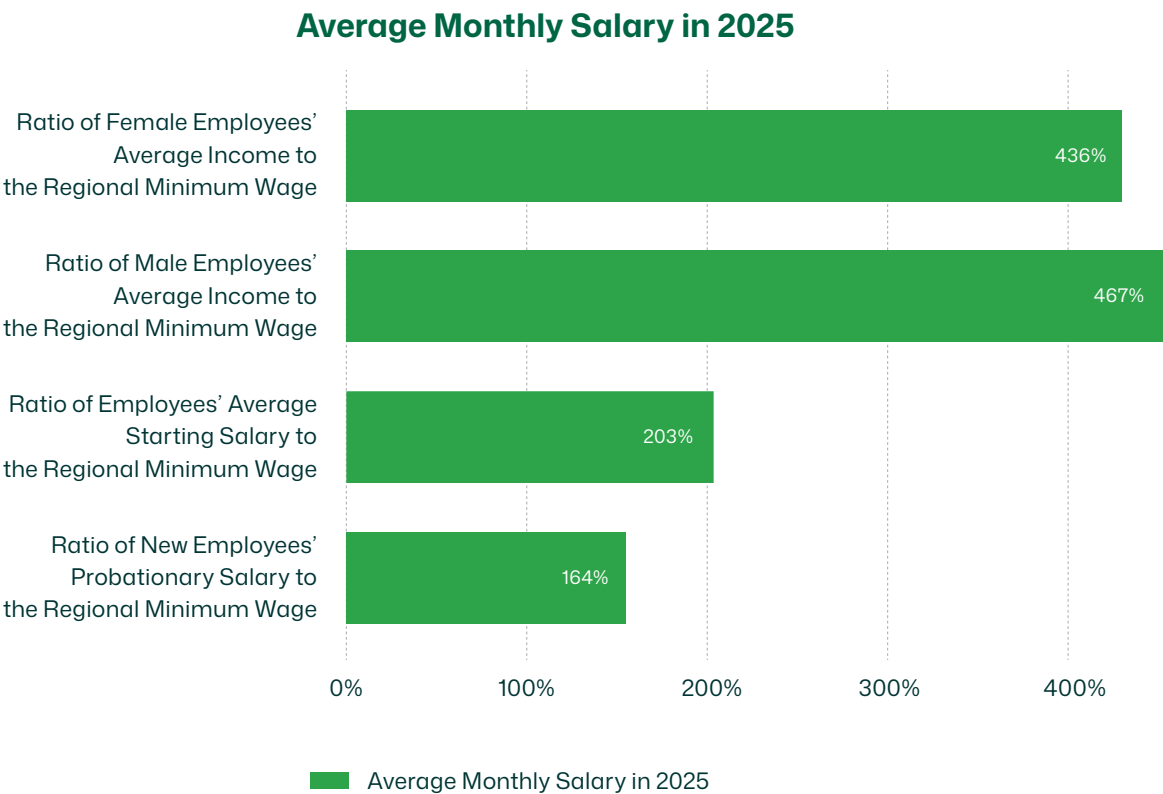
The Company's remuneration strategy does not focus on minimizing labor costs. Instead, it aims to optimize value creation per employee by improving productivity, efficiency and engagement.

Key highlights include:

- Income maintained at a high level compared with the market;
- Remuneration based on job value and performance;
- Flexible rewards structure that encourages performance;
- Fairness and transparency in remuneration practices.

Compared with 2024, these elements continued to be maintained and further strengthened in a more professional manner.

From an ESG perspective, the remuneration policy contributes to improving job quality, enhancing living standards and reducing inequality, thereby directly contributing to SDG 8 by ensuring stable, fair and competitive income.



Market Presence and Employment

(Continued)

5. Employee benefits and retention (GRI 401-2)

5.1. Approach - From Benefits to employee Experience

In parallel with its competitive remuneration policy, Vicostone recognizes employee benefits not merely as a support mechanism, but also a strategic pillar of sustainable human capital Management. While wages reflect job value, benefits determine the quality of the employee experience, the level of engagement and employees' long-term commitment to the organization.

In 2025, the Company continued to enhance its benefits framework toward a more comprehensive, flexible and people-centric model, implemented consistently across

Vicostone and Phenikaa Hue Mineral Processing and Investment One Member Company Limited.. This ensured that 100% of employees had full access to statutory benefits and extended corporate benefits.

This approach reflects a clear transition from a compliance-oriented benefits model to an employee experience management model. As a result, benefits have become a strategic lever to improve productivity, strengthen employee retention and reinforce corporate culture.

Benefits Framework Structure

Vicostone and Phenikaa Hue Mineral Processing and Investment One Member Company Limited apply a unified benefits policy framework across the organization, ensuring that 100% of employees have full access to legally required benefits and the Group's extended benefits.

The benefits framework is structured under a total rewards approach, comprising three components:

- Statutory benefits required under labor legislation;
- Extended benefits developed by the Company;
- Non-financial benefits designed to enhance employee experience and engagement.

This approach aims to simultaneously ensure:

- Full compliance with labor laws;
- Improved quality of life for employees;
- Greater workforce stability and retention.

The employee Benefits Framework is organized into standardized policy categories to facilitate effective management, monitoring and comparability across reporting periods.

Key Benefit Categories - Comprehensive Coverage Across the employee Life Cycle

The benefits framework is categorized into key policy groups to reflect the full scope of impacts under the ESG framework:

Benefit Category	Key Content	Scope of Application	Notes
Compliance and basic social security	Labor contracts; social insurance, health insurance and unemployment insurance; SA8000 compliance	100% of employees	Legal foundation and minimum social protection
Health, Safety and Working Conditions	Free shift meals; nutrition program; extended health insurance	100% of employees	Protecting health and reducing occupational risks
Income and living conditions	Competitive wages; housing support; access to Phenikaa apartment housing projects	All employees	Supporting financial stability and improved living standards
Family support	Internal kindergarten; childcare cost support; parental leave benefits; reduced working hours for employees raising young children	Employees with young children	Supporting work-life balance
Engagement and experience	Paid birthday leave; Company-wide team- building programs introduced in 2025	All employees	Strengthening internal engagement
Internal humanitarian support	"Golden Heart" Fund; support for family events; illness support; Family Day	Entire organization	Reinforcing a humane corporate culture

5. Employee benefits and retention (GRI 401-2) (Continued)

5.2. New Developments in 2025 - Enhancing Experience and Individual Recognition

In 2025, the Company's benefits framework continued to operate steadily base on its traditional welfare programs, while several new policies were added to enhance employee experience and strengthen internal engagement.

5.2.1. Regular Benefits Programs Maintained Over the Years

These foundational programs have been implemented consistently and periodically across the organization, including:

- Family Day, held annually with the participation of employees and their families;
- Support for family events, illness visits and assistance for employees facing difficult circumstances;
- Charitable and internal support activities through the "Golden Heart" Fund;

- Shift meals and daily welfare support programs;
- Collective activities, commemorative events and internal engagement programs.

These programs have been maintained over many years and serve as a foundation for building corporate culture and strengthening employee attachment.



5.2.2. Benefits programs changes in 2025

In addition to the foundational benefits framework, the Company introduced several updates and enhancements aimed at increasing individual recognition and improving employee experience:

- Paid birthday leave, introduced in 2025;
- Company-wide teambuilding program, introduced in 2025 and organized annually with the participation of all employees;

- Mental health and well-being activities focused on supporting psychological balance and improving the working environment.

These programs are designed to enhance employee experience and individual recognition, complementing rather than replacing the existing benefits framework.



Effectiveness of the employee Benefits Framework- A Driver of Retention and Workforce Stability

The benefits framework contributed to workforce stability and stronger engagement in 2025:

- Turnover rate: approximately 6.2%, excluding internal transfers;
- No involuntary layoffs recorded during the reporting year;
- Employee happiness index: 75%.

In an increasingly competitive labor market, these indicators reflect a relatively stable workforce, with the benefits framework playing an important supporting role.

The benefits framework falls under the Material Topic of employee Engagement and Retention and contributes directly to the Social (S) pillar of the Company's ESG framework.

5. Employee benefits and retention (GRI 401-2) (Continued)

5.3. Development Trend - From Traditional Benefits to employee Experience (2023-2025)

During the 2023-2025 period, the benefits framework showed a stable development trend toward:

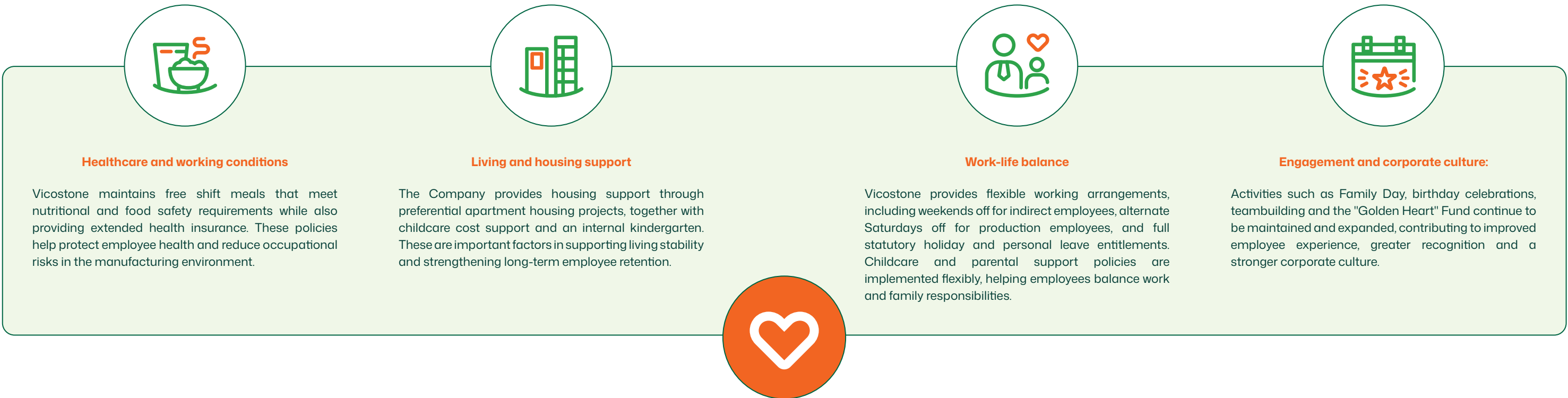


Compared with previous periods, the benefits framework has transitioned from a primarily compliance-based model to a people-centric model, with greater emphasis on experience and engagement. This benefits framework not only ensures compliance but also serves as a strategic tool to strengthen retention, reduce workforce turnover and enhance organizational engagement. As a result, Vicostone is progressively shifting from traditional benefits management toward comprehensive employee experience management.



5. Employee benefits and retention (GRI 401-2) (Continued)

5.4. Representative Benefits Programs - Creating Additional Value for employees



I Benefits Effectiveness - A Driver of Retention and Workforce Stability

The effectiveness of Vicostone's benefits framework in 2025 was demonstrated through positive and stable indicators:

- Turnover rate remained low at approximately 6-7%;
- No involuntary layoffs were recorded for the second consecutive year;
- Return-to-work rate after parental leave reached 100%.

Compared with 2024, these indicators remained stable, reflecting strong employee engagement, the effectiveness of the Company's benefits policy and the attractiveness of its working environment. In an increasingly competitive labor market, this represents an important advantage that enables Vicostone to retain skilled employees, reduce recruitment costs and ensure continuity in manufacturing operations.

The 2023-2025 period also showed a clear evolution in the Company's benefits approach. While the previous focus was primarily on compliance and basic needs, Vicostone has progressively expanded its approach toward:

- Increasing the proportion of non-financial benefits, with a focus on wellbeing, experience and engagement;
- Expanding family support and work-life balance policies;
- Enhancing personalization in benefits design;
- Placing greater emphasis on mental health and a positive working environment.

This transition clearly reflects the Company's development orientation from "compensation and benefits" toward "Employee experience management," where employees are placed at the center of policies and management practices.

From an ESG perspective, the benefits framework not only ensures legal compliance but also serves as a strategic tool for creating sustainable value for both the Company and society. Key contributions include:

- Improving job quality and income;
- Enhancing employees' living conditions and health;
- Increasing satisfaction, engagement and corporate culture;
- Reducing workforce turnover and improving operational efficiency.

Through these efforts, Vicostone directly contributes to SDG 8 by promoting sustainable employment, improving working conditions and building a fair and humane workplace.

Overall, the employee Benefits Framework has become more than a support mechanism; it serves as a strategic foundation that enables Vicostone to maintain workforce stability, enhance its competitive advantage, and deliver on its long-term sustainable development commitments.

Market Presence and Employment (Continued)

6. Contribution to the Local Labor Market (GRI 202-2)

Vicostone recognizes engagement with local communities as an integral component of its Sustainability strategy, with a consistent focus on prioritizing the recruitment and development of local human capital. This approach creates long-term economic and social value for the areas in which the Company operates.

In 2025, approximately 47% of newly recruited employees were hired from local communities, while 36% of leadership and management positions were held by individuals originating from local areas. These ratios remained stable compared with 2024, reflecting the Company's clear direction to localize human capital not only at the operational level but also at the management level.

Maintaining a high proportion of local employees generates multiple positive impacts. The Company directly contributes to stable employment, improved income and a better quality of life for people in areas such as Thach That and Quoc Oai, and, for its subsidiary, the Central Vietnam region. This approach also helps reduce labor migration pressure and supports more balanced regional socio-economic development.

From a business perspective, local employees contribute to workforce stability, stronger engagement and long-term skills development, which are particularly important in manufacturing. This also provides a foundation for Vicostone to maintain operational quality and reduce costs associated with workforce turnover.

In addition to recruitment, the Company focuses on developing local human capital through internal training, career pathways and advancement opportunities. The significant proportion of managers originating from local communities demonstrates the effectiveness of this approach and reflects Vicostone's commitment to inclusive and sustainable people development.

Compared with 2024, this direction continued to be strengthened through a combination of new recruitment and internal development, progressively forming a human capital ecoframework closely connected with local communities and enhancing the Company's long-term adaptability.

(*) For Vicostone, local areas refer to the former Thach That and Quoc Oai districts. For Phenikaa Hue Mineral Processing and Investment One Member Company Limited, the local area refers to the former Phong Dien district.

From an ESG perspective, contribution to the local labor market is a Material Topic under the Social (S) pillar, reflecting the Company's role as a positive contributor to socio-economic development. Through job creation, income improvement and skills development for local employees, Vicostone contributes to inclusive and sustainable growth.

Through these efforts, the Company directly contributes to SDG 8 by creating local employment opportunities, strengthening workforce capabilities and skills, and promoting regional economic development.

This also provides an important foundation for Vicostone to continue expanding its positive impacts across the value chain, toward long-term community-linked Sustainability.



In 2025, approximately 47% of newly recruited employees were hired from local communities, while 36% of leadership and management positions were held by individuals originating from local areas

Market Presence and Employment

(Continued)

7. Strategic Direction and KPIs for 2026-2030

Based on performance results in 2024-2025 and the evolving labor market, where competition is increasingly driven by human capital quality, Vicostone identifies the 2026-2030 period as a stage for consolidating and enhancing the maturity of its ESG-oriented human capital Management.

While the previous period focused on maintaining stability and controlling workforce turnover, the next phase sets a higher ambition: building a sustainable, flexible and adaptive human capital framework capable of responding to new requirements in technology, productivity and long-term development.

7.1. Strategic Direction

During 2026-2030, Vicostone will focus on three strategic priorities:

01

First, maintaining stable employment and enhancing human capital quality

The Company will continue to ensure a sustainable working environment, limit unnecessary workforce turnover and strengthen training and capability development to meet the increasing requirements of manufacturing and technology.

02

Second, promoting Diversity, Equity and Inclusion (DEI)

Building on its existing foundation, Vicostone aims to improve the proportion of female employees, particularly in management and professional roles, thereby enhancing organizational diversity and making better use of labor market potential.

03

Third, enhancing employee experience and engagement

The Company aims to develop a more personalized benefits framework, with greater focus on physical and mental health, while fostering a positive workplace that encourages innovation and creativity.

Key Objectives and KPIs

Specific objectives for the 2026-2030 period have been defined to be measurable and closely aligned with the ESG pillars and the Company's long-term development strategy.

For sustainable human capital development, Vicostone aims to maintain and improve the employee Happiness Index from 75% in 2025 to at least 80-85% by 2030. The Company also commits to introducing or improving at least one welfare or training program each year to enhance the quality of employee experience.

For gender equality and diversity, targets are set on a progressive basis. The proportion of female employees across the Company is expected to increase from approximately 18.7% in 2025 to 25% by 2030, while the proportion of women in senior management positions is targeted to reach 40-60% over the long term. This is a transformational objective that requires a combination of recruitment, training and internal development.

In addition, the Company will continue to maintain stable employment indicators, including:

✓

Maintaining a low turnover rate compared with the market;

✓

Avoiding involuntary layoffs under normal business conditions;

✓

Maintaining a high return-to-work rate after parental leave.

To realize these objectives, Vicostone will integrate ESG considerations across the full human capital Management life cycle, including:

- Standardizing human capital data frameworks and workforce metrics;
- Integrating ESG KPIs into management performance evaluations;
- Strengthening internal training and capability development;
- Expanding cooperation with training institutions and labor markets.

This approach transforms human capital Management from a supporting function into a strategic function, contributing directly to business performance and sustainable development.

7.2. Strategic Significance and ESG Linkage

Investing in people helps the Company improve productivity, strengthen innovation capacity and reinforce its employer brand. From an ESG perspective, these strategic directions fall under the Social (S) pillar and directly contribute to SDG 8 through the creation of sustainable employment, improvement of workforce quality and promotion of a fair and inclusive workplace.

Strategic Objectives		2025 Result	2026 Target	2027 Target	2028 Target	2029 Target	2030 Target
Sustainable human capital development	Employee Happiness Index (%)	75%	≥75%	≥80%	≥80%	≥80%	≥85%
	Number of additional welfare programs introduced annually for employees, including training, healthcare and related programs	2	1	1	1	1	1
Gender Equality, Diversity and Inclusion	Gender balance in workforce structure						
	Female representation on the Board of Directors (%)	40%	40%	40%	40%	40 %	60%
	Female representation across the Company (%)	18.7%	20%	21%	22%	23%	25%

These KPIs demonstrate Vicostone's consistent commitment to sustainable human capital development, with employees at the center, while ensuring operational effectiveness and long-term competitiveness.

Market Presence and Employment (Continued)

8. Conclusion - Value Created

Throughout its development journey, Vicostone has recognized that people not merely as an operational resource but also a core source of value creation, determining the Company's competitiveness and sustainable development capacity. By maintaining stable employment, competitive income policies, a comprehensive benefits framework and an engaging workplace, the Company has built a strong human capital foundation with high adaptability to market volatility.

Compared with 2024, human capital Management in 2025 demonstrated a clear shift from operational stability toward a more strategic approach, with quality, efficiency and employee experience placed at the center. Maintaining a low turnover rate, recording no involuntary layoffs, improving workforce quality and expanding opportunities for local employees created practical value for both the Company and society.

At the same time, the benefits framework continued to evolve toward a more comprehensive and people-centric model, contributing to improved quality of life, stronger engagement and a more cohesive corporate culture. The transition from "compensation and benefits" to "Employee experience" clearly reflects Vicostone's commitment to comprehensive and sustainable people development.

Overall, activities related to employment and human capital contribute directly to the Social (S) pillar of the ESG strategy, while supporting the achievement of SDG 8 through the creation of sustainable employment, improved income and the promotion of a fair working environment.

In the coming period, Vicostone will continue to place people at the center of its strategy, working toward building a flexible, innovative and sustainable organization that creates not only economic value but also positive value for local communities and society.



Vicostone recognizes that people are not merely an operational resource, but a core driver of value creation that determines the Company's competitiveness and capacity for sustainable development.



Tax (GRI 207)

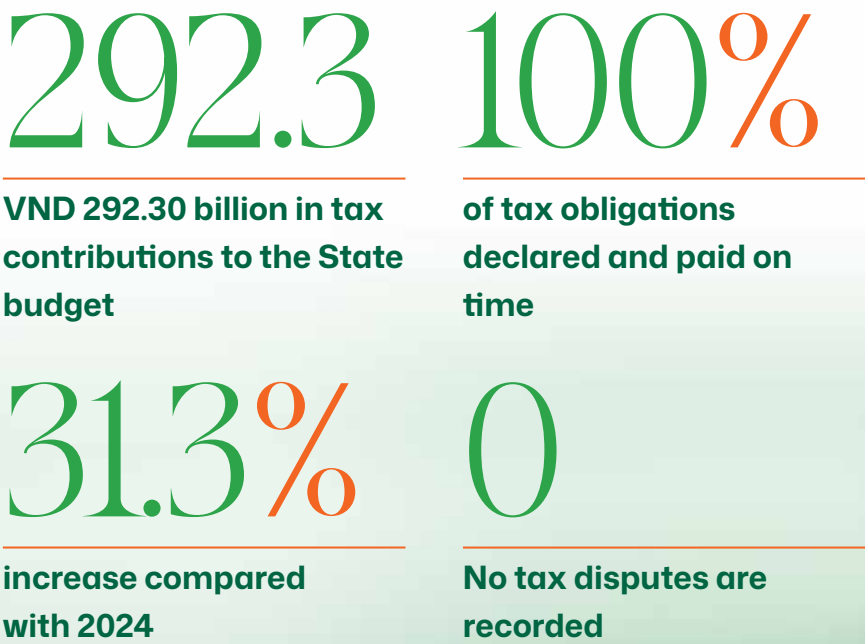
As part of its sustainable development strategy, Vicostone considers tax to be not only a legal obligation but also a core component of responsible economic value distribution, directly linked to ESG governance and corporate reputation.

The Company adopts a proactive, transparent, and compact approach to tax management, transitioning from a traditional compliance-based model to a structured tax governance framework that includes corporate-level tax policies, an integrated governance framework, multi-layer controls and risk management. All tax activities are conducted based on the principles of no tax avoidance, no short-term tax optimization and prioritization of long-term value, thereby ensuring transparency and accountability to Stakeholders.

In 2025, Vicostone contributed VND 292.30 billion in taxes to Vietnam budget, representing a 31% increase compared with 2024. The Company maintained 100% tax compliance, with all tax obligations declared and paid on time, and recorded no material tax disputes. These results demonstrate the effectiveness of the Company's tax governance and tax risk control frameworks. Vicostone also approaches tax incentives responsibly, linking their application to investment objectives and socio-economic development. The Company is moving from “benefiting from incentives” to “delivering sustainable contribution.”

Looking toward 2025-2030, Vicostone aims to enhance the maturity of its tax governance by standardizing frameworks, digitizing tax data, strengthening transparency and aligning over time with international practices, including GRI 207: Tax 2019. These efforts will further reinforce the trust of the State, investors and Stakeholders, while affirming the Company's role in sustainable economic development.

2025
Highlights



Tax (GRI 207) (Continued)

1. Approach and Tax Commitment

1.1. Positioning the Role of Tax in Corporate Strategy

Vicostone regards tax not only as a legal obligation but also as a mechanism for the responsible distribution of economic value, directly linked to its sustainable development strategy and ESG governance.

Against a backdrop of increasing expectations for financial transparency, accountability and Corporate Governance, Vicostone adopts a more comprehensive approach to tax: not only ensuring compliance, but also proactively contributing value to the State and society through its fiscal obligations.

This transition reflects:

- From legal compliance alone to responsible tax governance integrated with ESG;
- From viewing tax as a cost to be optimized to recognizing tax as a sustainable contribution to the economy.

By fully fulfilling its tax obligations, Vicostone directly participates in national development, contributing resources for public investment, education, healthcare and social welfare.

1.2. Vicostone's Tax Policy

To standardize its approach and align with international practices, Vicostone is committed to developing and implementing a corporate-level Tax Policy based on the following core commitments:

- Fully and consistently comply with tax laws and regulations across all entities and operating locations;
- Refrain from engaging in tax avoidance structures or profit shifting;

- Ensure transparency, accuracy and completeness in tax declaration, recognition and disclosure;
- Integrate tax governance into Corporate Governance, Risk Management and ESG frameworks;
- Prioritize long-term value, stability and corporate reputation over short-term tax optimization.

This policy serves as the overarching framework for all tax governance activities and provides the basis for enhancing consistency and accountability to Stakeholders.

1.3. Guiding Principles

Vicostone manages taxbased on three core principles:

Proactive compliance

The Company not only complies with current regulations, but also proactively monitors, updates and assesses the impact of tax policy changes to ensure continuity and minimize the risk of non-compliance.

Transparency and integrity

All tax obligations are fully declared, reflecting the economic substance of transactions and ensuring accountability to regulatory authorities and Stakeholders.

Long-term orientation

Vicostone does not pursue short-term tax optimization solutions that may create legal risks or adversely affect corporate reputation. Instead, the Company prioritizes long-term stability and Sustainability.

1.4. Tax Risk Appetite

Vicostone maintains a low Tax Risk Appetite, reflected in the following principles:

✓ **Priority given to options that demonstrate high transparency and full accountability**

✗ **No acceptance of tax structures that may lead to disputes with regulatory authorities**

✗ **No execution of transactions or structures without clear economic substance**

These principles enable the Company to manage tax risks effectively while strengthening its long-term reputation.

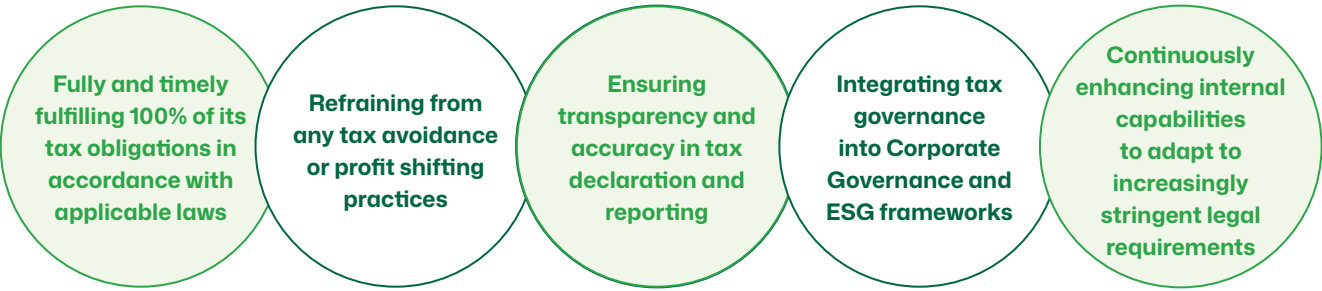
1.5. Role of Tax in the ESG Framework

Vicostone recognizes tax as an important component of the Governance pillar within ESG. Tax serves as a tool to ensure legal compliance and uphold business ethics; a direct channel for contributing to socio-economic development; a factor that enhances corporate transparency and accountability; and a foundation for building trust with the State, investors and Stakeholders.

Against a backdrop of increasing international expectations for tax transparency, particularly for companies participating in global supply chains, this tax governance approach helps Vicostone: Mitigate risks related to cross-border tax compliance; Strengthen its ability to meet audit and disclosure requirements; Enhance reputation and competitiveness in international markets.

1.6. Commitments

Based on the above principles and orientation, Vicostone commits to:



Tax (GRI 207) (Continued)

2. Tax Strategy and Principles

2.1. Positioning the Tax Strategy Within the Corporate Strategy

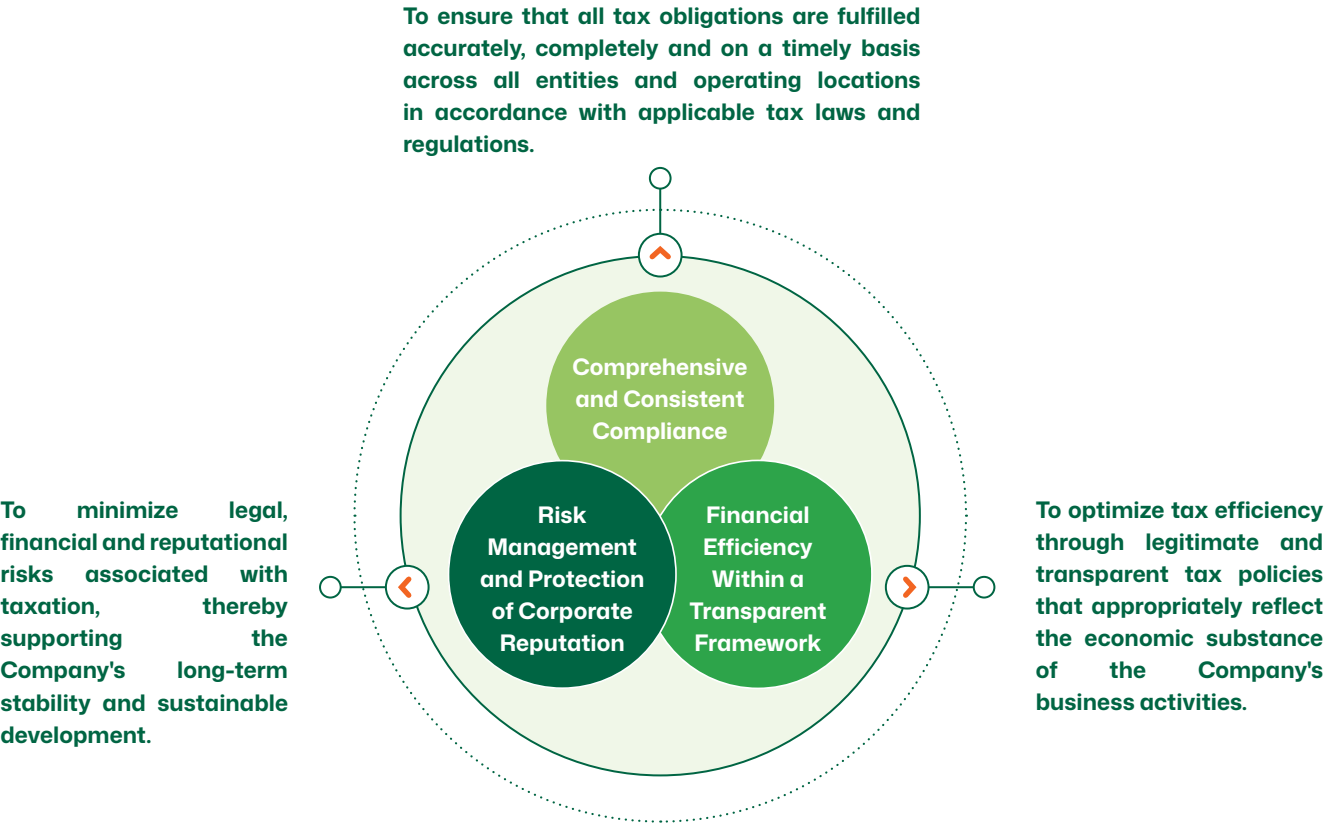
Vicostone's tax strategy is not designed as a tax cost-optimization tool but also an integral component of responsible financial management, directly aligned with the Company's sustainable development strategy and ESG objectives.

In response to increasing expectations for tax transparency and corporate governance, Vicostone has developed its tax strategy in alignment with: Its long-term financial strategy; The Enterprise Risk Management (ERM) framework; The ESG governance framework.

Tax governance is therefore no longer viewed solely as a function of the Finance and Accounting Department, but as an integrated element of the Company's overall governance framework, supporting an appropriate balance among: Financial efficiency; Legal compliance; Social responsibility.

2.2. Objectives of the Tax Strategy

Vicostone's tax strategy is designed to achieve three core objectives simultaneously:



2.3. Core Principles of the Tax Strategy

Vicostone implements its tax strategy based on a clear set of guiding principles that govern all tax governance activities.

1. Compliance and Consistency: Fulfil all tax obligations in accordance with applicable regulations, including requirements relating to tax filings, supporting documentation and statutory filing and payment deadlines.

2. Transparency and Integrity: Accurately reflect the substance of transactions and refrain from concealing, misrepresenting or delaying the recognition of tax obligations.

3. Long-Term Risk Management: Adopt tax approaches that are compliant with applicable laws and regulations, without compromising the Company's reputation or exposing it to long-term risks in pursuit of short-term benefits.

2.4. Tax Governance Performance Indicators

To measure the effectiveness of its tax strategy, Vicostone applies the following key performance indicators:

- 100% of tax obligations fulfilled on time;
- 0 material errors in tax filings;
- 0 material tax disputes; and

- 100% timely updates and implementation of new tax policies.

The indicators demonstrate: A consistently high level of tax compliance; The effectiveness of the internal control framework; The Company's tax governance capability.



2.5. Future Direction for the Tax Strategy

Going forward, Vicostone will continue to strengthen its tax strategy by:

- Formalizing a corporate-wide Tax Policy;
- Developing an integrated Tax Governance Framework;
- Strengthening the linkage between tax governance and

Enterprise Risk Management (ERM); and

- Progressively aligning with international best practices on tax transparency.

These initiatives will provide a strong foundation for enhancing tax disclosures under GRI 207: Tax 2019 while meeting the evolving expectations of markets and investors.

Tax (GRI 207)

(Continued)

3. Tax Governance and Risk Management

3.1. Tax Governance Framework Within Corporate Governance

Vicostone has established an integrated tax governance framework into its overall corporate governance structure to ensure close alignment among tax governance, financial management and Enterprise Risk Management.

The framework operates based on the following principles:

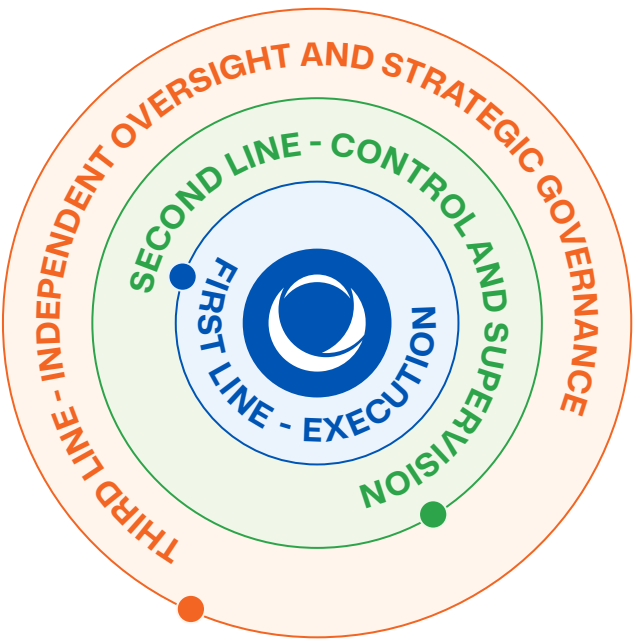
- Clearly defined responsibilities;

- A multi-layer control model; and
- The integration of internal controls with independent oversight.

Under this framework, tax activities are not only carried out in compliance with applicable regulations, but are also continuously monitored, evaluated and improved in line with modern governance practices.

3.2. Three-line Tax Governance Model

Vicostone's tax governance framework is designed based on a Three Lines of Control model to ensure appropriate independence and effective oversight.



First Line - Execution

The Finance and Accounting Department is directly responsible for:

- Preparing and filing tax returns;
- Maintaining tax documentation and records;
- Preparing tax reports; and
- Monitoring tax obligations.

Second Line - Control and Supervision

The Chief Accountant, Legal Department, and Risk Management function review compliance, update policies, and oversee risk controls.

Third Line - Independent Oversight and Strategic Governance

Internal Audit and the Audit Committee provide oversight within their respective mandates, while independent tax advisers are engaged as needed.

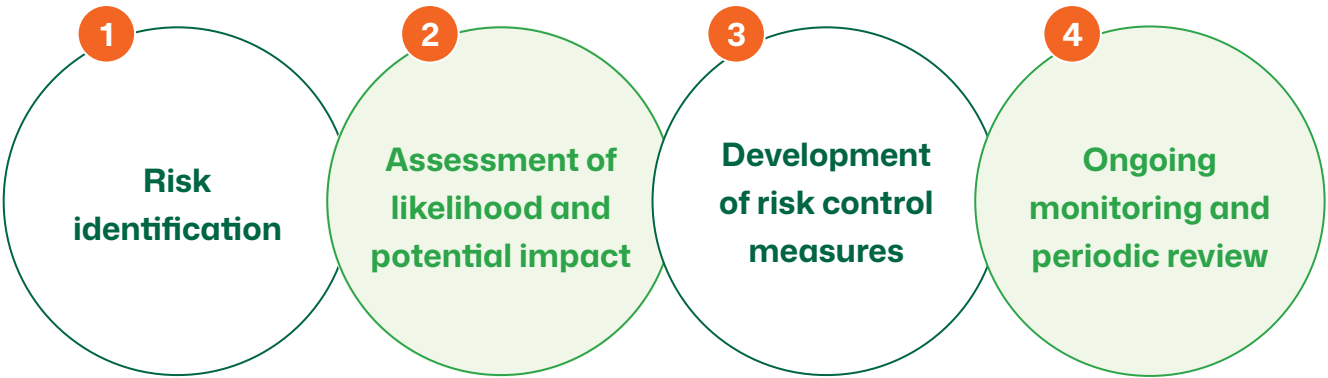
3.3. Tax Risk Management Within the ERM Framework

Vicostone integrates tax risk management into its Enterprise Risk Management (ERM) framework, recognizing tax risk as one of its key financial and legal risk categories.

Key tax risks identified and managed include:

- Errors in tax declarations and recognition of tax obligations;
- Changes in tax policies affecting business operations;
- Risks associated with tax inspections and audits; and
- Differences in interpretation between the Company and tax authorities.

The tax risk management process comprises four key steps:



Integration into the ERM framework enables Vicostone to move from a reactive approach to proactive tax risk prevention and management.

3.4. Control Mechanisms and Compliance Assurance

To ensure the effectiveness of its tax governance framework, Vicostone maintains multiple control mechanisms, including:

- Internal controls covering the entire tax governance process;
- Periodic internal and external audits to identify and address potential errors;
- Consultation with tax and legal specialists on complex tax matters; and
- Timely updates of tax policies to minimize compliance risks.

These mechanisms are designed to ensure that:

- Tax obligations are fulfilled completely and on time;
- Errors are identified and addressed promptly; and
- Risks that could lead to tax disputes are minimized.

3. Tax Governance and Risk Management (Continued)

3.5. Early Warning Framework for Tax Risks

Vicostone is developing an early warning system for tax risks, covering:

- Monitoring significant changes in tax policies;
- Detecting anomalies in tax reporting data;
- Identifying transactions with elevated tax risk; and
- Monitoring trends in tax inspections and audits conducted by regulatory authorities.

The framework is intended to:

- Identify risks before they result in non-compliance;
- Enhance forecasting capabilities and proactive risk management;
- Reduce the costs associated with post-audit remediation.

3.6. Tax Control Performance in 2025

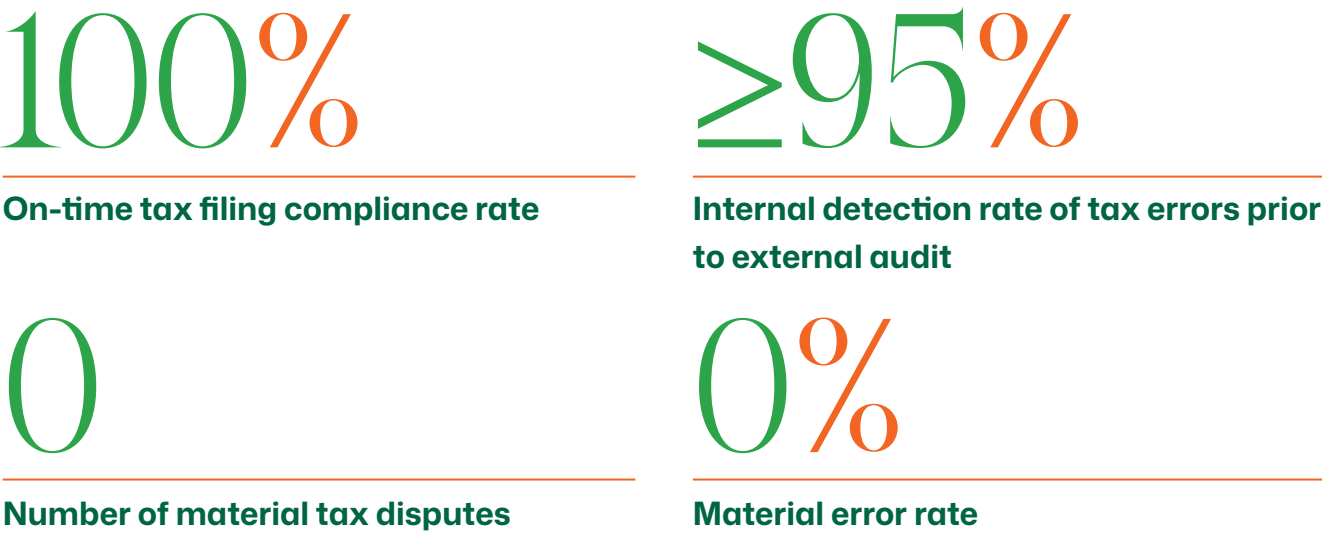
In 2025, Vicostone's tax governance and tax risk management framework continued to operate effectively, as demonstrated by the following results:



These results demonstrate:

3.7. Tax Risk Control Indicators

Vicostone applies the following key indicators to monitor the effectiveness of tax risk management:



These indicators support: Quantitative measurement of governance effectiveness; Continuous improvement; Enhanced transparency.

3.8. Future Direction for Tax Risk Governance

In the coming years, Vicostone will continue strengthening its tax governance framework by:

- Standardizing tax risk management processes within the ERM framework;
- Accelerating digitalization and automation of tax controls;
- Developing an Early Warning Framework for tax risks; and
- Strengthening the role of Internal Audit in tax oversight.

These initiatives will enable the Company to evolve from effective tax control to proactive and predictive tax risk management, consistent with the governance practices of organizations with advanced ESG maturity.

3.9. Tax-Related Consultation and Management of Tax Concerns (GRI 207-3)

Vicostone maintains a transparent working relationship with tax authorities through tax filing, tax payment, explanations and the provision of supporting documentation in accordance with regulatory requirements. Issues arising in relation to tax policies or tax obligations are reviewed by the Finance and Accounting Department, in coordination with the Legal Department, Internal Audit and external advisors, where necessary.

The Company receives and addresses tax-related concerns through its internal control framework, reporting mechanisms

and channels for raising concerns regarding compliance and business ethics. During the reporting period, Vicostone did not record any material tax disputes or significant concerns related to inappropriate tax practices.

The Company does not engage in tax policy advocacy for its own benefit. Any communications or exchanges with regulatory authorities, where applicable, are conducted in compliance with legal requirements and in a spirit of transparency and cooperation.

Tax (GRI 207) (Continued)

4. . Policy Updates and Internal Awareness Building

4.1. Tax Policy Management and Update Mechanism

In the context of frequent changes in tax policy, Vicostone recognizes timely policy updates as a critical factor in ensuring compliance and limiting emerging risks.

The Company has established a proactive mechanism for monitoring and updating tax policies through coordination between the Legal function and the Finance and Accounting Department. Information on policy changes is collected, analyzed and assessed for impact before practical implementation.

This process goes beyond receiving regulatory documents. It also includes:

- Assessing the potential impact on manufacturing and business activities,
- Determining the scope of application across the organization,
- Adjusting internal procedures to align with new regulations.

Through this approach, Vicostone ensures that tax policies are applied consistently and that implementation deviations are minimized.

4.2. Policy Communication and Implementation Process

Vicostone implements an internal communication mechanism based on the principle of “right audience - right scope - right timing” to ensure the effective implementation of tax policies.

Once updated, tax documents are classified according to their level of impact:

- Technical documents applicable within the Finance and Accounting Department;
- Documents with broader impacts, which are communicated to relevant business units.

Information is disseminated through official internal communication channels to ensure:

- Consistency in interpretation and application;
- Reduced risks arising from inconsistent interpretation; and
- More effective coordination among departments.

In 2025:

5

tax documents
were reviewed and
updated

100%

of documents were
implemented prior to
their effective application

0

compliance delays
were recorded

4.3. Development of Tax Expertise

Vicostone recognizes that the capability of its tax practitioners is fundamental to maintaining high standards of tax compliance and effective tax governance. Accordingly, the Company is committed to developing professional capabilities through a continuous and systematic approach.

Activities implemented include:

- Internal training on new tax policies and related regulations;
- Encouraging relevant personnel to participate in specialized seminars on tax and finance;
- Updating practical knowledge through engagement with experts and advisory firms.

Capability development is not limited to the Finance and Accounting Department but is also extended to relevant functions to ensure:

- Accurate understanding of the economic substance of tax-related transactions;
- Effective coordination in policy implementation; and
- Minimization of operational errors.



4.4. Cooperation with Experts and Advisory Firms

In addition to strengthening internal capabilities, Vicostone maintains regular cooperation with independent tax and legal advisory firms to:

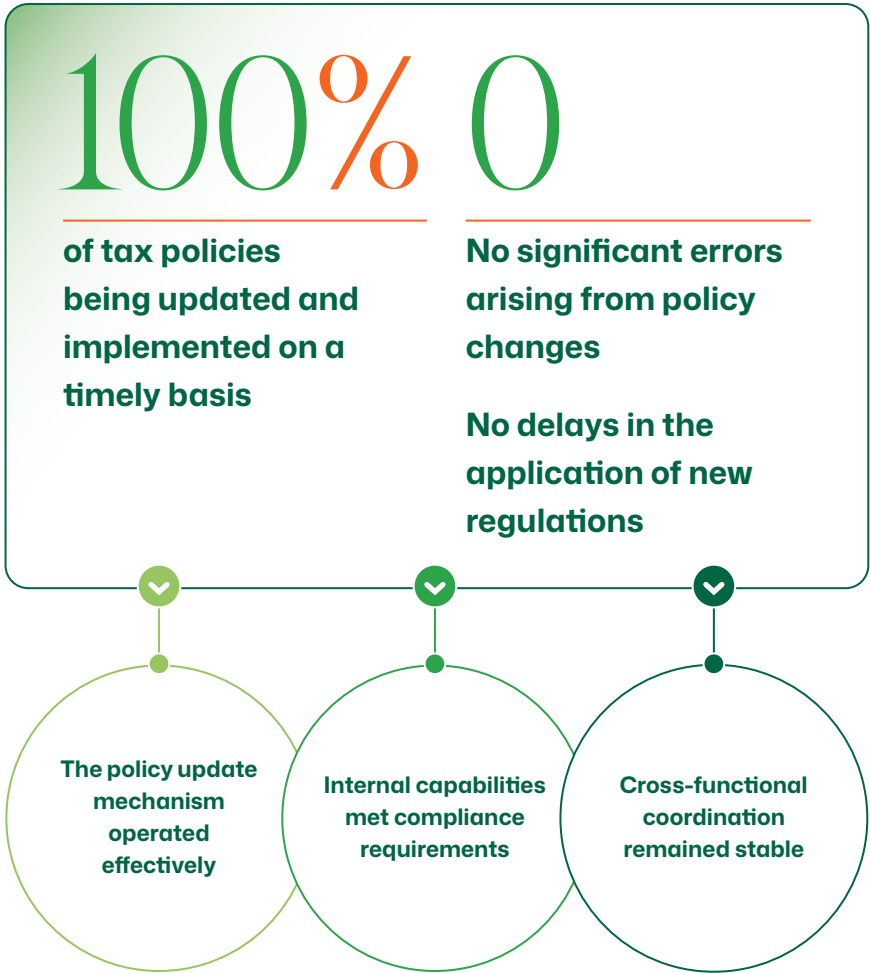
- Update tax governance practices and trends;
- Seek advice on complex or unprecedented matters; and
- Strengthen objectivity in assessment and resolution.

In addition to strengthening internal capabilities, Vicostone maintains regular cooperation with independent tax and legal advisory firms to:

4. Policy Updates and Internal Awareness Enhancement (Continued)

4.5. Implementation Effectiveness in 2025

In 2025, the policy update and internal capability-building framework operated effectively, as demonstrated by:



4.6. Future Direction for Capability Enhancement

In the coming periods, Vicostone aims to further enhance its tax governance capabilities in a more frameworkatic and specialized manner by:

- Developing periodic tax training programs by level, from basic to advanced;
- Standardizing tax policy management and update procedures;

- Increasing the use of technology in tax information management; and
- Developing an internal database on tax policies and tax cases.

These initiatives are designed to support the Company's transition from effective policy updating and compliance to tax knowledge management, consistent with organizations with a high level of ESG maturity.



Tax (GRI 207) (Continued)

5. Economic Contribution and Tax Obligations

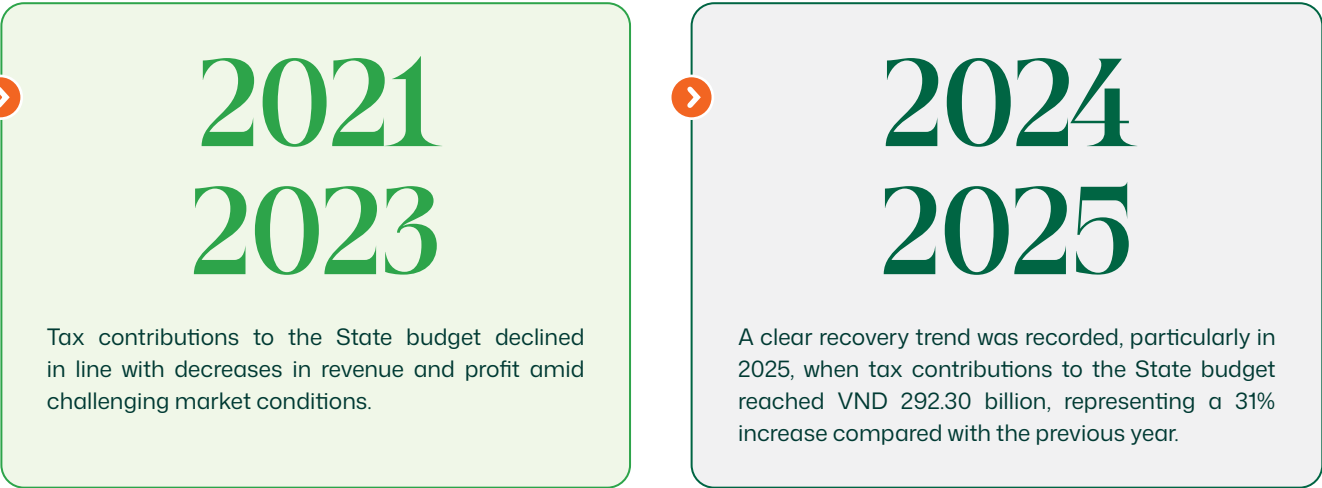
5.1. Tax as a Component of Economic Value Distribution

Within the process of creating and distributing economic value, Vicostone recognizes tax obligations as one of the most direct and meaningful channels of contribution to the economy. In addition to retained earnings for reinvestment and dividends paid to shareholders, the value distributed through tax reflects the Company's responsibility to the State and society.

In this context, tax not only reflects the performance of manufacturing and business activities but also demonstrates the Company's substantive contribution to broader development. This perspective is aligned with the principle of fair and transparent value distribution in ESG governance.

5.2. Tax Contribution Trends During 2021-2025

During 2021-2025, Vicostone's tax contributions to the State budget fluctuated in line with market cycles and business performance, while maintaining a close correlation with the scale of operations.



This recovery reflects:

- Efforts to stabilize production and optimize operations;
- Adaptability to market volatility; and
- The effectiveness of cost management and productivity improvement measures.

Indicators	2021	2022	2023	2024	2025
Revenue (VND billion)	7,136.65	5,761.95	4,457.17	4,425.42	4,271.14
Profit before tax (VND billion)	2,097.40	1,377.22	999.44	953.34	832.35
Tax contributions to the State budget (VND billion)	448.40	379.02	165.68	223.12	292.30

5.3. Trend Analysis

One of the key indicators reflecting the Company's level of contribution is the ratio of tax contributions to the State budget to revenue. During 2021-2025, Vicostone maintained this ratio at approximately 6.8%, indicating that:

- The Company fully fulfilled its tax obligations in proportion to its revenue scale;
- There were no signs of unusual tax optimization; and
- A balance was maintained between financial performance and fiscal responsibility.

In addition, the relationship between profit before tax and tax contributions to the State budget also reflects:

- A stable tax structure;
- Consistency in financial policy; and
- Effective control of costs and tax obligations.

5.4. Stable Contributions Amid Volatility

A notable aspect during this period is that, despite lower revenue and profit in previous years, Vicostone continued to maintain a significant level of tax contributions to the State budget. This demonstrates that:

- The Company did not reduce its tax obligations to offset financial difficulties;
- Tax governance remained independent of short-term market fluctuations; and
- Responsibility to the State was fulfilled consistently.

This is an important factor in building corporate reputation, particularly as expectations regarding financial transparency and fiscal responsibility become increasingly stringent.

5.5. Tax Reporting by Jurisdiction (GRI 207-4)

During the reporting period, Vicostone's tax obligations were primarily incurred in Vietnam, which is the Company's principal tax jurisdiction. The Company did not have any legal entities or permanent establishments generating material tax obligations outside Vietnam within the scope of this Report.

Information on the Company's fiscal contributions in 2025 is presented on a consolidated basis and includes taxes, fees and other financial obligations in accordance with Vietnamese regulations. Total contributions to the state budget in 2025 amounted to VND 292.30 billion, representing an increase of 31.3% compared with 2024.

Tax (GRI 207) (Continued)

6. Tax Incentives and Economic Impact

6.1. Approach to Tax Incentive Policies

Vicostone recognizes tax incentive policies as macroeconomic policy instruments of the State designed to encourage investment, promote manufacturing development and support growth in prioritized regions. The Company therefore applies tax incentives based on the following principles:

- Full compliance with applicable eligibility conditions and legal requirements;

- Transparency in application and declaration; and
- Alignment of tax incentives with the objective of creating economic and social value.

Accordingly, Vicostone does not regard tax incentives merely as a financial benefit, but as a support mechanism that enables the Company to expand investment, enhance production capacity and generate positive spillover impacts for the economy.

6.2. Principles for Applying Tax Incentives

The application of tax incentive policies at Vicostone is governed by strict control principles:

- Incentives are applied only when all statutory conditions are fully met;
- Incentives are not expanded or interpreted beyond the permitted scope;
- Legal documentation is consistent with actual business operations; and
- Adequate supporting documentation is maintained to ensure accountability to regulatory authorities.

These principles help ensure that the application of tax incentives:

- Does not give rise to legal risks;
- Does not compromise financial transparency; and
- Is aligned with the requirements of responsible tax governance.

6.3. Impacts of Tax Incentive Policies

6.3.1. Expansion Investment Project - Factory No. 2

The Factory No. 2 expansion investment project meets the conditions for tax incentives under applicable laws and regulations. In the initial phase, the application of corporate income tax exemption and reduction policies enabled the Company to:

- Strengthen production capacity and expand operating scale;
- Optimize financial resources for reinvestment; and
- Accelerate the payback period of the project.

More importantly, these incentives contributed to wider spillover impacts, including:

- Creating stable employment for Employees;
- Increasing local industrial production value; and
- Promoting the development of related Supply Chains.

From 2025, the project transitioned to applying the preferential tax rate in accordance with applicable regulations, marking a stable operating phase and a higher level of contribution back to the State budget.

6.3.2. Subsidiary - Phenikaa Hue

Phenikaa Hue Mineral Processing and Investment One Member Company Limited benefits from tax incentive policies designed to encourage investment in the Central region of Vietnam.

The application of these incentives has contributed to:

- Promoting manufacturing activities in an area with relatively limited industrial development conditions;

- Creating additional employment opportunities and improving income for local Employees; and
- Strengthening regional competitiveness and attracting investment to the area.

The Company currently applies the preferential tax rate, in accordance with applicable regulations, to its core manufacturing and business activities while ensuring full compliance with all relevant requirements.

6.4. Transition from Incentives to Sustainable Contribution

Vicostone recognizes that tax incentives serve as a support mechanism during the early stage of an investment cycle. Over the long term, the core value lies not in benefiting from incentives, but in the Company's ability to:

- Maintain efficient manufacturing operations;
- Generate stable added value; and
- Increase tax contributions to the State budget over time.

The transition from “benefiting from incentives” to “delivering sustainable contribution” reflects:

- The Company's corporate maturity;
- The effectiveness of its investment projects; and
- The sustainability of its business model.

6.5. Positioning Within the ESG Strategy

Positioning Within the ESG Strategy

- Part of the Governance pillar, ensuring compliance and transparency; and
- Linked to broader economic and social value creation.

These practices help the Company:

- Avoid risks associated with the misuse of tax incentives;
- Enhance transparency and accountability; and
- Align with the increasing expectations of investors and ESG rating organizations.



Tax (GRI 207) (Continued)

7. Future Direction

7.1. Positioning Tax Governance Within the Sustainable Development Strategy

Vicostone recognizes tax governance not only as a function supporting operations, but also as an important pillar of Corporate Governance and ESG. Tax governance has a direct impact on transparency, risk control and the Company's reputation in the market.

As international standards on tax transparency, base erosion prevention and responsible financial governance become increasingly stringent, Vicostone aims to strengthen its tax governance capabilities by:

- Standardizing its tax governance framework;
- Enhancing transparency; and
- Deepening integration with Corporate Governance.

Through this approach, tax activities will not only meet compliance requirements but also become a value-creating element within the Company's sustainable development strategy.



7.2. Roadmap to Enhance Tax Governance Maturity

2025–2026



Strengthening the Compliance Foundation and Internal Capabilities

2027–2028



Standardize the tax governance framework, integrate tax risks into the ERM framework, and establish tax governance KPIs.

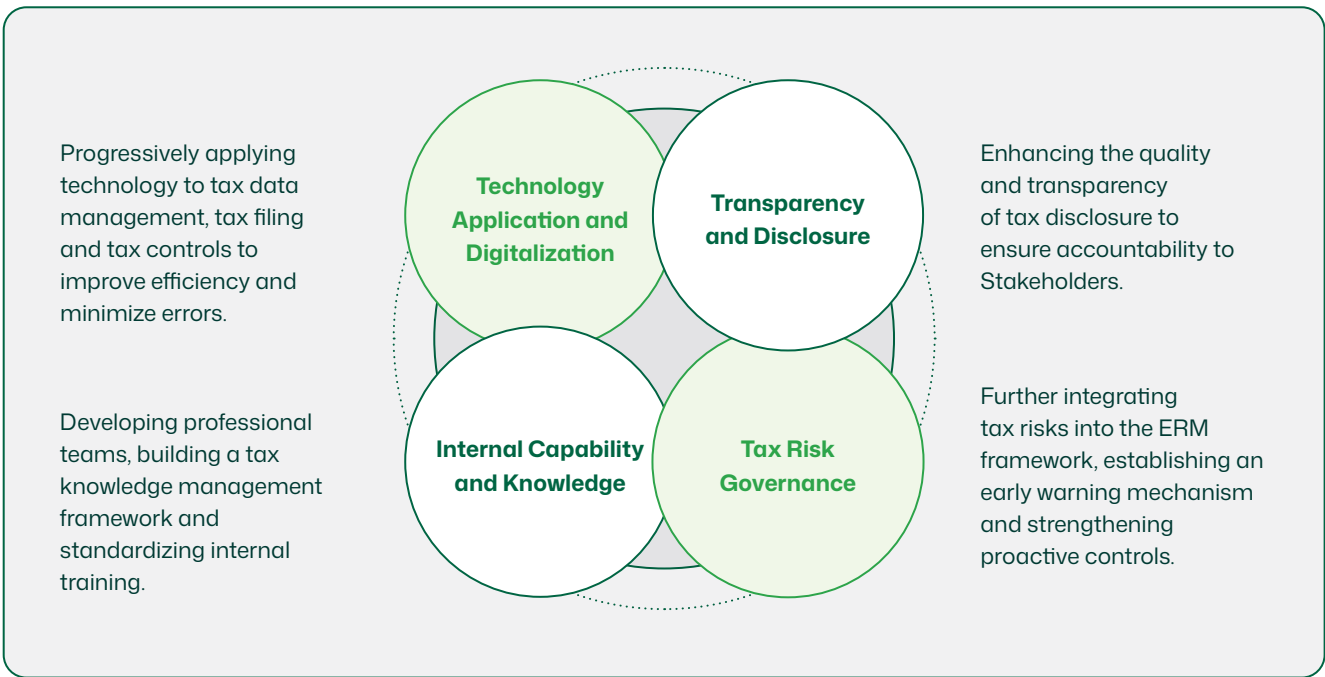
2030



Digitalize tax data, enhance transparency in tax disclosures, and consider tax reporting by jurisdiction should tax obligations arise outside Vietnam

7.3. Key Pillars of the Roadmap

To effectively implement this roadmap, Vicostone will focus on four key pillars:



7.4. Expectations and Commitments

Through this roadmap, Vicostone aims to:

- Maintain a high and stable level of tax compliance;
- Enhance tax governance and tax risk control capabilities;
- Strengthen transparency and accountability; and
- Contribute to reinforcing the trust of the State, investors and other Stakeholders.

The Company is also committed to continuously improving its tax governance framework in alignment with international standards, contributing to sustainable development objectives and enhancing long-term corporate value.

05

Chapter 05

Environmental sustainability

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1904 Anore

(Vicostone Eco Surfaces collections)

Inspired by the soft light of sunset reflected on the river, evoking the stillness and mystery of twilight. Against a soft grey-white background, the design features delicate, full-bodied veins extending across the surface like gentle ripples of light on the water.

Materials

Materials Management and Sustainable Supply Chain

Materials are a fundamental input in Vicostone’s engineered stone manufacturing operations, with direct implications for the Company’s product quality, operational efficiency, resource consumption, Greenhouse Gas (GHG) emissions and long-term competitiveness. As the global economy continues to shift toward green growth, reduction of carbon emissions and supply chain transparency, Vicostone identifies materials management as a material topic in its ESG strategy and Net Zero roadmap to 2050.

2025 marked an important transition in Vicostone’s materials management approach toward a model of “self-sufficiency - integration - circularity - low emissions.” The Company continued to expand the localization of strategic materials, optimize resource efficiency, promote circular economy and progressively integrate emissions data into its supply chain management system. These efforts do not only help enhance production stability and optimize operating costs, but also support Vicostone in meeting increasingly stringent ESG, CBAM and carbon traceability requirements in international markets.

2025 Highlights

In 2025, Vicostone continued to maintain its quartz localization rate, while expanding the use of safe and environmentally friendly materials, and strengthening control over resource efficiency across all manufacturing operations. Key results included:

- Total materials used reached 46,796 tonnes, increasing by approximately 31.9% compared with 2024, in line with the planned expansion of production output;
- Material consumption rate decreased from 1.23 to 1.17 tonnes/tonne of product, representing an improvement of approximately 4% compared with 2024;
- The volume of safe and environmentally friendly materials reached 1,519 tonnes, nearly doubling compared with the previous year;
- Local quartz almost fully replaced imported quartz, contributing to greater supply chain autonomy and stability;
- The internal supply chain continued to be strengthened through Phenikaa Group’s materials ecosystem;
- The Company progressively improved materials-related emissions data to support the GHG inventory under Scope 3 - Category 1.

These results demonstrate the initial effectiveness of Vicostone’s strategies, including resource optimization, Circular Economy and sustainable supply chain management, while laying the foundation for its emissions reduction roadmap and development of environmentally friendly product lines in the next phase.

This disclosure is prepared in accordance with GRI 3-3 and GRI 301: Materials 2016.

46,796

(tonnes)
Total materials used

~100

(%)
Quartz localization rate

1.17

(tonnes/tonne of product)
Material consumption rate

1,519 (3.25%)

(tonnes)
Safe and environmentally friendly materials (*)

(*) As defined in Section 5.1.



Materials (Continued)

1. Supply Chain Context and Risks

Context and Risks of a Materials Supply Chain

In the global context, materials supply chains have increasingly been affected by energy price volatility, logistics disruptions, climate change and ESG requirements in international trade. For the engineered stone manufacturing industry, materials are not only a core determinant of product quality, but also a significant source of indirect emissions throughout the product life cycle. In the global context, materials supply chains are increasingly impacted by:

In the global context, materials supply chains are increasingly exposed to:

- 1

Raw material and energy price volatility
- 2

Logistics disruption risks
- 3

Climate change
- 4

ESG and traceability requirements
- 5

CBAM mechanisms and carbon reduction policies
- 6

The growing trend toward environmentally friendly materials

To manage these risks, the Company implements the following solutions in a synchronized manner:

- 1

Localizing strategic materials
- 2

Integrating the materials value chain
- 3

Conducting assessments of suppliers' ESG
- 4

Standardizing input quality control
- 5

Progressively standardizing data of materials and Scope 3 emissions data
- 6

Expanding the use of environmentally friendly and recycled materials

Vicostone identifies the following material risks in its materials supply chain:

- 1

Price volatility of materials and energy
- 2

Disruption to the supply of strategic materials
- 3

Carbon emissions risks across the value chain
- 4

Environmental risks in mineral extraction and processing
- 5

Material traceability risks
- 6

Risks of failing to meet ESG requirements imposed by international customers

Through this approach, Vicostone is progressively strengthening its supply chain resilience, reducing dependence on external supply sources and reinforcing long-term competitiveness as the global market shifts toward sustainable development.

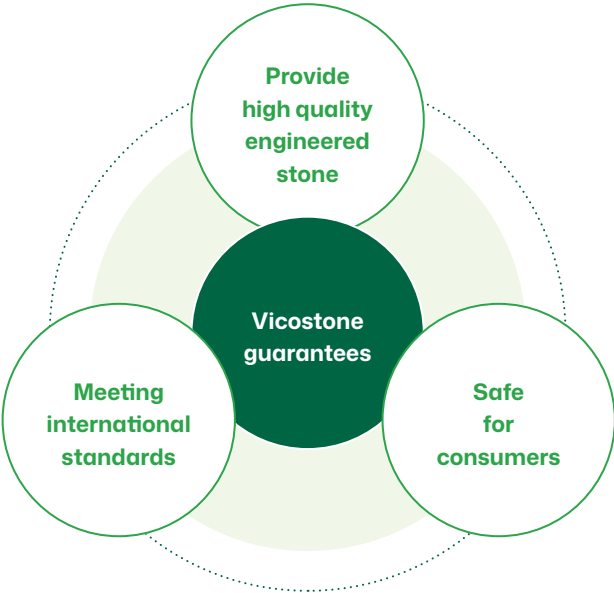
Materials (Continued)

2. Materials Management Commitment

Materials are a fundamental input in Vicostone’s engineered stone manufacturing operations, with direct implications for resource efficiency, product quality, GHG emissions and the sustainability of the value chain. Accordingly, the Company identifies materials management as a material topic in its sustainable development strategy and long-term ESG roadmap.

As the global market shifts toward green growth and increasingly stringent ESG requirements across supply chains, Vicostone’s orientation of materials management is based on the following principles:

- Securing supply autonomy;
- Using resources efficiently;
- Enhancing transparency;
- Reducing environmental impacts;
- Promoting circular economy.



The Company prioritizes the development of an self-sufficient, integrated and sustainable materials supply chain by expanding the localization of strategic materials such as quartz, cristobalite and resin. Material self-sufficiency enables Vicostone to enhance production stability, control input quality, reduce dependence on external supplies and optimize logistics costs.

At the same time, Vicostone is progressively increasing the use of safe, environmentally friendly and recycled materials to reduce dependence on virgin resources, improve material efficiency and promote circular economy in manufacturing operations.

Vicostone identifies materials management as one of the material areas in its long-term Sustainability strategy and ESG roadmap.

The Company also continues to improve technology, optimize mix recipes and control material consumption intensity to enhance resource efficiency and reduce emissions across the product life cycle.

Vicostone recognizes that materials management is not only about controlling manufacturing inputs, but also a part in its strategy of supply chain risk management and the implementation of its long-term Net Zero ambition. Accordingly, the Company is progressively strengthening assessments of suppliers’ ESG, enhancing traceability and developing data systems to support Scope 3 GHG emissions inventory related to input materials.

In the coming period, Vicostone will continue improving its materials management system toward digitalization and ESG integration to support GHG inventory in accordance with ISO 14064, calculation of products’ carbon footprint under ISO 14067, and the carbon neutrality pathway aligned with ISO 14068.

The Company’s materials management strategy also contributes to the United Nations Sustainable Development Goals, particularly:



SDG 9
Industry, Innovation and Infrastructure



SDG 12
Responsible Consumption and Production



SDG 13
Climate Action

Through this commitment, Vicostone continues to realize its development orientation “For a Greener Future”, contributing to the development of a sustainable value chain and advancing the Net Zero roadmap of the Phenikaa ecosystem.

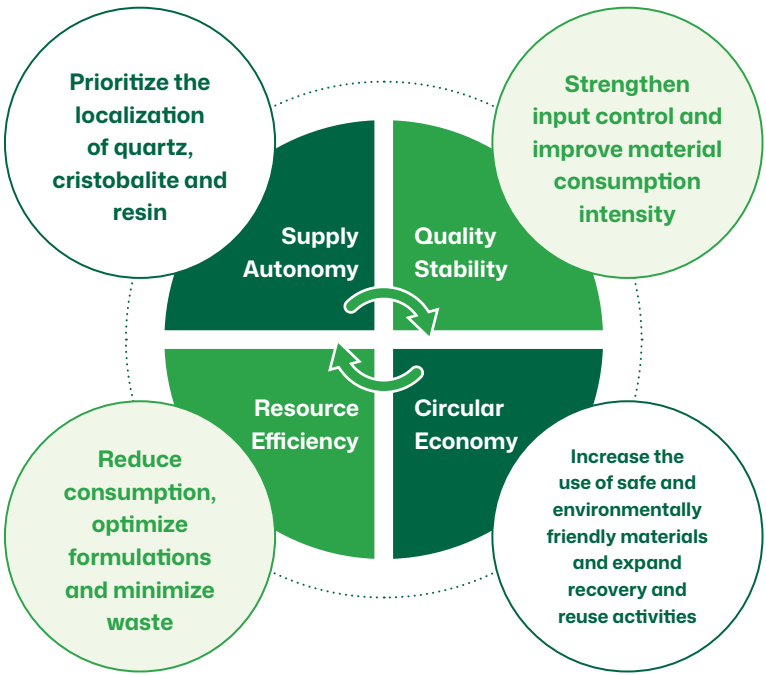
Materials (Continued)

3. Materials Management Strategy

➤ 2030

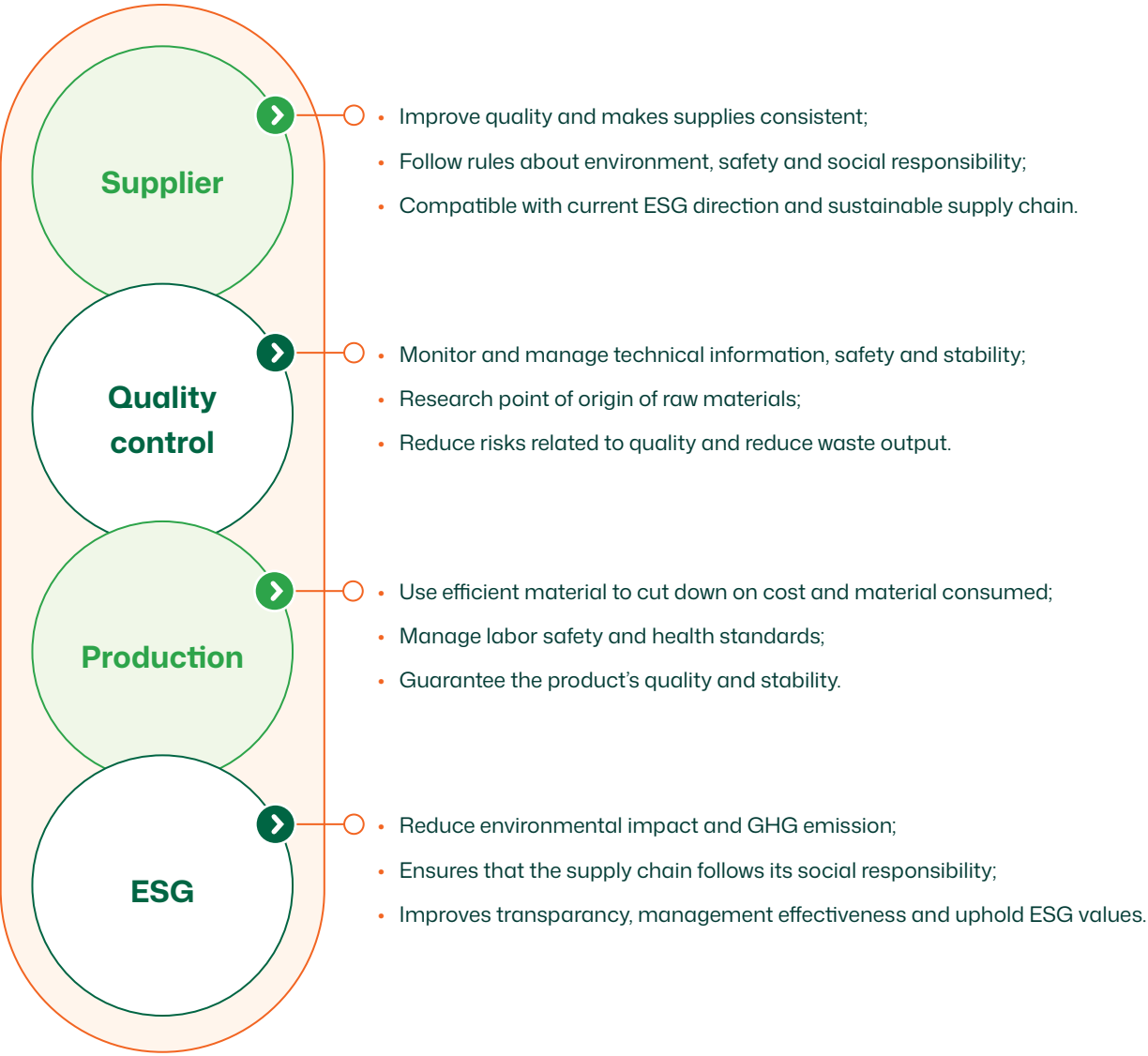
Vision to 2030:
To build a self-sufficient, integrated, agile and sustainable materials value chain that aligns with international ESG standards and strengthens Vicostone's competitiveness in the global market.

The strategy is built upon four strategic pillars:

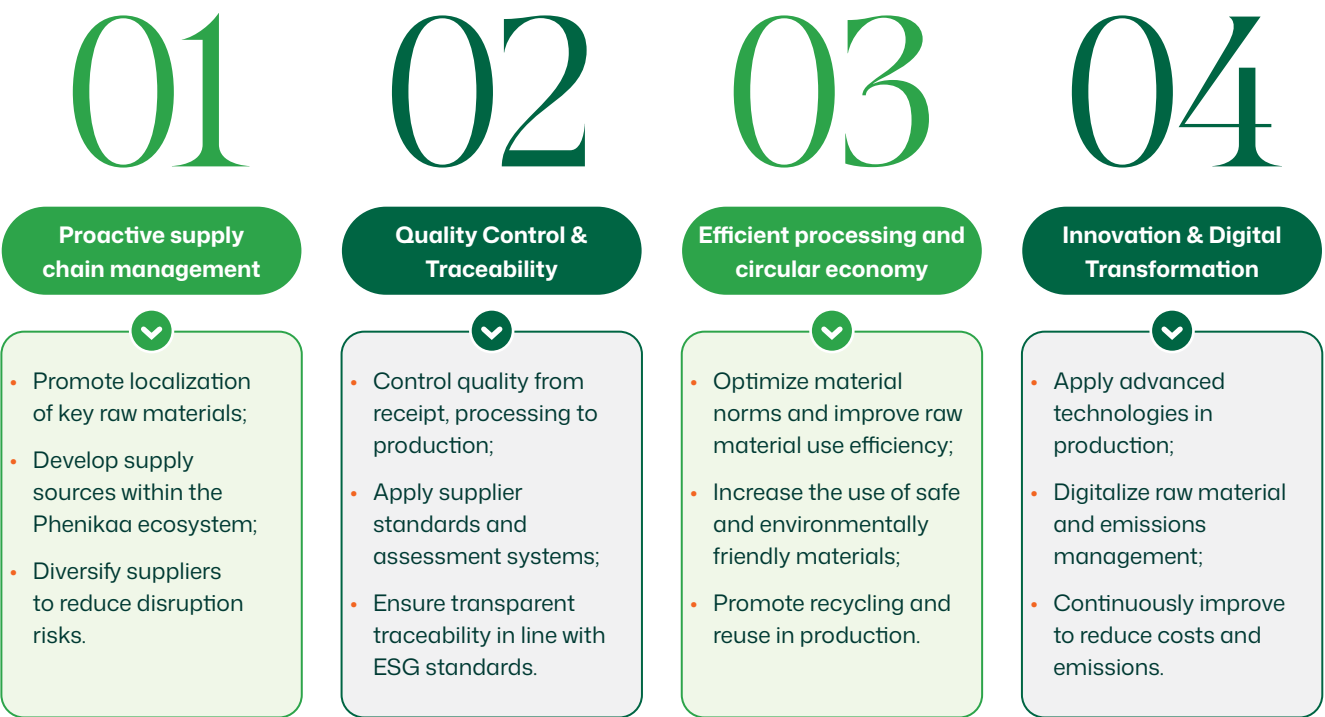


Strategic Pillar	Key Focus
Self-sufficiency in supply	Localize quartz, resin and cristobalite to enhance self-sufficiency, stabilize the supply chain and reduce dependence on imports
Resource optimization	Improve material efficiency, reduce material consumption rate, optimize manufacturing technologies and minimize material losses
Circular Economy	Expand the use of recycled materials, promote packaging reuse and reduce dependence on virgin resources
ESG in the Supply Chain	Strengthen assessments of suppliers' ESG, enhance traceability, improve data transparency and strengthen Scope 3 emissions management

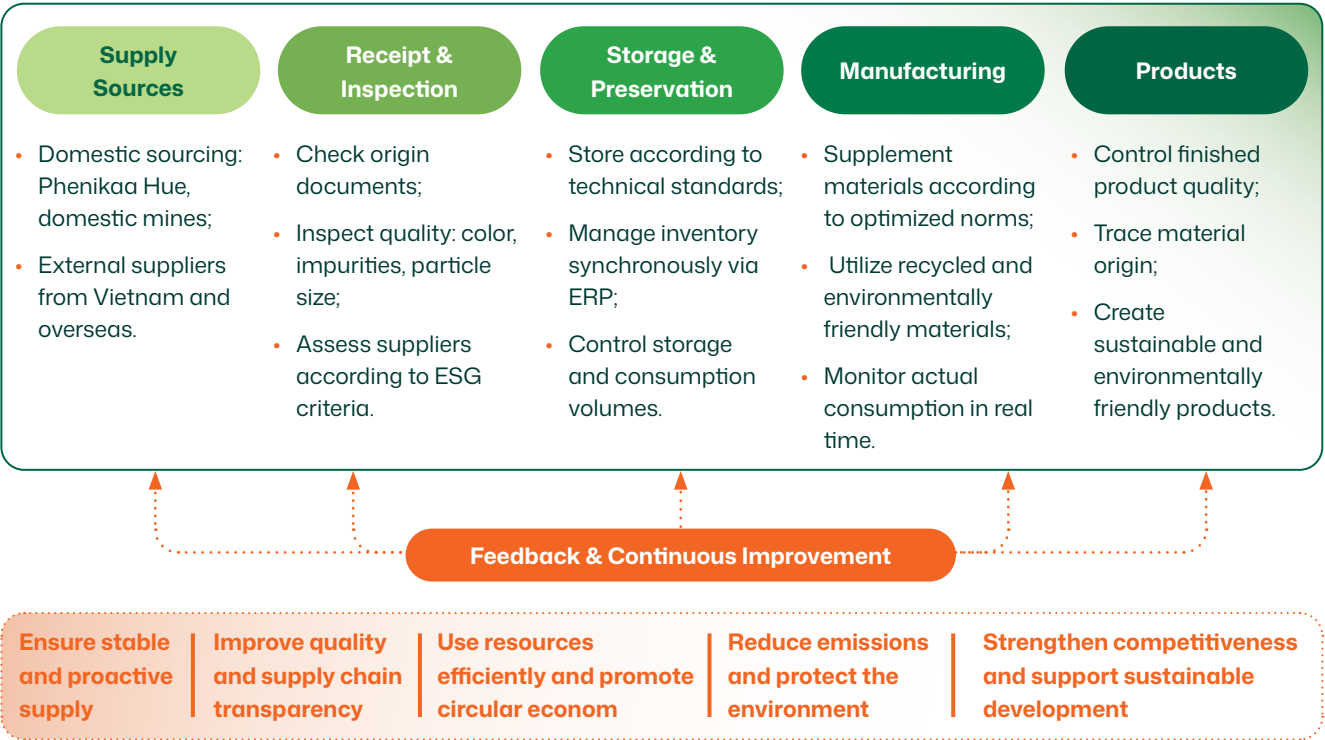
Diagram of Chain of Custody of Input Materials



3. Materials Management Strategy (Continued)



Raw Material Control Strategy - 4 Pillars

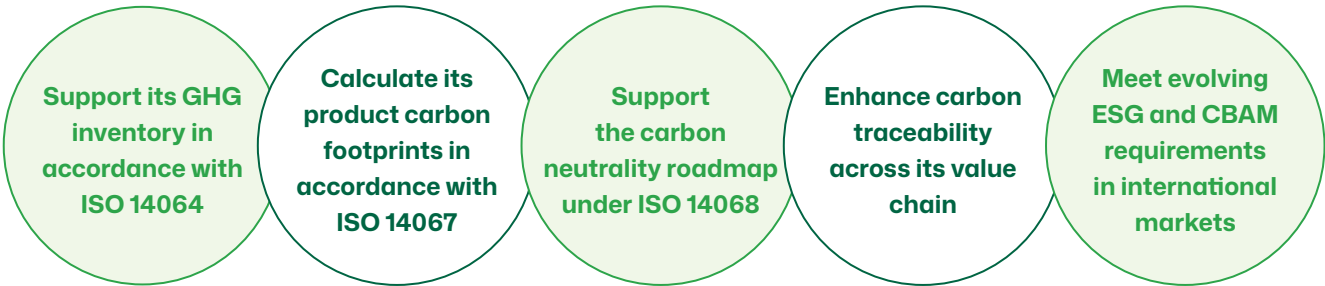


Input Raw Material Control Chain Diagram

Alignment with the Net Zero strategy and Scope 3 emissions management

Materials represent one of the significant sources of indirect emissions across Vicostone's value chain, particularly in relation to the extraction, processing and transportation of input materials.

Vicostone is progressively developing an integrated database of materials and related emissions to:



In the coming period, the Company will continue expanding collection of Scope 3 data for key material categories while progressively integrating ESG data into its supply chain management.



Materials (Continued)

4. Materials Consumption

4.1. Key raw materials

Vicostone maintains a high degree of self-sufficient in supply through a strategy of localizing nearly 100% of its major input materials (quartz, cristobalite and resin), including:

- Cristobalite, manufactured and supplied by Phenikaa Hue Mineral Processing and Investment One Member Company Limited, a Vicostone subsidiary, with natural whiteness and technical characteristics suitable for engineered stone production;
- Unsaturated polyester resin, manufactured and supplied by Phenikaa Chemical Plant, a member unit of the Phenikaa Group, using technologies developed by the Group's technical experts.

This localization strategy has enabled Vicostone to:

- Reduce dependence on external supply chains;
- Control materials' quality from the extraction and processing stages;
- Optimize costs and strengthen competitive advantage;
- Enhance supply chain transparency in line with ESG standards.

Unit: tonnes

Raw Material Type.	2021	2022	2023	2024	2025
Domestic quartz	20,944.8	22,960.4	11,781	14,541	19,887
Imported quartz	5,817.5	4,542.5	326	589	161
Cristobalite	43,854.4	31,718.6	20,289	15,198	19,859
Domestic resin	9,060.9	9,540.5	5,464	5,140	6,874
Imported resin	2,778.6	-	-	-	15
Total	82,456.2	68,762.0	37,860	35,468	46,796
Total production output (tonnes)	70,068.92	46,671.47	30,651.95	28,829.19	40,155.15
Material consumption rate (tonnes/tonnes of product) (Total materials consumed/Total production output)	1.18	1.47	1.24	1.23	1.17

Vicostone’s Consumption of Major Materials (2021-2025)

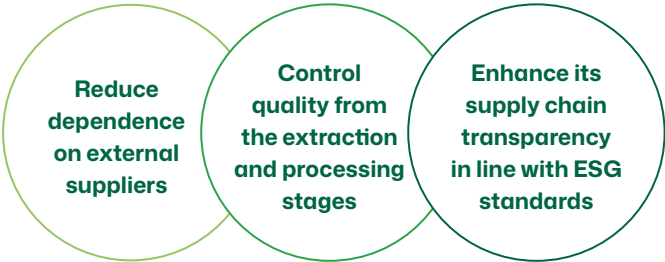
Materials efficiency (2021-2025):

- Domestic quartz has progressively replaced imported quartz, reaching approximately 100% localization;
- Consumption of domestically sourced cristobalite and resin increased, in line with the planned expansion of production in 2025;
- Total materials consumption declined during 2021-2024 as a result of production optimization and cost efficiency initiatives, before increasing again in 2025 in line with planned production expansion;
- Material efficiency indicators are monitored regularly and integrated into the Company's operational KPI system to support performance evaluation and continuous improvement.

The Role of Phenikaa Hue Mineral Processing and Investment in the materials supply chain

Phenikaa Hue Mineral Processing and Investment One Member Company Limited, a member unit of the Phenikaa ecosystem, plays a strategic role in securing Vicostone’s supply of input materials. It supplies Vicosilica sand, sand sourced from mines in Central Vietnam, natural quartz and chemicals used in mineral processing.

A stable supply from Phenikaa Hue enables Vicostone to:



Accordingly, the unit also serves as a cornerstone of Vicostone's strategy of integrating materials value chain strategy.

Unit: tonnes

No.	Key Raw Materials	2021	2022	2023	2024	2025
1	Sand	87,277.6	87,995.7	91,010.0	86,819.7	77,248.6
2	Quartz	17,226.5	13,327.2	7,340.9	11,983.3	4,919.6
3	NaOH	263.8	196.2	273.5	281.5	225.4
4	Na ₂ CO ₃	44.0	101.5	77.0	84.0	79.0
Total		104,811.9	101,620.6	98,701.3	99,168.5	82,472.6

Primary Materials Consumption of Phenikaa Hue Mineral Processing and Investment One Member Company Limited

4. Materials Consumption (Continued)

4.2. Auxiliary Materials

In addition to major materials, Vicostone uses auxiliary materials for product packaging and protection, such as steel shipping racks, surface protection film, binding straps, labels, wooden planks, screws, etc.

Unit: tonnes

Material	2024	2025
Steel shipping racks	380.0	390.5
Surface making film	28.5	373.2
Total	408.5	763.7

Key auxiliary materials

The increase in auxiliary materials consumption was primarily attributable to changes in packaging plans and higher production output in 2025. During the year, the Company expanded the use of surface protection film for export product lines and upgraded packaging specifications to enhance product protection during transportation.

All external suppliers are assessed and selected by the Company based on criteria covering product safety, user friendliness, reusability, operational safety, traceability, cost efficiency and environmental friendliness. This approach enables the Company to reduce emissions, optimize costs and increase the use of sustainable materials

The scope of this disclosure covers both major and auxiliary materials directly used in Vicostone's manufacturing operation, but excludes insignificant consumables.



All external suppliers are assessed and selected by the Company based on criteria covering product safety, user friendliness, reusability, operational safety, traceability, cost efficiency and environmental friendliness



Materials (Continued)

5. Circular Economy and the use of Safe, Environmentally friendly materials

5.1. The use of Safe and Environmentally friendly materials

At Vicostone, safe and environmentally friendly materials comprise recovered or reused materials from post-production streams, materials capable of partially replacing virgin resources, and materials with lower environmental impacts during production or use, including glass, mirrors and seashells, etc.

Vicostone promotes circular economy model through the following initiatives:

- Increasing the proportion of safe and environmentally friendly materials, such as glass, mirrors and seashells, incorporated into product formulations;
- Standardizing quality control procedures before these materials are introduced into production;
- Optimizing manufacturing processes to reduce virgin material consumption and GHG emissions.

Unit: tonnes

Year	2021	2022	2023	2024	2025
Recycled materials (seashells, glass powder, quartz powder and burrs, etc.)	248.50	230.73	118.75	716.660	806.6
Environmentally friendly materials used for ECO product lines					712.5
Total safe and environmentally friendly materials	248.50	230.73	118.75	716.660	1,519.1
Environmentally friendly materials as a percentage of total materials consumed (%)	0.30%	0.33%	0.31%	2.02%	3.25%

Safe and Environmentally friendly materials used

As can be seen in 2025, the quantity of safe and environmentally friendly materials used nearly doubled compared with 2024, while their share in total materials consumption increased from 2.02% to 3.25%. This demonstrates Vicostone's trend of increasing environmentally friendly materials in its manufacturing operations, with major material consumption

rate declined by approximately 4.7% compared with 2024. These results reflect the noticeable effectiveness of the Company's production optimization programmes and provide a solid foundation for further expanding its Circular Economy model in the coming period.

5.2. Collection and Reuse of material packaging

In addition to optimizing input materials, Vicostone collects and reuses material packaging to reduce industrial waste generation and extend the useful life of materials. The programme primarily focuses on reusable packagings that can be reused repeatedly during the processes of materials storage and transportation.

The packaging reuse rate remained stable at approximately 40% throughout the 2022-2025 period, based on assessments of the ability to meet technical requirements and quality following sorting.

Year	Collection Volume		Reuse Volume		Reuse Rate
	Packaging Collected (piece)	Weight Collected (kg)	Packaging Reused (piece)	Weight Reused (kg)	
2022	27,440	85,064.0	10,976	34,026	40%
2023	28,110	87,141.0	11,244	34,856	40%
2024	14,975	46,422.5	5,930	18,383	40%
2025	24,256	75,193.6	9,702	30,076	40%

Collection and Reuse of Raw material packaging (2022-2025)
(The average weight of each material packaging is approximately 3.1 kg per packaging.)

Packaging reuse helps reduce demand for new packaging materials, minimizing industrial waste generation and supporting implementation of circular economy across Vicostone's materials supply chain.



Materials (Continued)

6. Materials management targets in 2026

In 2026, Vicostone will continue strengthening materials management toward ESG, focusing on the key objectives approved under the ESG Roadmap 2025-2030, including:

≥30%

Increasing environmentally friendly materials: at least 30% of products using environmentally friendly materials

1.0%

Reducing materials consumption: decrease in materials consumption by 1% compared with the established consumption benchmark

50%

Expanding circular economy: increase in the solid waste reuse rate to 50%

80%

Implementing ESG assessments across the materials supply chain: 80% of the materials supply chain complying with the Company's ESG Code, with a particular focus on suppliers of major materials

2.0%

Expanding the exploitation of renewable energy associated with materials consumption: The share of renewable electricity reaching 2%

ISO

Completing implementation of ISO 50001 at the Phenikaa Hue Plant: supporting optimization of the materials consumption rate through energy management

IoT

Digitalizing the monitoring of materials emissions: launch of an IoT-enabled digital system for measuring emissions associated with materials consumption

Through these programs, Vicostone will continue realizing its development philosophy of “**For a Greener Future**”, while strengthening the foundation for a sustainable, transparent and low-emission materials value chain in the next phase of development.

Energy



These initiatives not only enhance production stability and optimize operating costs but also support Vicostone in meeting increasingly stringent export market requirements related to emissions, traceability, carbon data and ESG standards.



Energy (Continued)

1. Context and Significance

Amid escalating global challenges related to energy crises, climate change and the pressure of the transition toward a low-carbon economy, efficient energy management and utilization have become one of the core requirements for enterprises, particularly those operating in energy-intensive industrial manufacturing sectors.

At the same time, requirements imposed by international markets, supply chains and carbon adjustment mechanisms such as CBAM, together with the trend of standardization of sustainability reporting against global standards, are placing higher expectations on companies to enhance the transparency of energy data, control emissions and improve resource efficiency.

In this context, as a leading engineered stone manufacturer, Vicostone regards energy management not merely as an operational activity aimed at cost optimization, but as a strategic pillar of its ESG governance and green growth model, contributing to:

- Enhancing production efficiency and competitiveness;
- Reducing greenhouse gas emissions toward the Net Zero target;
- Strengthening resilience to global energy volatility.



Vicostone's approach to manage energy is through an integrated governance framework encompassing strategy, policies, targets, data, technology and operational mechanisms. ISO 50001 is applied as a core tool for standardization and control; however, it does not represent the full scope of the Company's energy management activities.

During development in line with the Group's model, the Company is also building a phased roadmap for integrated energy management to balance operational flexibility with strategic consistency:

Short term	Medium term	Long term
Standardize energy data and establish measurement, monitoring, and reporting systems at each unit	Associate and synchronize energy performance indicators and progressively integrate management systems across units	Integrate energy management at the Group level, optimize system-wide operations, and align closely with the target of reducing greenhouse gas emission.

For Phenikaa Hue Mineral Investment and Mining One Member Limited Liability Company, energy management is implemented under an independent model, in line with its mining and mineral processing characteristics. However, linkage among units within the ecosystem is not carried out through operational consolidation, but through shared ESG strategic orientation and a common Net Zero roadmap, ensuring:

- Alignment of targets of reducing greenhouse gas emission;
- Consistency in the orientation of improving energy efficiency;
- Coordination in the transition toward sustainable energy sources.

This approach enables Vicostone to maintain its leadership in energy management while allowing member units to develop according to roadmaps suited to their maturity levels, moving toward a synchronized, flexible, and effective energy management system across the Group.

Energy (Continued)

2. ESG-Integrated Energy Policy

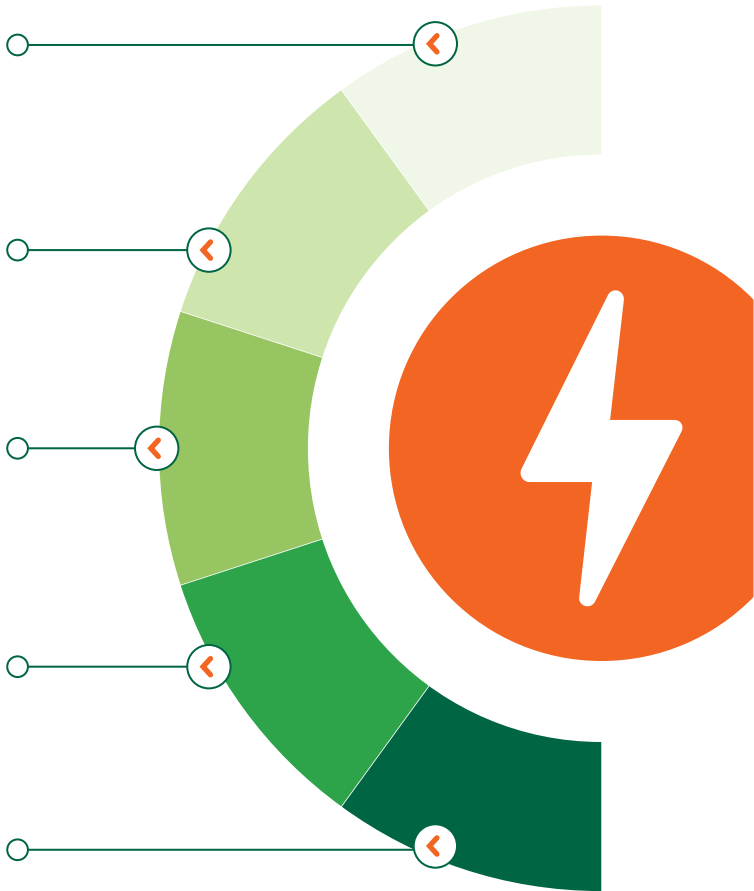
In the context of more stringent requirements for energy governance, emission reduction, and ESG transparency, Vicostone identifies the development and implementation of its energy policy, not only as a means of ensuring compliance, but also as an important foundation for delivering its sustainable development strategy and long-term Net Zero target.

In 2025, Vicostone continued to maintain and upgrade its Energy management system in accordance with ISO 50001, while further integrating the system into the Company's ESG governance system. However, it should be emphasized that energy management at Vicostone is not limited to this standard. Instead, it is implemented as an integrated governance system comprising strategic orientation, policies, targets, data systems and technological solutions to optimize energy performance and reduce greenhouse gas emissions.

2.1. Principles and Orientation of the Energy policy

Vicostone's energy policy is built on the following core principles:

- Compliance and standardization in line with international practices:**
Ensuring conformity with applicable legal regulations, while adopting and maintaining an energy management system aligned with international standards, with ISO 50001 serving as a core tool.
- Optimizing energy efficiency:**
Continuously improving energy performance through operational optimization, equipment upgrades, and technology application in order to reduce costs and enhance competitiveness.
- Reducing greenhouse gas emissions and moving toward Net Zero:**
Linking energy management with emission reduction targets, gradually decoupling production growth from energy consumption and carbon emissions.
- Promoting the transition to sustainable energy:**
Gradually researching, implementing, and expanding the use of renewable energy, clean energy, and alternatives to fossil fuels.
- Raising awareness and building an energy-conscious culture:**
Strengthening training and internal communication to foster energy-saving and efficient energy-use habits among all employees.



2.2. Implementation of the Policy at Vicostone

Vicostone implements its energy policy based on consistent strategic orientation and flexible operations, in line with the multi-unit model of Vicostone and Phenikaa Group.

At Vicostone	At Phenikaa Hue
• The energy policy is fully integrated into the ESG governance system and ISO 50001 system; • It is operated by a dedicated Energy Management Committee; • A system of specific energy performance objectives, targets and improvement programs is established; • The Company plays a central role in leading and standardizing energy management across the system.	• A separate energy policy has been developed and issued, reflecting the characteristics of mining and mineral processing activities; • The energy management system is at the initial implementation stage and has not yet fully adopted ISO 50001 in the same manner as Vicostone; • The Energy Management Committee is organized independently and operates in accordance with the unit's internal needs.

2.3. Linkage and Synchronization Mechanism

Although operated independently, the energy policy at Phenikaa Hue has gradually been aligned with Vicostone, particularly in the following core areas:

- Alignment with the ESG strategic orientation and Net Zero target of the overall system;
- Approach to effective energy management principles under ISO 50001 as a reference;
- Gradual standardization of energy data and performance indicators.

The linkage between Vicostone and Phenikaa Hue in energy management is not an integration of ISO 50001 systems, but is carried out through:

- A shared ESG policy and target framework;
- The Net Zero project as a connecting platform, enabling the synchronization of:
 - Targets of reducing GHG emissions;
 - The energy transition roadmap;
 - Investment orientation for energy-saving technologies.

This approach enables Vicostone to maintain operational flexibility at each unit while ensuring strategic consistency at the Group level.

2.4. Roles of the Energy Policy in the ESG Strategy

The energy policy is not only an operational management tool, but also serves as:

- A bridge between ESG strategy and practical production activities;
- A foundation for implementing emission reduction and Net Zero programs;
- A basis for developing a system of ESG indicators and transparent disclosures

By integrating the energy policy into its ESG governance system, Vicostone is gradually transforming from a traditional energy management model to a strategic energy governance model, supporting long-term sustainable development.

Energy (Continued)

3. Orientation, Targets, and Governance Structure for Energy Management

3.1. Orientation and Targets for Energy Management

Based on the issued energy policy, Vicostone implements energy management under an integrated orientation, transitioning from fragmented operational practices to a strategic energy governance model, closely aligned with the Group's ESG targets and Net Zero roadmap.

This orientation is built on three key pillars:



These orientations are translated into key solution groups:

- Assessing the energy-use context and developing consumption rates for each production stage;
- Implementing programs to reduce fuel consumption, particularly for major energy-consuming equipment;
- Improving equipment performance through Kaizen and Continuous Improvement programs;
- Applying real-time energy consumption monitoring and alert systems;
- Researching and gradually implementing renewable energy solutions.

Energy Management Targets for 2025

Based on strategic orientations, Vicostone has established specific and measurable targets integrated into its ESG KPI system, including:

- Reducing energy consumption intensity per unit of product by at least 3% (kWh/m²);
- Reducing Diesel consumption by at least 10% compared with the rate;
- Improving the performance of key energy-consuming systems, such as air compressors, cooling systems and curing ovens, by at least 4%;
- Ensuring that 100% of the employees are trained on effective and efficient energy use.

These targets serve do not only serve internal governance purposes, but also provide the basis for monitoring, evaluating and disclosing ESG indicators related to energy and emissions.

3.2. Governance structure and Implementation model

At Vicostone, energy management is systematically organized through a dedicated Energy Management Committee, directly linked to the implementation of the ISO 50001 system.

Organizational structure

- The Energy Management Committee consists of 20 members and is chaired by a representative of the Board of Management;
- Its members include representatives from relevant departments such as production, engineering, environment, finance and ISO systems;
- This structure ensures cross-functional coordination and consistent implementation across all operations.

Functions and Roles

The Energy Management Committee is mainly responsible for:

- Developing annual and medium-term energy strategies, objectives and plans;
- Coordinating the implementation of energy-saving and optimization programs;
- Monitoring, analyzing and evaluating Energy Performance Indicators (EnPIs);

- Organizing periodic reporting and proposing improvement solutions;
- Integrating energy indicators into the ESG governance system and operational KPIs.

This system ensures that energy management is carried out in a systematic, measurable, controlled and continuously improved manner.

Implementation model within the Ecosystem

For Phenikaa Hue Mineral Investment and Mining One Member Limited Liability Company:

- The unit organizes energy management under an independent model suited to its operational characteristics;
- It has not yet fully operated under the ISO 50001 system in the same manner as Vicostone;
- It is in the process of standardizing data and gradually upgrading its management system.

However, linkage among units is ensured through:

- The Group's common ESG orientation and targets;
- The Net Zero roadmap as a connecting platform, helping to:
 - Align emission reduction targets;
 - Unify the orientation of efficient energy use;
 - Guide the transition toward sustainable energy.

This approach allows Vicostone to retain its role as the leading unit in energy governance, while enabling member units to develop according to appropriate roadmaps, moving toward a synchronized, flexible, and effective energy management system across the Group.

Energy (Continued)

4. Energy efficiency and Conservation

The efficient and effective use of energy is one of the key pillars of Vicostone's sustainable development strategy, contributing simultaneously to three objectives: optimizing production efficiency, controlling operating costs and reducing greenhouse gas emissions, in line with the Group's ESG orientation and Net Zero roadmap.

Rather than implementing isolated initiatives, Vicostone adopts a systematic, phased and data-driven approach to energy management, integrating operational governance, technological innovation application and energy transition. This approach is also extended to member companies, including Phenikaa Hue Mineral Investment and Mining One Member Limited Liability Company (Phenikaa Hue), in a manner appropriate to each unit's level of development and operational characteristics.

4.1. Roadmap for Implementing energy efficiency solutions

Vicostone implements energy efficiency solutions through a three-phase roadmap, ensuring effective short-term control while progressing toward long-term optimization and energy transition.

Phase 1 - Standardization and Control

This phase focuses on establishing a robust energy management foundation through:

- Developing energy consumption rates for each production stage;
- Issuing energy-saving operating procedures and integrating them into equipment operation and maintenance;
- Incorporating energy performance indicators into production and management activities;
- Implementing Continuous Improvement programs (Kaizen and Continuous Improvement (CI)) to reduce energy consumption.

At Vicostone, the Energy management system has been standardized and operated in accordance with ISO 50001. At Phenikaa Hue, energy management activities are being implemented based on the principles and guidance of this standard, consistent with the unit's level of readiness.

This phase establishes a systematic energy control framework supported by an initial energy data foundation.

Phase 2 - Monitoring and Optimization

This phase focuses on deploying systems for energy measurement, data collection, and analysis; monitoring consumption trends, and applying alert mechanisms when predefined thresholds are exceeded to optimize operations based on actual performance data.

- Vicostone has established a real-time energy monitoring system integrated with production operations, supported by a rapid response mechanism;
- Phenikaa Hue is gradually implementing similar practices, with energy monitoring currently conducted primarily at an aggregated level and without a comprehensive automated monitoring and alert system.

This phase marks the transition from manual energy management to data-driven energy governance.

Phase 3 - Advanced optimization and Energy transition

This phase focuses on applying digital technologies and automation to energy management, promoting resource recovery and reuse, and implementing renewable energy solutions to reduce greenhouse gas emissions.

- Vicostone has initiated pilot projects and is progressively expanding green energy solutions aligned with its Net Zero roadmap;
- Phenikaa Hue is currently studying and developing an implementation roadmap consistent with the overall ESG strategy.

This phase represents the transition from operational optimization to a sustainable low-carbon energy model.

"The three-phased implementation of the energy management roadmap has enabled Vicostone to progressively decouple production growth from energy consumption, laying the foundation for the transition toward a low-carbon manufacturing model over the long term."

4.2. Energy control and Monitoring system

At Vicostone, a comprehensive Energy management system has been established, comprising:

- (i) detailed energy consumption rates for each production stage;
- (ii) Real-time energy monitoring system integrated with production operations;
- (iii) An early warning and rapid response mechanism for abnormal energy consumption;
- (iv) Periodic reporting mechanism linked to Continuous Improvement programs.

This system enables effective control of energy consumption, minimizes energy losses, and maintains optimal operational performance.

At Phenikaa Hue, energy management is primarily focused on operational control, including monitoring major energy

sources and initially establishing energy consumption rates for certain production stages. Energy data are currently collected mainly through semi-manual methods, and a comprehensive intelligent energy monitoring system has not yet been established. Looking ahead, the unit plans to progressively standardize energy data and upgrade its management system following Vicostone's model, with the objective of integration into the ESG and Net Zero framework.

At the system level, despite different implementation maturity, energy management activities are aligned through common objectives for energy efficiency and greenhouse gas emission reduction, under the Group's ESG orientation and Net Zero roadmap. This approach enables Vicostone to maintain its leadership role while allowing member units to develop according to appropriate roadmaps, ultimately building an energy management system that is both integrated and flexible.

Energy (Continued)

5. Energy management by Energy source at Vicostone and Phenikaa Hue

Energy management at Vicostone is implemented according to each major energy form, including electricity, gas and Diesel, to ensure effective consumption control, cost optimization, and greenhouse gas emission reduction for each source.

This approach enables the Company to assess energy performance accurately and develop optimization solutions tailored to the characteristics of each energy source.



5.1. Electricity

5.1.1. Electricity consumption at Vicostone

Electricity is Vicostone’s primary energy source, supporting all engineered stone manufacturing processes, from raw material mixing, vacuum vibro-compression and polishing to finished product packaging. Electricity consumption during 2023-2025 is presented below:

Year	Electricity Consumption (kWh)	Electricity Consumption (GJ)	Finished Products Received into Inventory (m³)	Energy Intensity (kWh/m²)	Energy Intensity (GJ/m²)
2023	12,898,100	46.4x10³	542,558	23.77	85.6x10 ⁻³
2024	13,239,700	47.67x10³	523,840	25.27	90.98 x10 ⁻³
2025	15,255,927	54.93x10³	732,706	20.82	74.96 x10 ⁻³

Note: 1 kWh = 3.6 × 10⁻³ GJ

5.1.2. Electricity consumption at Phenikaa Hue

Year	Electricity Consumption (kWh)	Electricity Consumption (GJ)	Finished Products Received into Inventory (tonnes)	Energy Intensity (kWh/tonne)	Energy Intensity (GJ/tonne)
2023	4,980,352	17,929	93,860.7	53.1	0.19
2024	5,041,760	18,150	92,646.6	54.4	0.2
2025	5,299,712	19,079	80,373.9	65.9	0.24

Note: 1 kWh = 3.6 × 10⁻³ GJ

Comments:

- Total electricity consumption at both Vicostone and Phenikaa Hue increased in line with production expansion.
- At Vicostone, electricity intensity per unit of product decreased significantly (approximately 17.6%), demonstrating the effectiveness of operational optimization solutions and technological improvements.
- In contrast, electricity intensity at Phenikaa Hue increased by approximately 21.1%, primarily due to lower production output, resulting in higher energy allocation per unit of product.

The differences in electricity performance between the two units reflect different levels of energy management maturity while also indicating significant opportunities for improvement at units currently undergoing system standardization.

5. Energy management by Energy source
at Vicostone and Phenikaa Hue (Continued)

5.2. Gas

Gas is primarily used in heating processes, particularly in the product curing system, where it plays a critical role in ensuring product quality and consistency.

5.2.1. Gas consumption

a. Gas Consumption at Vicostone (2023-2025)

Year	Gas Consumption (kg)	Gas Consumption (GJ)	Finished Products Received into Inventory (m ²)	Gas Intensity (kg/m ²)	Gas Intensity (GJ/m ²)
2023	156,241	7,343.3	542,558	0.27	13.53 x10 ⁻³
2024	153,786	7,227.9	523,840	0.29	13.8 x10 ⁻³
2025	195,007	9,165.3	732,706	0.27	12.51 x 10 ⁻³

Note: 1 kg of gas = 47 x 10⁻³ GJ.

b. Gas consumption at Phenikaa Hue (2023-2025)

Year	Gas Consumption (kg)	Gas Consumption (GJ)	Finished Products Received into Inventory (tonnes)	Gas Intensity (kg/tonne)	Gas Intensity (GJ/tonne)
2023	4,134,400.0	194,316.8	93,861	44.0	2.1
2024	4,064,091.0	191,012.3	92,647	43.9	2.1
2025	3,831,000.0	180,057.0	80,374	47.7	2.2

Note: 1 kg of gas = 47 x 10⁻³ GJ.

Comments:

- At Vicostone, total gas consumption increased in line with production expansion; however, gas intensity decreased by approximately 7.5%, demonstrating improved operational efficiency.
- At Phenikaa Hue, total gas consumption declined by approximately 7%, while gas intensity increased by approximately 8.7%, reflecting suboptimal operational efficiency and the impact of output fluctuation.

As gas is a direct emission source (Scope 1), improving gas utilization efficiency does not only deliver cost savings but also plays a significant role in the strategy of greenhouse gas emission reduction.

5.2.2. Gas saving and Optimization solutions

Vicostone has implemented a comprehensive range of solutions, including:

Optimizing the Performance of the Product Curing System

Controlling gas pressure and flow supplied to the combustion chamber to prevent excessive injection, which causes soot formation and fuel waste;

Synchronizing thermal, mechanical and electrical systems to optimize heat absorption efficiency and increase energy conversion;

Adjusting combustion temperatures according to product lines, particularly for handcrafted products and products requiring extended heat retention;

Automating monitoring and warning processes through the integration of an IoT system.

Periodic equipment maintenance

Maintaining maximum performance of gas-fired equipment through:

- Periodic inspection of burners;
- Maintenance of temperature and pressure regulators;
- Repairing and replacing pipelines and valves showing signs of wear;
- Continuous implementation under the 5S and Continuous Improvement (CI) programs.

Application of Renewable energy and Alternative fuels

Utilizing solar water heaters in employee cafeterias, thereby reducing gas consumption for domestic hot water use.

5. Energy management by Energy source
at Vicostone and Phenikaa Hue (Continued)

5.3. Diesel

Diesel is primarily used for forklifts, internal transportation equipment, and backup generators, representing a high direct greenhouse gas emission source.

5.3.1. Diesel consumption

a. Diesel consumption at Vicostone (2023-2025)

Year	Diesel Consumption (litres)	Diesel Consumption (GJ)	Vibro-compressed Products (m²)	Diesel Intensity (litres/m²)	Diesel Intensity (GJ/m²)
2023	124,697	4,504.06	542,558	0.22	0.008
2024	109,399	3,951.49	523,840	0.21	0.008
2025	89,592	3,236.06	732,706	0.12	0.004

b. Diesel consumption at Phenikaa Hue (2023-2025)

Year	Diesel Consumption (litres)	Diesel Consumption (GJ)	Finished Products Received into Inventory (tonnes)	Diesel Intensity (litres/tonne)	Diesel Intensity (GJ/tonne)
2023	74,786.0	2,701.3	93,860.7	0.80	0.03
2024	81,396.0	2,940.0	92,646.6	0.88	0.03
2025	70,800.0	2,557.3	80,373.9	0.88	0.03

Note: 1 litre of Diesel = 36.12 × 10⁻³ GJ

During the 2023-2025 period, the Company achieved possitive progress in managing and optimizing Diesel consumption, one of the fossil fuel sources associated with significant direct greenhouse gas emissions.

At Vicostone, Diesel consumption decreased substantially from 124,697 litres (4,504.06 GJ) in 2023 to 89,592 litres (3,236.06 GJ) in 2025, representing an overall reduction of approximately 28%. Notably, this reduction was achieved while vibro-compressed product output increased significantly from 542,558 m² to 732,706 m², an increase of approximately 35%. Consequently, Diesel consumption intensity improved markedly, decreasing from 0.22 litres/m² to 0.12 litres/m², equivalent to a reduction of approximately 45%. On an energy basis, the indicator likewise decreased from 0.008 GJ/m² to 0.004 GJ/m².

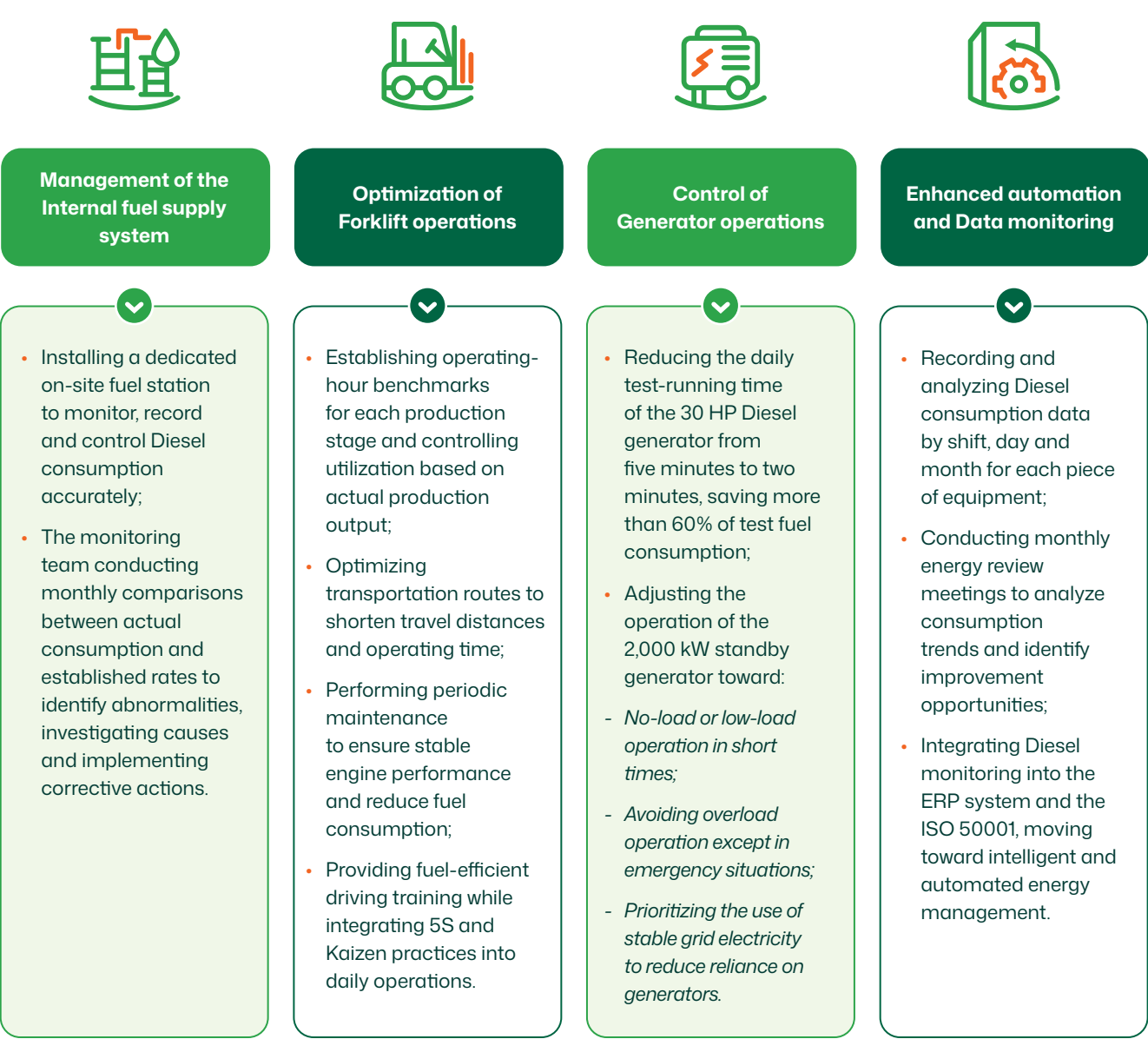
These results demonstrate the effectiveness of operational optimization measures, particularly in equipment

management, internal transportation and logistics operations, while also reflecting the trend in decoupling production growth from energy consumption.

At Phenikaa Hue, Diesel consumption remained relatively stable during the reporting period, ranging from 70,800 to 81,396 litres per year. However, Diesel intensity per unit of product increased slightly from 0.80 litres/tonne in 2023 to 0.88 litres/tonne in 2025. This development was primarily attributable to a decline in finished product output from 93,861 tonnes to 80,374 tonnes (approximate decline of 14%), resulting in higher energy allocation per unit of product and indicating that production capacity has not yet been fully optimized.

These achievements are one of the results demonstrating Vicostone's ongoing efforts to reduce its dependence on fossil fuels while continuously improving energy efficiency in a sustainable manner.

5.3.2. Diesel saving and Efficiency solutions



5. Energy management by Energy source
at Vicostone and Phenikaa Hue (Continued)

5.4. Consolidated energy consumption results for Vicostone and Phenikaa Hue

Energy data are consolidated using the financial control approach, in accordance with the principles of the Global Reporting Initiative (GRI), to ensure that total energy consumption across the system is reflected comprehensively and to support energy optimization decisions at the Group level.

Consolidated energy consumption of Vicostone and Phenikaa Hue:

Energy Category	Energy Source	Unit	2023	2024	2025	
Renewable Energy	Solar electricity	kWh/year	97,066.0	131,586.0	189,382.0	
		GJ	350.0	477.3	687.5	
Total renewable energy consumption (1)		GJ	350.0	477.3	687.5	
		Rate%	0.13%	0.18%	0.25%	
Non-renewable Energy	Electricity	kWh/year	17,878,452.0	18,281,460.0	20,555,639.0	
		GJ	64,362.4	65,813.3	74,000.3	
	Gas	kg/year	4,290,641.0	4,217,877.0	4,026,007.0	
		GJ	201,660.1	198,240.2	189,222.3	
	Diesel	litres/year	124,697.0	109,399.0	160,392.0	
		GJ	7,205.3	6,891.5	5,793.4	
	Total non-renewable energy consumption (2)		GJ	273,227.9	270,945.0	269,016.0
			%	99.87%	99.82%	99.75%
Total Energy Consumption (3) = (1) + (2)		GJ	273,577.9	271,422.3	269,703.5	

During the 2023-2025 period, the Company maintained effective control over energy consumption while progressively advancing the transition toward cleaner energy sources in line with its sustainable development strategy.

Total consolidated energy consumption of the Company showed a slight downward trend, decreasing from 273,577.9 GJ in 2023 to 269,703.5 GJ in 2025, equivalent to an overall reduction of approximate 1.4%. This result reflects ongoing efforts to optimize production operations, improve technology and enhance energy efficiency across the entire system.

With respect to the energy mix, non-renewable energy continued to account for the majority of total energy consumption but declined gradually during the reporting period, from 273,227.9 GJ in 2023 to 269,016.0 GJ in 2025. Notably, Diesel consumption declined by approximately 20%, while gas consumption decreased by approximately 6%, demonstrating the Company's gradual reduction in the use of fossil fuels with high greenhouse gas emission intensity.

Meanwhile, electricity consumption from the national grid increased slightly, reflecting the progressive transition toward greater electrification of production activities. This represents an important intermediate step in the electrification strategy, providing a foundation for integrating renewable electricity sources in the future.

Renewable energy generation from rooftop solar photovoltaic systems increased significantly, from 97,066 kWh (350.0 GJ) in 2023 to 189,382 kWh (687.5 GJ) in 2025, representing growth of nearly 95%. This increase demonstrates the Company's clear commitment to investing in and expanding the use of clean energy, thereby contributing to greenhouse gas emission reductions.

Nevertheless, renewable energy still accounted for only a modest share of the Company's total energy consumption, representing approximately 0.25% in 2025. This indicates considerable potential for further improvement and provides an opportunity for the Company to continue accelerating renewable energy initiatives in the coming period.

Looking ahead, the Company's orientation includes:

- Continue to improve energy efficiency throughout its manufacturing operations;
- Expanding both the scale and the share of renewable energy use, particularly rooftop solar photovoltaic systems;
- Gradually reducing dependence on fossil fuels, especially Diesel, by transitioning to electric or hybrid equipment and biofuels;
- Establishing and disclosing publicly measurable Energy Intensity indicators in annual Sustainability Reports, together with measurable medium- and long-term performance targets;
- Continuing to provide employee training, encouraging innovation, and fostering an energy conservation culture throughout the organization.

Phenikaa Hue has invested in a rooftop solar photovoltaic system with a total installed capacity of approximately 928 kWp. This system supplements on-site renewable energy generation, reducing dependence on the national electricity grid, and gradually increases the proportion of clean energy within the unit's overall energy mix.

The energy sources presented above - including electricity, gas and Diesel- serve as the input data for the Company's greenhouse gas emissions inventory. Specifically, electricity consumption corresponds to Scope 2 emissions, while gas and Diesel consumption correspond to Scope 1 emissions. These emissions are calculated in accordance with the methodology prescribed by ISO 14064 and are presented in details in the Greenhouse Gas Emissions (GRI 305) section of this Sustainable Development Report.



Phenikaa Hue
has invested in a rooftop
solar power system
with a capacity of
approximately 928 kWp.

Energy (Continued)

6. 2025 Performance, 2026 Action plan, and 2026-2030 Roadmap

6.1. Performance of 2025 Targets

In 2025, Vicostone continued to maintain stable control over energy consumption while achieving significant improvements in energy efficiency, particularly in Diesel management and production system optimization.

The accelerated application of technologies, digitalization of data and enhancement of internal awareness played an important role in transforming energy management from an operational function into a strategic governance capability, aligned with the Group's ESG orientation and Net Zero roadmap.

However, the Company's energy mix remains heavily dependent on fossil fuels, while the proportion of renewable energy remains relatively modest. This highlights the need to accelerate the energy transition in the next phases.

Key achievements in 2025

Reduced electricity consumption intensity per unit of product by **17.6%** (from **25.27 to 20.82 kWh/m²**), demonstrating the noticeable effectiveness of operational optimization and technological improvement solutions

Significantly reduced diesel consumption intensity per unit of product by 42.9% (from 0.21 to 0.12 litres/m²), marking an important step toward reducing dependence on fossil fuels and lowering Scope 1 greenhouse gas emissions

Improved the performance of major energy-consuming systems (including air compressors, cooling systems, curing ovens, and mould drying tunnels) resulting in at least a **4% reduction** in energy consumption

Enhanced internal awareness and capability: 100% of employees received training and communication on efficient and effective energy use

The achievements in 2025 demonstrate that Vicostone has:

- Decoupled production growth from energy consumption and carbon emissions;
- Improved operational efficiency through data-driven management;

- Gradually established the foundation for a low-carbon manufacturing model.

These achievements represent an important transition from energy conservation to strategic energy governance within the ESG system.



6. 2025 Performance, 2026 Action plan, and 2026-2030 Roadmap (Continued)

6.2. 2026 Targets and Action plan

The year 2026 has been identified as a pivotal milestone in Vicostone’s transition toward a green and clean energy model, aligned with Phenikaa Group’s ESG strategy and the long-term roadmap toward carbon neutrality by 2050.

Building upon its ISO 50001 energy management system, Vicostone has established the following targets and action plans for 2026:

2026 Key targets and Strategic actions

No.	2026 Specific Target	Key Actions and Initiatives	Quantitative Target
1	Reduce average electricity consumption per unit of product	- Optimize production line operations; - Improve major electricity-consuming equipment; - Review electricity consumption benchmarks.	Reduce by at least 3% compared with 2025
2	Implement at least two major electricity-saving projects	- Install variable frequency drives (VFDs) for high-capacity dust collection systems; - Deploy intelligent control systems for ventilation and air compressors.	Complete at least two projects
3	Improve the efficiency of major electricity-consuming systems (air compressors, cooling systems, curing ovens, etc.)	- Conduct periodic maintenance; - Apply automated control solutions; - Improve the electrical distribution system.	Reduce system energy consumption by at least 4%
4	Enhance employee awareness and capability	- Provide training for 100% of employees; - Integrate energy conservation into Kaizen and 5S performance .	Train 100% of employees
5	Reduce Diesel dependency in internal operations	- Optimize forklift operations; - Apply operational consumption rates; - Improve engine maintenance for fuel efficiency.	Reduce diesel consumption by at least 5% compared with 2025

6.3. 2026-2030 Targets and Action plan

During the 2026-2030 period, Vicostone will implement an integrated energy management strategy that combines operational efficiency, technological innovation, greenhouse gas emission reduction and sustainable energy transition, in alignment with its ESG governance framework, ISO 50001 and Net Zero roadmap.

TT	Green Energy Direction	Objectives and Key initiatives
1	Increase the share of renewable energy	- Invest in rooftop solar photovoltaic systems at offices, manufacturing facilities and parking areas; - Assess the feasibility of wind energy and solar thermal applications.
2	Reduce dependence on fossil fuels	- Optimize energy use across operations to reduce fossil fuel consumption; - Evaluate the replacement of LPG with lower-emission fuels such as CNG or biofuels (e.g., ethanol) in manufacturing stages.
3	Improve energy efficiency	- Apply energy-efficient technologies throughout production and operations; - Integrate automation and real-time energy monitoring solutions.
4	Establish Energy KPIs and ESG Disclosure	- Develop Energy Intensity indicators, including kWh per tonne of product and toe per tonne of product; - Publicly disclose these indicators in the annual Sustainable Development Report.
5	Increase energy recovery and reuse	- Recover waste heat from air compressors and hot-air systems used in production; - Reuse recovered energy in other production stages to reduce input energy consumption.
6	Strengthen training and cultivate an energy-conscious culture	- Conduct regular training and innovation campaigns; - Embed energy conservation into the Company’s operational culture.

Overall strategic orientation

The 2026-2030 period is considered a critical transformation stage, in which Vicostone will focus on expanding renewable energy deployment, accelerating electrification across manufacturing operations, standardizing energy and greenhouse gas performance indicators in accordance with ESG best practices, and progressively reducing dependence on fossil fuels. Through these initiatives, the Company aims to establish a manufacturing model characterized by low-carbon emissions, high operational efficiency and sustainable competitiveness.

"The period from 2023 to 2025 marked a significant milestone in Vicostone’s transition from energy consumption optimization to strategic energy governance. Although the Company’s energy mix remains largely dependent on fossil fuels, it has established a solid foundation in terms of data, technology and governance systems, creating the necessary platform for the transition toward a cleaner, lower-carbon energy model and the realization of its Net Zero target in the next phase."

Water

Water resource management - Promoting a Circular manufacturing model

As global water resources come under increasing pressure from climate change, urbanization and needs of industrial development, effective water management and use have become material topics in Vicostone's sustainable development strategy.

Vicostone's orientation is to manage water resources based on a circular and low-emission model, in which 100% of production wastewater is collected, treated and reused internally. This approach does not only reduce pressure on water resources and improve operational efficiency, but also supports Phenikaa Group's Net Zero 2050 roadmap.

2025 Water resource management highlights:

100% 0

of production wastewater was collected, treated and reused internally

No production wastewater was discharged into the environment

26.4% ↓ 50%

Total water use across the system decreased by 26.4% compared with 2024

Water use intensity at Vicostone decreased by nearly 50%, from 0.071 m³/m² to 0.036 m³/m².

The Company continued to maintain its circular factory model, reducing dependence on external new water supply.



Through technological solutions, operational management and enhanced awareness of resource efficiency, Vicostone is progressively strengthening its circular, efficient and low-emission water governance model, in line with the Company's ESG orientation and long-term sustainable development strategy.

Water (Continued)

1. Interaction with Water

In 2025, Vicostone and its subsidiary, Phenikaa Hue, managed water resources based on a responsible, efficient, circular and compliant approach, recognizing water as an essential input for production and operations.

1.1. Water use

- Vicostone uses water for cutting, grinding and polishing stages, as well as for domestic purposes;
- Phenikaa Hue uses water for material processing, equipment cooling and domestic purposes;
- Water is primarily supplied by industrial park infrastructure systems and municipal water supply networks;
- Wastewater is collected and treated to meet applicable standards before being discharged or reused, depending on each operating model;
- Water sources are monitored and controlled periodically, with consumption benchmarks established for each operating area to improve resource efficiency.



1.2. Operating location context

- Vicostone's factory is located in Hoa Lac Hi-Tech Park, Hanoi;
- Phenikaa Hue's factory is located in Phong Dien Industrial Park, Hue City;
- The production facilities are not located in areas classified by local assessments as sensitive or subject to high water stress;
- However, production activities may still be indirectly affected by fluctuations in water supply, infrastructure conditions and the impacts of climate change on the stability of water resources.

1.3. Water-related risks and Impacts identified by Vicostone and Phenikaa Hue

- Potential disruption to water supply for production and operations;
- Fluctuations in water costs due to supply conditions and regional infrastructure;
- Increasing impacts of climate change on the stability and accessibility of water resources.

1.4. Risk response and Management measures

In addition to technological and operational solutions, Vicostone is progressively strengthening water data governance by monitoring consumption rates by operating area, controlling consumption volumes and supervising the operation of water recirculation systems. Data is reviewed periodically to support anomaly detection, improvement of resource efficiency and enable continuous improvement across the system

Key solutions include:

- Reducing dependence on external new water supply;
- Enhancing water recirculation and reuse in production;
- Controlling water losses and optimizing water use efficiency across the system.

1.5. Governance, Monitoring and Compliance

The water management system is operated based on the principles of compliance, continuous monitoring and periodic improvement, including:

- Coordinating with industrial park infrastructure providers and local authorities in water supply, drainage and wastewater treatment activities. At Phenikaa Hue, no industrial wastewater is generated; wastewater mainly consists of surface runoff;
- Fully complying with applicable laws and regulations on water resources and environmental protection;
- Conducting periodic monitoring of water flow and quality to support operational performance assessment and improve water resource governance.

Water (Continued)

2. Water use (GRI 303-3, 303-5)

2.1. Total water use

During 2024-2025, Vicostone and Phenikaa Hue consolidated total water use data to fully reflect the scope of water resource use across the system. Total water withdrawal was recorded as follows:

Year	Vicostone (m³)	Phenikaa Hue (m³)	Total (m³)
2023	35,196	-	35,196
2024	36,260	44,266	80,526
2025	26,689	44,892	71,581

In 2025, total water use by Vicostone and Phenikaa Hue decreased by approximately 12.5% compared with 2024, reflecting the effectiveness of operational optimization, enhanced water recirculation and improved resource efficiency in production.

Vicostone continued to account for a major share of total system water use, while water use at Phenikaa Hue remained consistent with the scale and operating characteristics of the unit.

Characteristics of Water use:

100%

of water was supplied by municipal or industrial park water supply systems

0

No groundwater or surface water was extracted

No water was sourced from areas with high water stress

The exclusive use of third-party supplied water, combined with water recirculation and reuse solutions in production, enables Vicostone to effectively control demand for new freshwater supply and reduce pressure on regional water resources.

2.2. Water consumption and Use efficiency

Year	Category	Vicostone	Phenikaa Hue	Total
2024	Water used for production (m³)	15,187	32,370	47,557
	Domestic and auxiliary water use (m³)	21,073	11,890	32,963
	Finished goods output	511,629.18 m²	92,646.6 tonnes	
	Water use intensity	0.071 m³/m²	0.347 m³/tonnes	
2025	Water used for production (m³)	11,537	33,662	45,199
	Domestic and auxiliary water use (m³)	15,152	11,230	26,382
	Finished goods output	731,624.70 m²	80,373.85 tonnes	
	Water use intensity	0.036 m³/m²	0.559 m³/tonnes	

Water use efficiency

During 2024-2025, Vicostone and Phenikaa Hue recorded a downward trend in water use, reflecting the effectiveness of operational optimization, loss control and improved water recirculation efficiency in production activities.

Vicostone

At Vicostone, water use intensity decreased from 0.071 m³/m² to 0.036 m³/m², demonstrating the effectiveness of water consumption control, system operation optimization and enhanced internal water reuse. This result also reflects the gradual effectiveness of the Company's orientation to reduce dependence on new water supply and improve resource efficiency across the system.

Phenikaa Hue

At Phenikaa Hue, water use intensity increased from 0.347 m³/tonne to 0.559 m³/tonne due to changes in production output and operational characteristics during the reporting year. Nevertheless, the unit continued to maintain water recirculation and reuse solutions to effectively control input water demand.

Water (Continued)

3. Wastewater management (GRI 303-2, 303-4)

3.1. Production wastewater

Vicostone

- 100% of production wastewater is collected, treated and reused internally within the factory;
- No production wastewater is discharged into the environment.

Phenikaa Hue

- A circular production model similar to Vicostone is applied;
- Production wastewater is collected, treated and reused throughout the operating process.

The production water recirculation model implemented at Vicostone and Phenikaa Hue helps reduce demand for new water supply, limiting wastewater discharge into the environment and progressively promoting a circular, low-emission manufacturing model across the system.

3.2. Domestic Wastewater - ESG Highlight

Vicostone

- Domestic wastewater is treated to meet QCVN 14:2008/BTNMT (Column A) before being discharged into the environment in accordance with the applicable permit.

Phenikaa Hue

From January to June 2025, treated domestic wastewater continued to be discharged into the environment in accordance with applicable regulations and within permitted limits. From July 2025, Phenikaa Hue began reusing 100% of treated domestic wastewater in production activities instead of discharging it into the environment.

This solution helps:

- Reduce demand for input freshwater;
- Reduce load on wastewater receiving systems;
- Improve circular water resource efficiency;
- Reduce pressure on regional water supply and drainage infrastructure.

3.3. Total Domestic wastewater Discharged into the environment

	Total wastewater discharged into the environment (m³)		
	2023	2024	2025
Vicostone	9,558	9,746	5,345
Phenikaa Hue	1,360	1,901	919



During 2023-2025, total wastewater discharged into the environment by Vicostone and Phenikaa Hue showed a downward trend, reflecting the effectiveness of operational optimization, water use control and enhanced water reuse in production activities.

Vicostone

At Vicostone, wastewater discharged into the environment in 2025 decreased significantly compared with 2024, driven by solutions to improve water use efficiency and optimize the internal recirculation system.

Phenikaa Hue

At Phenikaa Hue, total wastewater decreased to 919 m³ in 2025, of which about 693 m³ of treated domestic wastewater was reused for production activities. This solution helped reduce wastewater discharged into the environment, lowering demand for new water supply and improve the efficiency of circular water resources across the system.

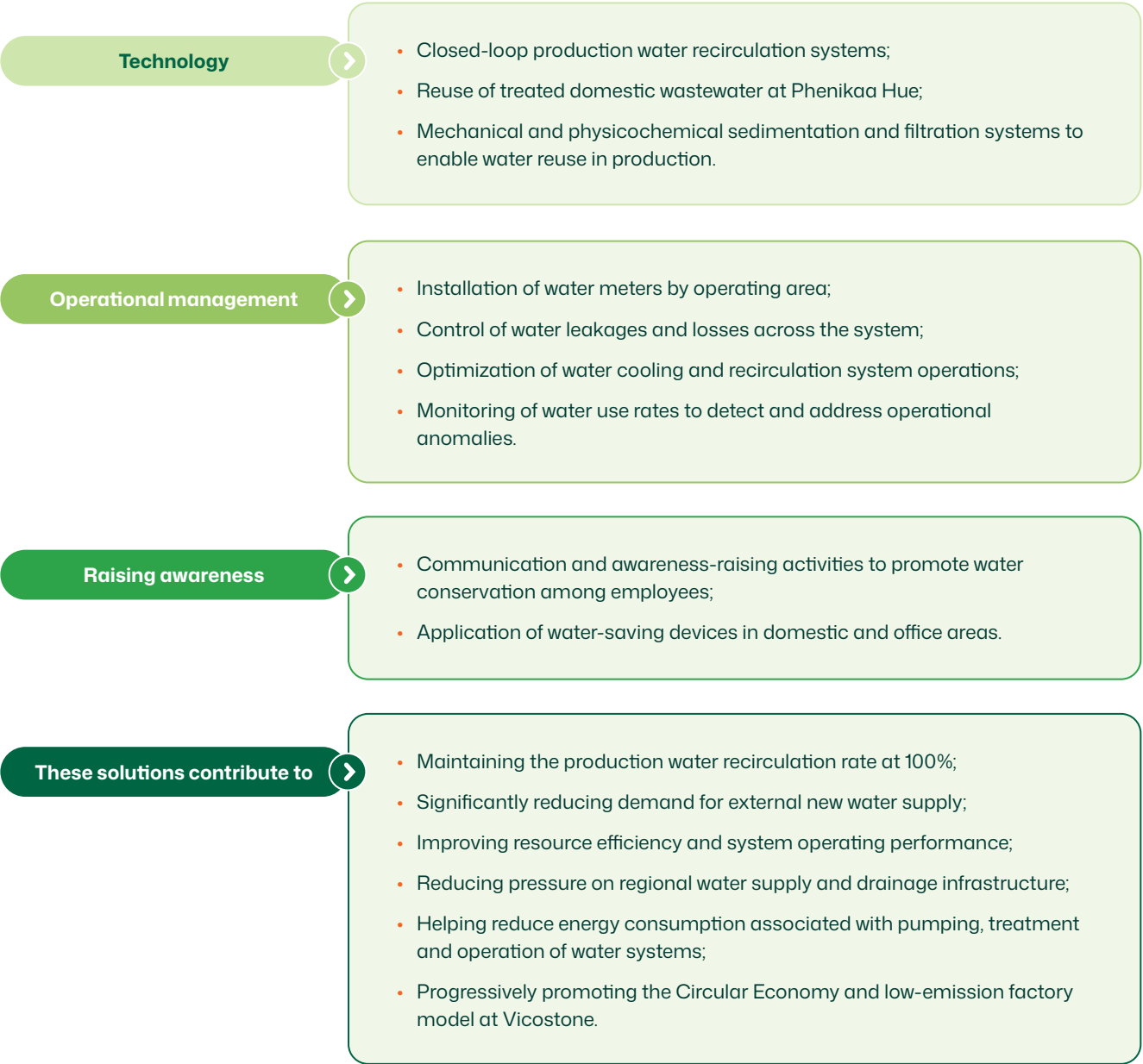
Water (Continued)

4. Solutions for efficient Water Management and Use

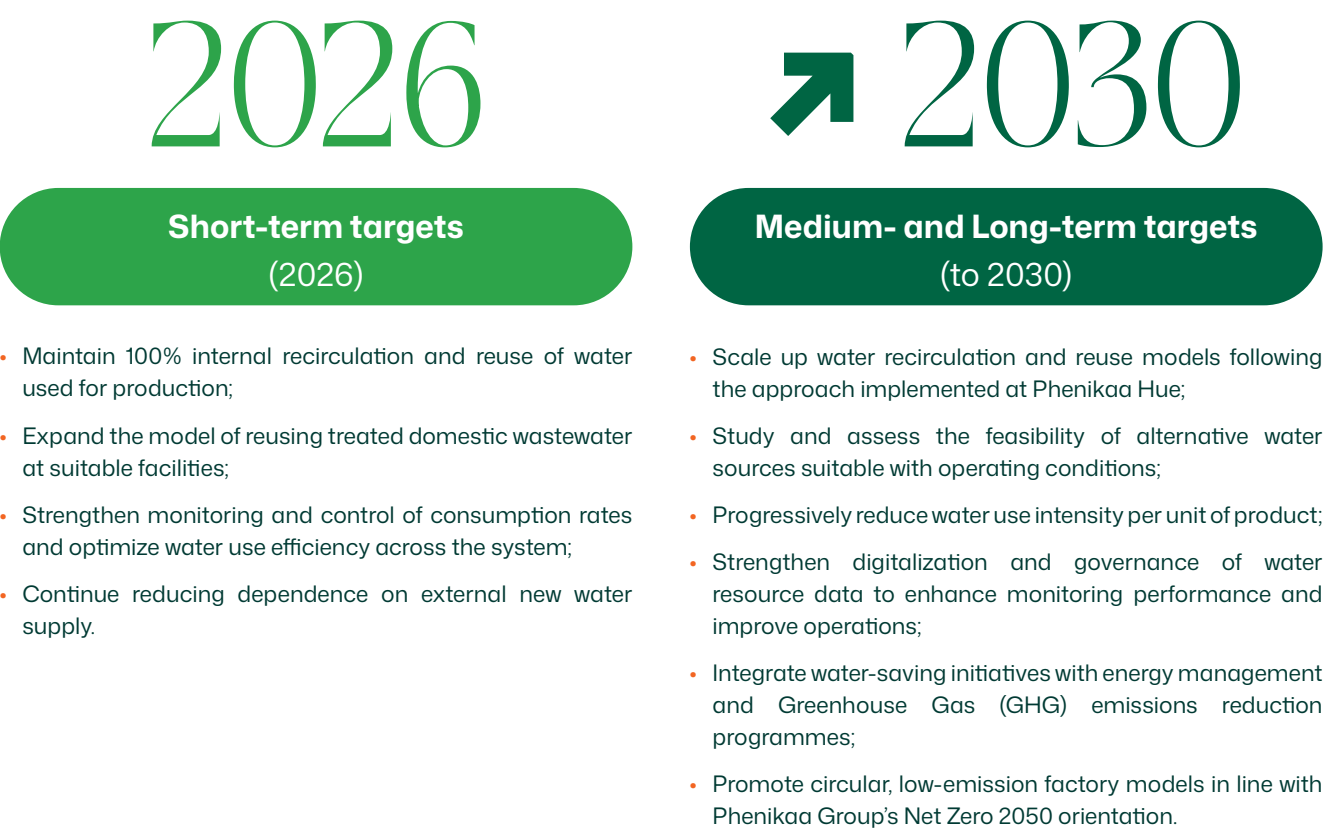
The effective management and use of water resources are one of the key focus areas in Vicostone's sustainable development strategy. The water recirculation model implemented at the factories does not only optimize resources, reduce waste generation and lower dependence on new water supply, but also contributes to the development of circular and low-emission factory models.

Solutions regarding technological and operational management and awareness raising have been implemented in an integrated manner, enabling Vicostone to maintain a 100% production water recirculation rate, improving resource efficiency and progressively realize Phenikaa Group's Net Zero 2050 strategy.

Vicostone implements solutions across the system in a synchronized manner, including:



5. Water management targets



Conclusion

Through water resource management solutions toward circularity and low emission, Vicostone does not only improve resource efficiency but also progressively enhances its sustainable factory model in line with Phenikaa Group's ESG strategy and Net Zero 2050 roadmap. Maintaining a 100% production water recirculation rate, strengthening water reuse and reducing dependence on new water supply remain important foundations for Vicostone to promote its circular manufacturing model and long-term sustainable development.

Environmental compliance

The environmental compliance disclosures presented in this section cover the consolidated operations of Vicostone Joint Stock Company and Phenikaa Hue Mineral Processing and Investment One Member Company Limited, encompassing all activities relating to legal compliance and environmental management throughout manufacturing operations.

Against a backdrop of increasingly stringent environmental regulations in Vietnam and international markets- particularly those relating to emissions, traceability and supply chain responsibility- Vicostone regards compliance with environmental legislation not only as a mandatory legal obligation but also as a fundamental pillar of its ESG governance framework and sustainable development strategy.



Vicostone regards compliance with environmental legislation not only as a mandatory legal obligation but also as a fundamental pillar of its ESG governance framework and sustainable development strategy.



Environmental compliance (Continued)

1. Compliance with Environmental laws and regulations (GRI 2-27)

Vicostone and its subsidiary, Phenikaa Hue, ensure compliance with environmental legislation through establishment and operation of an integrated environmental management system that combines regulatory compliance, risk management and continual improvement.

This system is designed not only to meet current regulatory requirements but also to identify potential compliance risks at an early stage, thereby enhancing the Company's ability to adapt to future changes in environmental policy and regulatory standards.

Key implementation measures include:

- Fully completing the required environmental legal documentation from the investment stage, including Environmental Impact Assessment (EIA) Reports and Environmental permits, in accordance with applicable regulations;

- Maintaining and operating an environmental management system certified under ISO 14001 to manage environmental aspects and drive continual improvement;
- Conducting periodic monitoring of air emissions, wastewater, noise and other relevant environmental parameters, while making and submitting all required reports to the competent regulatory authorities in accordance with applicable regulations;
- Operating a multi-layer internal control framework comprising the HSE function, the ISO management system, and oversight mechanisms at both Company and Group levels.

Beyond full compliance with applicable legal requirements, Vicostone proactively adopts environmental management practices that exceed regulatory requirements and integrates ESG elements into its internal control system to strengthen governance effectiveness and mitigate long-term environmental risks.

In 2025, both Vicostone and Phenikaa Hue continued to maintain a high level of compliance with environmental regulations. Specific results are as follows:

Indicators	Vicostone	Phenikaa Hue	Consolidated
Environmental violations (cases)	0	0	0
Environmental penalties (VND)	0	0	0
Material environmental incidents (cases)	0	0	0
Environmental inspections conducted (times)	0	0	0
Environmental Permit compliance rate (%)	100	100	100

These results demonstrate not only full compliance with applicable environmental legislation but also the effectiveness of Vicostone's environmental governance approach, which emphasizes risk prevention, proactive control and continual improvement across the system.

Maintaining a high level of environmental compliance provides a solid foundation for the effective implementation of the Company's ESG programmes and Net Zero roadmap, while strengthening the confidence of customers, business partners and stakeholders throughout the global value chain.

2. Future orientation for environmental compliance management

Building on its strong compliance foundation, Vicostone will continue to strengthen its proactive environmental management approach by enhancing control over emission sources in operations, including wastewater, air emissions and solid waste.

This approach enables the Company to transition from passive compliance to proactive environmental governance, whereby compliance extends beyond meeting regulatory requirements to optimizing environmental performance, mitigating environmental risks and creating long-term sustainable value.

Detailed information on the management is presented in the waste source management section, ensuring consistency and integration across Vicostone's Environmental management system.



Waste management

I Strategic direction and approach

Emissions and waste management at Vicostone goes beyond compliance with environmental regulations. It is defined as a strategic pillar in the Company’s journey toward a circular manufacturing model and Phenikaa Group’s Net Zero 2050 ambition.

As environmental requirements increasingly extend from legal compliance to ESG governance and emissions management across the entire value chain, Vicostone does not regard its waste and emission streams, including wastewater, air emissions and solid waste, as “burdens to be treated”, but rather as “secondary resources with the potential to regenerate value”.

On this basis, the Company is progressively shifting from a “waste treatment” model to an “integrated emissions and

resource management” model, in which environmental performance, operational efficiency and economic efficiency are considered and optimized simultaneously. This approach not only minimizes environmental impacts but also contributes to cost optimization, improved resource efficiency and stronger adaptability to the increasingly stringent requirements of global markets.

The emissions and waste management system is implemented consistently across the consolidated scope of Vicostone and its subsidiary, Phenikaa Hue. Among these entities, Vicostone has established and maintained stable management mechanisms, while the data and management methodologies at Phenikaa Hue are continuing to be standardized to support consolidated reporting in future reporting periods.

At the same time, Vicostone’s emissions and waste management activities directly contribute to the Sustainable Development Goals (SDGs), including:

6

NƯỚC SẠCH VÀ VỆ SINH



SDG 6

Clean Water and Sanitation

12

TIÊU THỤ VÀ SẢN XUẤT CÓ TRÁCH NHIỆM



SDG 12

Responsible Consumption and Production

13

HÀNH ĐỘNG VỀ KHÍ HẬU



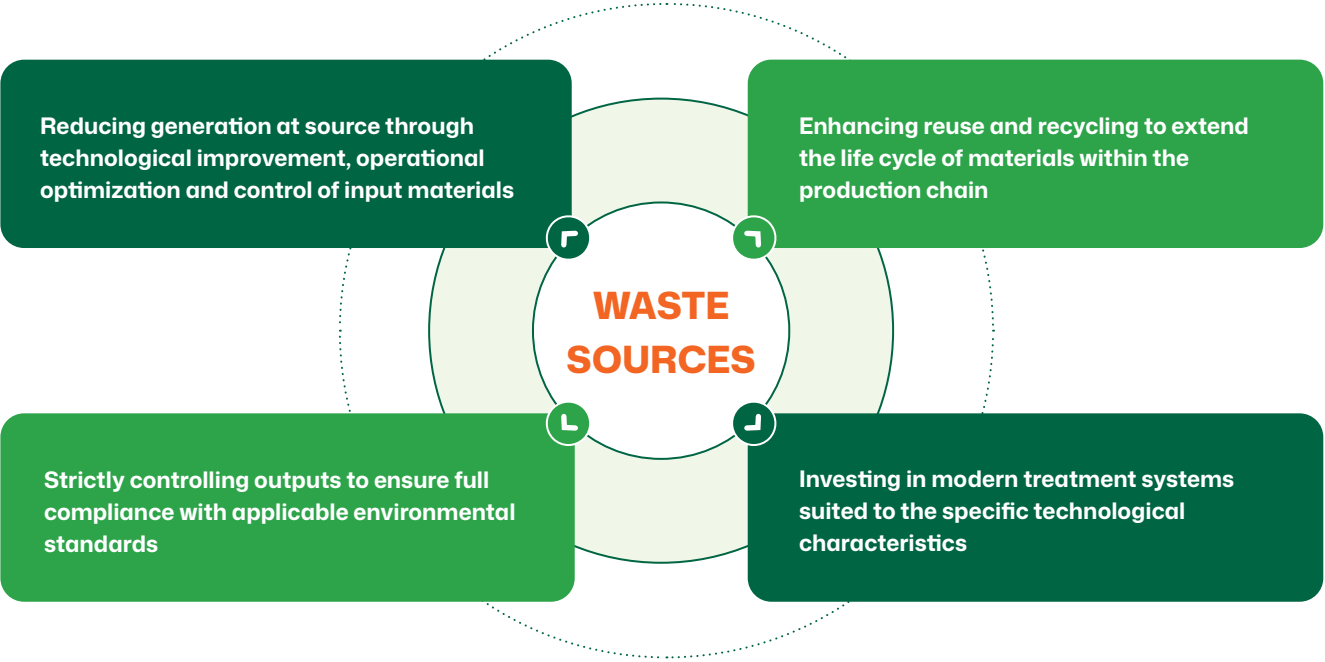
SDG 13

Climate Action



Waste management (Continued)

The emissions and waste management system is implemented based on four principles:

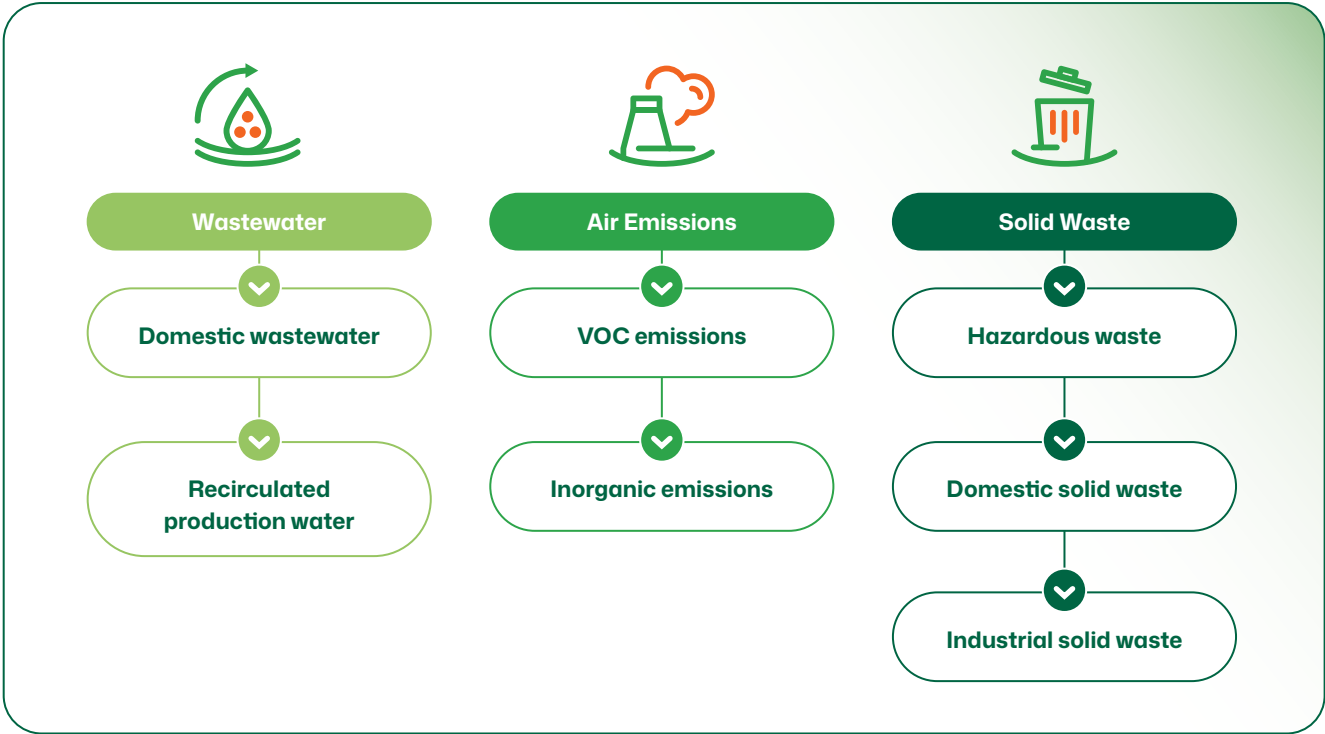


Management scope and structure

Based on the orientation and principles above, Vicostone manages each major waste stream generated during operations, including:

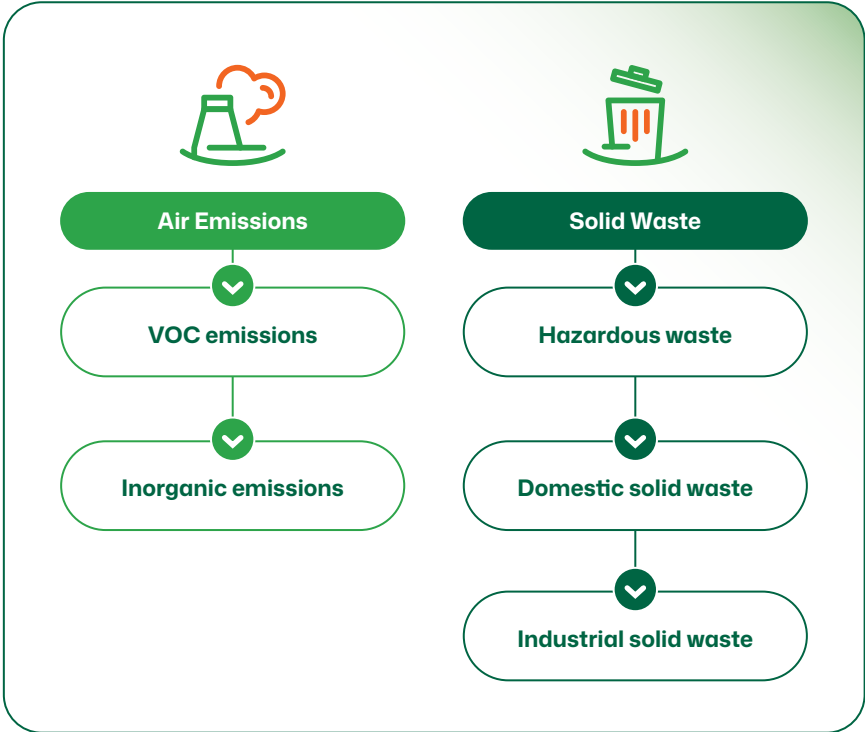


This approach ensures comprehensive control over the emission and waste life cycle, from generation, collection and treatment to reuse, thereby progressively improving the Company's resource governance model in line with the Circular Economy and Greenhouse Gas (GHG) emissions reduction.



(Waste and emission source classification diagram at Vicostone)

For Phenikaa Hue, 2025 marks the initial stage of integration into Vicostone's environmental management system. Data is being further standardized using the same methodology to support consolidated ESG reporting in subsequent periods.



(Waste source classification diagram at Phenikaa Hue)

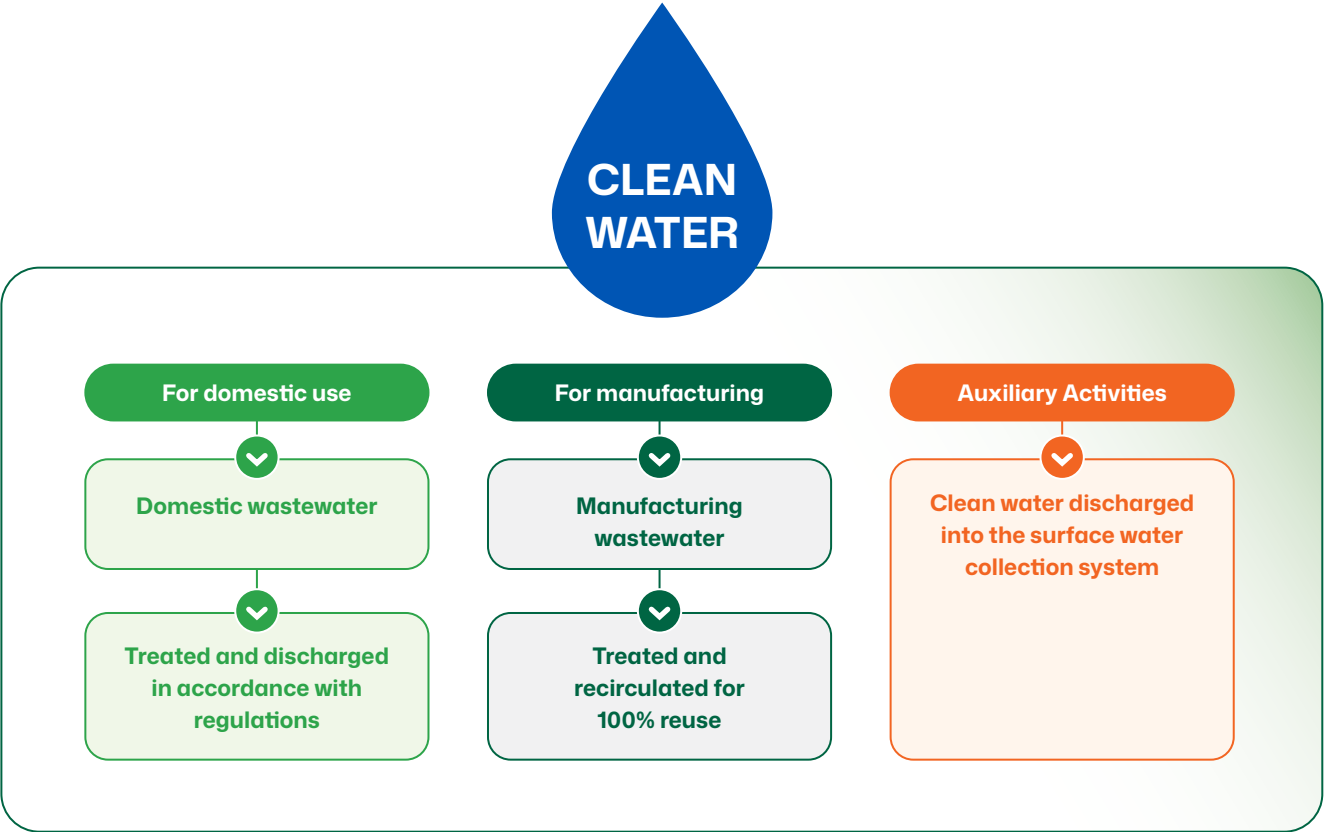
Waste management (Continued)

1. Wastewater (GRI 303)

1.1. Orientation and Approach

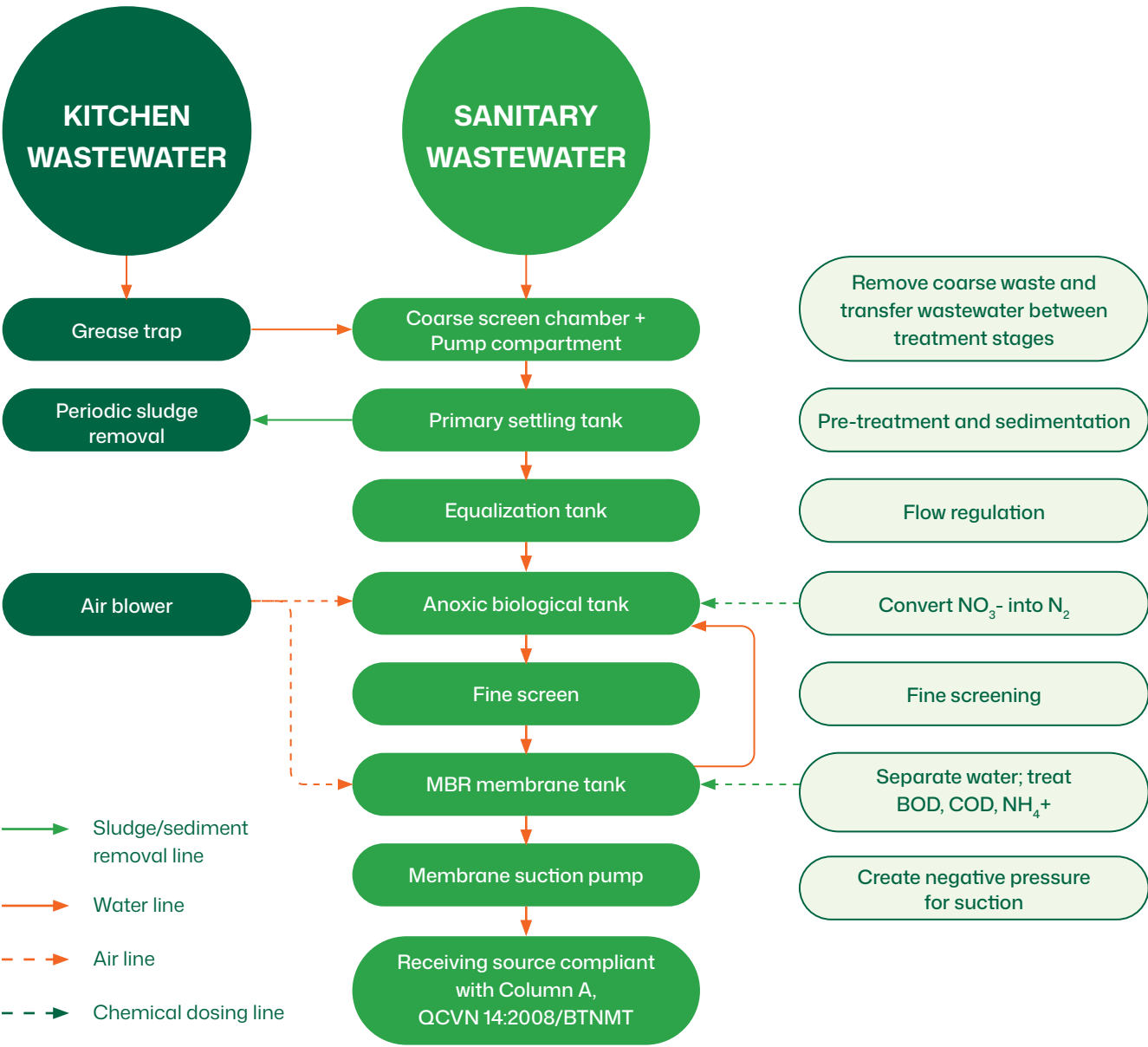
Vicostone manages water and wastewater under the orientation of a clear transition from “wastewater treatment” to “water resource management”, in which risk prevention, use optimization and promotion of circular reuse are identified as core pillars.

This approach is not only aligned with the circular economy orientation but also contributes to reduction of indirect Greenhouse Gas (GHG) emissions by limiting input water extraction and reducing the need of treatment and system operation.



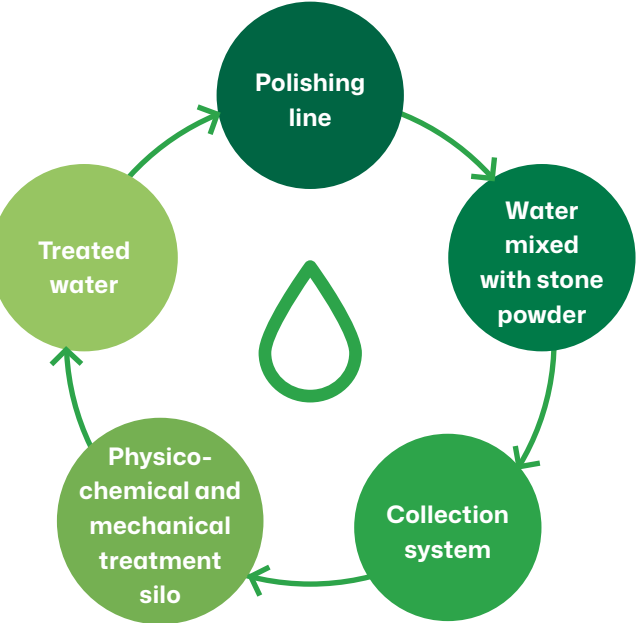
(Diagram of water uses and wastewater generation sources)

1.2. Operating and Control Model



(Process flow diagram of the domestic wastewater treatment system)

1.2. Operating and Control Model (Continued)



In the current operating model, domestic wastewater is the only wastewater stream discharged into the environment, while all production wastewater is collected, treated, circulated and reused internally within factories.

The collection and the operation of the domestic wastewater treatment system are carried out in accordance with technical procedures and operating instructions, ensuring stable system performance and full compliance with environmental requirements.

(Process flow diagram of the production wastewater treatment and 100% circular reuse system)



Wastewater Control Measures

✓ Qualified operation staff

✓ Daily use of rapid water quality testing kits

✓ Wastewater quality monitoring three times per month

✓ Implementation of measures to reduce clean water consumption

✓ Investment in a modern production water recirculation system and domestic wastewater treatment system

✓ Periodic maintenance of equipment at the wastewater treatment system

In 2025, no environmental incidents related to wastewater were recorded. The volume of treated domestic wastewater discharged into the environment reached 5,345 m³, equivalent to 29.3% of the permitted discharge volume.

The Company conducts periodic monitoring every three months in accordance with Environmental Permit No. 130/GPMT-UBND, approved by Hanoi People’s Committee on August 14th, 2023. Monitoring activities are performed by qualified independent organizations in accordance with legal requirements. Analytical results showed that all parameters complied with the National Technical Regulation on Domestic Wastewater, QCVN 14:2008/BTNMT (Column A).

Monitoring records and results are fully retained for inspection and verification when required and are publicly disclosed on the Company’s website at <https://vicostone.com/vi-vn>, reflecting Vicostone’s commitment to legal compliance, information transparency and ESG-oriented environmental governance.

These results demonstrate the stable operation of Vicostone’s water management system and its gradual approach transition from “wastewater treatment” to “water resource management”, in which circularity and reuse are considered key solutions to enhance resource efficiency and minimize environmental impacts.

Notably, at Phenikaa Hue, 100% of production wastewater is recirculated during operations. Treated domestic wastewater is also reused in production activities, forming a closed-loop water management model that approaches zero water discharge. This practice helps reduce the need for input water extraction and minimizes wastewater discharge into the environment, in line with Phenikaa Group’s orientation toward resource efficiency and the circular economy.

“
Phenikaa Hue and
Vicostone recirculate
100% of production
water.”

1. Wastewater (GRI 303) (Continued)

1.3. 2025 Performance

Under the current operating model, domestic wastewater is the only wastewater stream discharged into the environment, while all production wastewater is collected, treated through a closed-loop system and reused within the factory.

The collection and operation of the domestic wastewater treatment system are carried out in accordance with established technical procedures and operating instructions, ensuring stable system performance and full compliance with environmental requirements.

Indicator	Unit	2024	2025
Domestic wastewater discharged into the environment	m³	9,746	5,345
Ratio to the permitted volume	%	53.3	29.3
Water reuse rate in production	%	100	100
Environmental incidents	incidents	0	0

Water and Wastewater Indicators (GRI 303)

Highlight - Circular water model

One of the key highlights of the water management system is the operating model at Phenikaa Hue. At this site, production wastewater is fully recirculated during operations, and treated domestic wastewater is also reused for production. This approach forms a closed-loop water management

model that reaches a model of “zero water discharge into the environment”. The model significantly reduces the need for input water extraction while minimizing wastewater discharge, in line with the orientation toward resource efficiency and sustainable development.

Transparency and Disclosures

All monitoring data, operating records and analytical results are fully retained for inspection and verification when required, and are publicly disclosed on the Company's website. This transparency does not only demonstrate

Vicostone's commitment to legal compliance, but also reflects its orientation toward enhanced accountability and ESG governance practices aligned with international standards.

2026-2030 Strategic Direction

In the next phase, Vicostone will continue to maintain and improve the effectiveness of circular water management, with a focus on maintaining the water reuse rate at 100% in production, while gradually reducing the proportion of wastewater discharged into the environment to below the

permitted level. In addition, the Company will also continue optimizing treatment systems to reduce energy consumption and operating costs, as well as expanding the closed-loop water circulation model across its member units.

Contribution to Net Zero targets

Water management activities at Vicostone contribute indirectly to Greenhouse Gas (GHG) emissions reduction by reducing the need for input water extraction, optimizing energy consumption in system operations and limiting emissions associated with treatment and discharge. As a

result, water governance becomes an important component of the Company's strategy in reducing Scope 2 and Scope 3 emissions, contributing to the realization of Phenikaa Group's Net Zero 2050 goal.

Waste management (Continued)

2. Air Emissions (GRI 305)

2.1. Orientation and Approach

Vicostone manages air emissions through a strategic transition from “air emission treatment” to “integrated emission management”, whereby control at source, technology optimization and protection of working environment are implemented simultaneously. This approach does not only ensure compliance with applicable environmental regulations, but also contributes to minimizing environmental impacts, improving working conditions and enhancing long-term operational efficiency.

In the context of increasingly stringent emission requirements, particularly in export markets, Vicostone recognizes air emissions management as an important component of its strategy of reducing Greenhouse Gas (GHG) emissions and its efforts to strengthen competitiveness in line with ESG principles.



2.2. Emission sources and Control model

Air emissions at Vicostone are generated primarily during the production of engineered quartz stone and consist of two main categories: organic emissions and dust. Typical sources include organic emissions from the material spreading process and dusty exhaust generated during filling input materials.

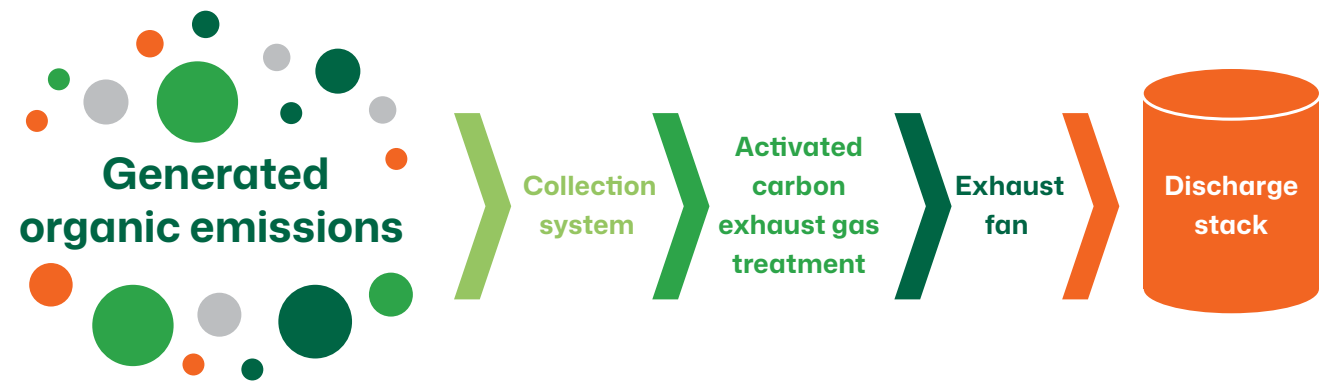
To effectively manage these emission streams, Vicostone applies a principle of “control at source - centralized collection - thorough treatment.” Accordingly, at production stages where organic emissions are generated, such as resin dosing, material mixing and spreading, production

equipment is designed as enclosed systems integrated with centralized exhaust collection systems to minimize the release of organic vapours into the environment.

For dust generated during manufacturing, the Company implements comprehensive measures to control at source, combined with centralized dust collection and treatment systems. The dust collection system utilizes polyester filter bags with water- and oil-resistant properties, enabling efficient collection of dust from all generation points throughout the facility, while maintaining a safe working environment for employees.

2.3. Organic emissions control

At production stages including resin dosing, material mixing and spreading, Vicostone applies enclosed equipment designs combined with centralized exhaust collection systems to effectively control and minimize the release of organic vapours into the environment.



Schematic diagram of the air emission treatment system (Styrene)

Emission monitoring results conducted by qualified independent organizations confirmed that all treated emission parameters complied with and remained significantly below the limits specified in QCVN 20:2009/ BTNMT - National Technical Regulation on Industrial Emissions for Certain Organic Substances.

At Phenikaa Hue, organic emission sources are similarly managed through treatment systems designed to suit the production technology, complemented by periodic monitoring to ensure that all emission parameters remain within permitted limits.



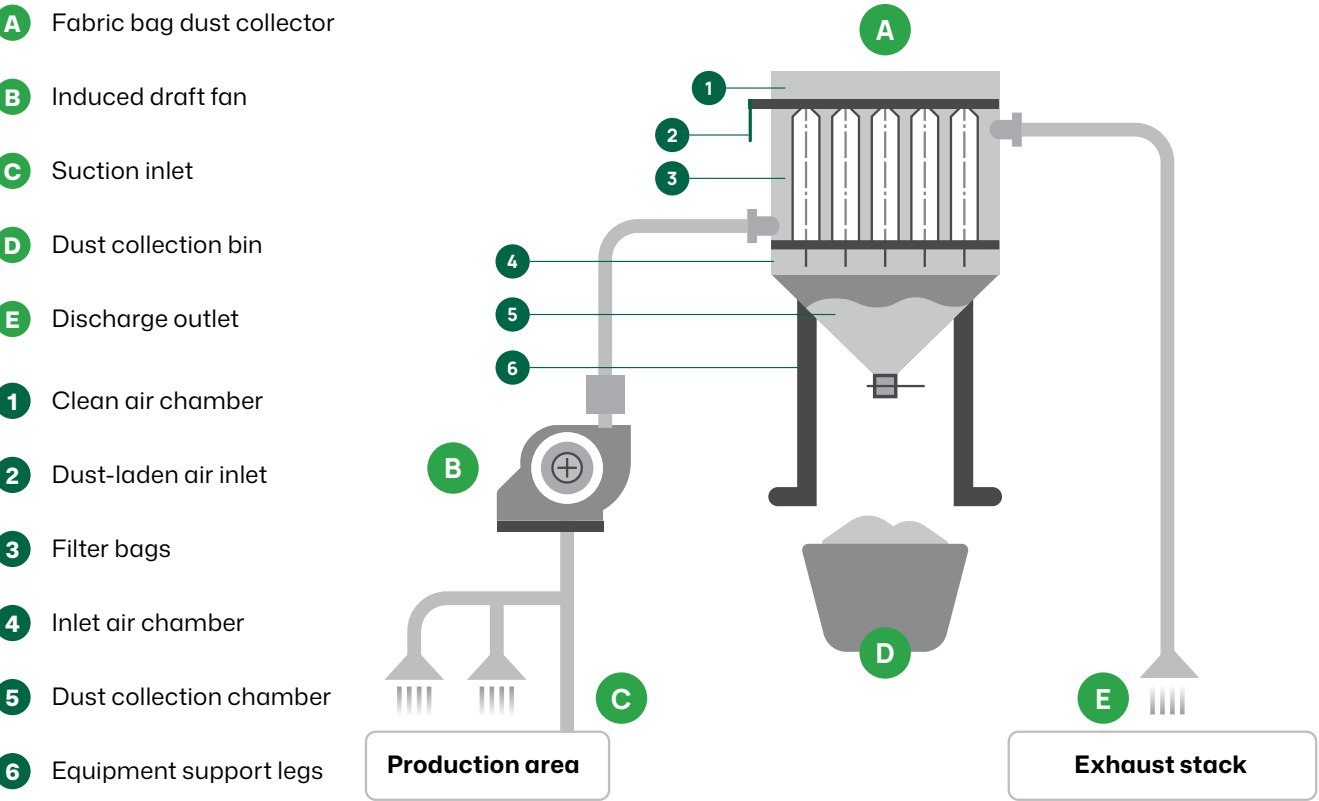
2. Air Emissions (GRI 305) (Continued)

2.4. Control of dusty exhaust

Vicostone implements dust control measures in a synchronized manner to protect the working environment and minimize dust dispersion into the surrounding environment.

Each month, the HSE Department, in coordination with technical departments, conducts assessments of production lines with particular attention to dust-generating stages, enabling appropriate mitigation measures to be developed and implemented at each facility.

The Company has invested in a centralized dust collection system equipped with Polyester filter bags resistant to water and oil, ensuring effective capture of dust from all generation points within the facilities. The total initial investment in the dust treatment system amounted to approximately VND 2.5 billion, reflecting Vicostone's commitment to improving environmental conditions and employees' occupational health.

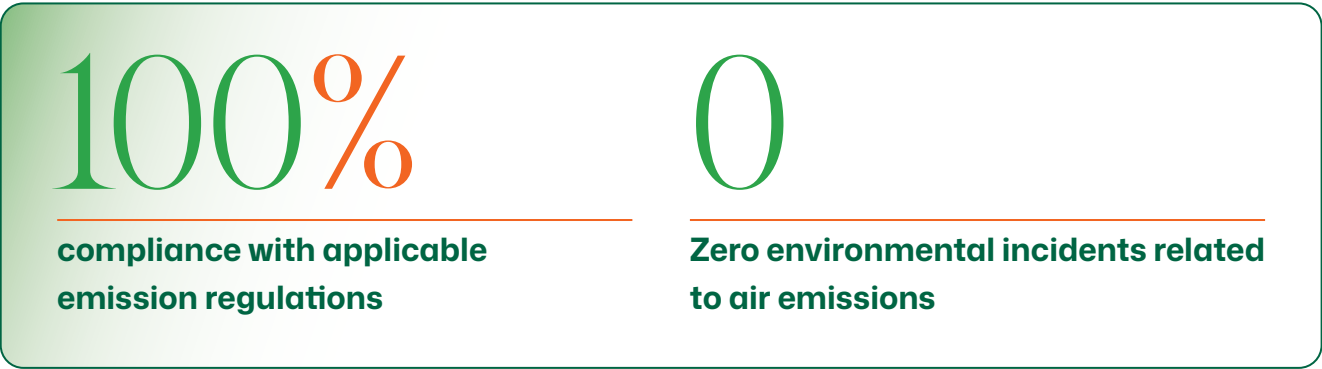


Process flow diagram of the dust treatment system

2.5. Control and Compliance results

Emission monitoring conducted by qualified independent organizations confirmed that all treated emission parameters complied with and remained significantly below the applicable national technical regulations, including QCVN 20:2009/BTNMT for organic emissions and relevant technical regulations governing dust and inorganic emissions.

In 2025, Vicostone recorded:



These results demonstrate that the Company's air emissions control system operates effectively and consistently while reflecting a high level of compliance in environment management.

Air Emissions Indicators (GRI 305)

Indicator	Unit	2025	2024
Compliance rate	%	100%	100%
Number of environmental incidents; incidents	incidents	0	0

Highlights in practice

One of the most notable features of air emissions management practices in the system is the combination of emission control and resource optimization. At Phenikaa Hue, dust generated during production is not only effectively collected but also reused as an input material, thereby reducing emissions to the environment and supporting the development of a circular manufacturing model.

At the same time, Vicostone continues to conduct periodic assessments of emission-generating stages, particularly areas with elevated dust generation potential, enabling timely implementation of appropriate improvement measures. This approach enhances the effectiveness of controlling at source, while minimizing environmental risks during operations.

2. Air Emissions (GRI 305) (Continued)

2.6. 2026-2030 Strategic Direction

2026
➤ 2030

Over the next phase, Vicostone will continue enhancing the effectiveness of its air emissions management by integrating emission control with operational optimization. The focuses include further improving manufacturing technologies, increasing the efficiency of emission treatment systems and strengthening measures to reduce at source.

In addition, the Company will also continue expanding models to reuse materials recovered from air emission treatment systems, thereby reducing final emissions and improving overall resource efficiency.



2.7. Contribution to Net Zero targets

Vicostone's air emissions control and management activities contribute directly to reduction of Greenhouse Gas (GHG) emissions by optimizing manufacturing processes, minimizing material losses and reducing the need for final emission treatment. In addition, the reuse of collected dust and recovered materials helps reduce indirect emissions across the value chain, particularly Scope 3 emissions associated with material extraction and transportation.

Accordingly, air emissions management is not merely an environmental control activity but also an integral component of Vicostone's overall decarbonization strategy, supporting the realization of the Company's Net Zero 2050 targets.



Waste management (Continued)

3. Waste (GRI 306)

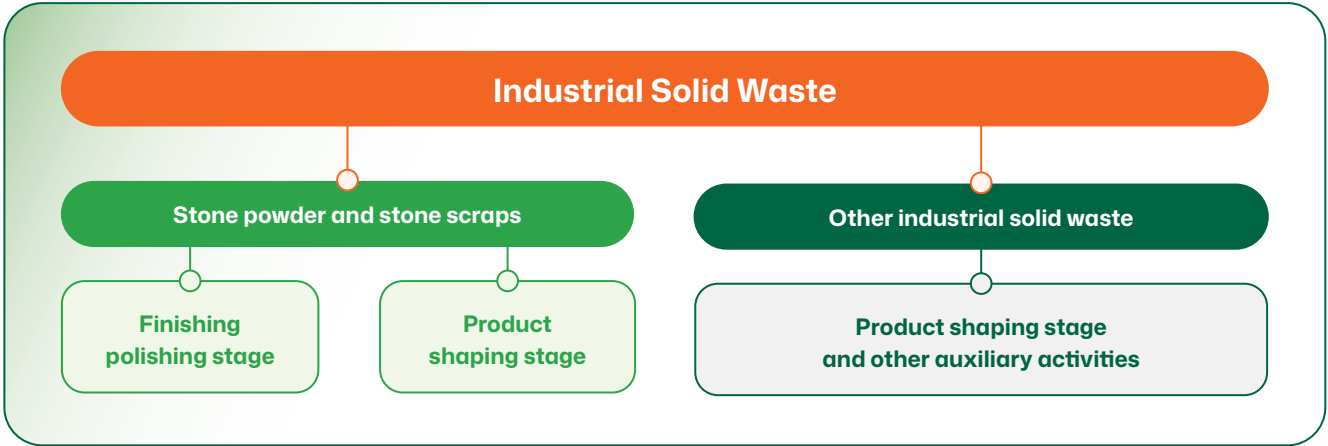
3.1. Orientation and Approach

Vicostone manages waste through a strategic transition from “waste management and treatment” to “emissions and resource management”, whereby waste is regarded as a valuable secondary resource within the production chain. This approach enables the Company to simultaneously ensure regulatory compliance, optimize operating costs, reduce Greenhouse Gas (GHG) emissions and improve long-term resource efficiency.

As ESG expectations continue to evolve, particularly those relating to the circular economy and reduction of emissions in the value chain, Vicostone recognizes waste management not merely as an end-of-pipe control activity, but as an integral component of its overall decarbonization strategy and long-term competitiveness.

3.1.1. Non-hazardous industrial solid waste

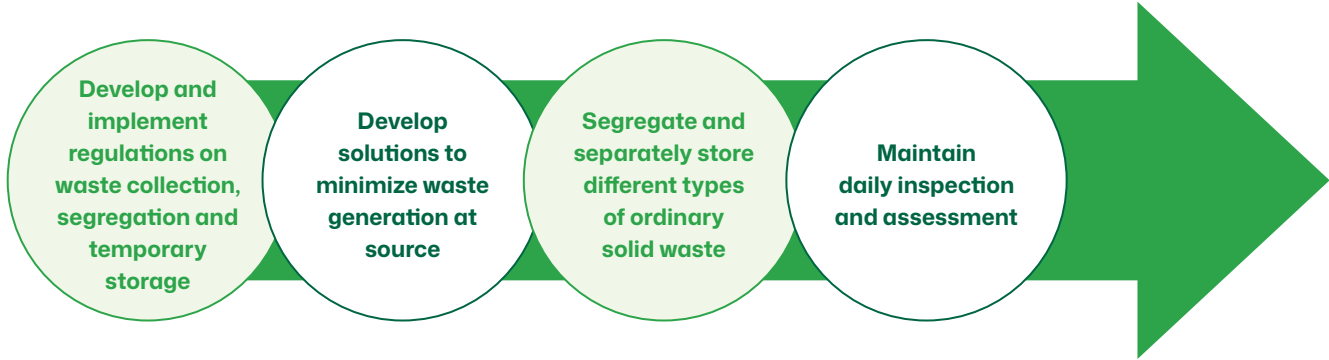
Sources of Industrial waste generation



At Vicostone, non-hazardous industrial solid waste is generated primarily during engineered quartz stone manufacturing and mainly comprises stone powder and burr produced during grinding, cutting and finishing stages. With silicon dioxide (SiO₂) accounting for more than 85% of its composition, this waste stream possesses significant reuse potential and is recognized as a valuable secondary material for the construction materials industry.

All stone powder and burr are collected directly at the point of generation and stored in designated covered storage areas equipped with drainage collection systems to prevent secondary pollution. Based on the material characteristics, Vicostone has proactively implemented reuse solutions through partnerships with cement and construction materials manufacturers, where stone powder is utilized as an alternative material, reducing demand for non-renewable natural resources.

Industrial solid waste control measures



Based on the material characteristics, Vicostone has proactively implemented reuse solutions toward circularity through collaboration with cement and construction materials manufacturers. Stone powder is reused as an alternative material in production, contributing to reduced extraction of non-renewable natural resources, particularly silica-rich minerals. This solution does not only decrease the volume of waste requiring treatment but also creates additional value from manufacturing by-products.

Alongside reuse, Vicostone focuses on minimizing waste generation at source through Continuous Improvement (CI) programmes and Kaizen initiatives implemented directly across production lines. Optimizing production formulations, improving material utilization efficiency and reducing production defects have contributed significantly to reduce the generation of stone powder and burr, while enhancing overall operational efficiency.

Indicator	Unit	2023			2024			2025		
		Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
Total waste generated	kg	12,064,604	2,325	12,066,929	11,399,056	4,000	11,403,056	10,890,485	2,932	10,892,417
Reuse rate	%	0	0	0	61.7	0	61.7	82.9	0	82.9
Production output	m ² -tonnes	–	–	–	523,840	92,646.6	–	732,706	80,373.9	–
Waste generation intensity	kg/m ² -kg/tonne	21.96 kg/m ²	–	–	21.8 kg/m ²	0.043 kg/tonne	–	14.9 kg/m ²	0.036 kg/tonne	–

Non-hazardous industrial solid waste indicators (GRI 306)

3.1.1. Non-hazardous industrial solid waste (Continued)

In 2025, total consolidated non-hazardous industrial solid waste generated was about 10.89 million kg at Vicostone and 2.93 thousand kg at Phenikaa Hue. The reuse rate increased significantly to 82.9%, compared with 61.7% in 2024, demonstrating the effectiveness of the waste governance solutions and expanded reuse partnerships.

Notably, waste generation intensity declined substantially, with stone powder and burr per unit of production decreasing by 31.8% year-on-year, from 21.8 kg/m² to approximately 14.9 kg/m² of finished product. These results demonstrated the effectiveness of measures of reduction at source in minimizing final treatment requirements, while optimizing resource efficiency in production.

Overall, these achievements reflect Vicostone's noticeable transition from a “waste management” model to an “emissions and resource management” model, in which waste is reintegrated into the production value chain. This approach does not only support the advancement of the circular economy, but also contributes directly to the goal of Greenhouse Gas (GHG) emissions reduction, particularly indirect emissions (Scope 3) throughout the material life cycle, contributing directly to the Net Zero roadmap and long-term strategy of sustainable development in accordance with ESG standards.

During the 2026-2030 period, Vicostone will continue implementing key solutions to reduce Greenhouse Gas (GHG) emissions in the process of waste management and improvement of resource efficiency.



Accelerate key Continuous Improvement (CI) projects

aimed at reducing waste generation at source under the consistent direction of the Senior Management. Priorities include minimizing material losses, reducing semi-finished product defects, optimizing finishing grinding stages to reduce stone powder generation, and developing products incorporating recycled materials recovered from waste. This approach helps reduce waste generation at source, thereby lowering the need for transportation, treatment and associated emissions.



Strengthen training and internal governance

including periodic training on waste segregation, plastic waste reduction, safe storage and transportation, while integrating waste management KPIs into performance evaluations of production teams.



Expand the network of reuse partnership

prioritizing legally and technically qualified organizations that are capable of utilizing waste as alternative materials. The objective is to maximize reuse rates, ultimately targeting 100% reuse of stone powder and burr while minimizing final disposal methods such as landfill.



Enhance the technical and regulatory framework

by collaborating with regulatory authorities and professional organizations to develop standards and technical guidance for reusing stone powder in downstream applications. This will formally recognize stone powder as a secondary input material, promoting the circular economy and reducing indirect emissions associated with virgin resource extraction.

These solutions will not only reduce the volume of waste requiring treatment but also contribute to lower Greenhouse Gas (GHG) emissions across the entire material life cycle, improving resource efficiency and reinforce Vicostone's pathway toward Net Zero 2050.

3.1.2. Domestic solid waste

Vicostone implements measures to manage and control domestic solid waste in a synchronized manner based on source segregation, thereby improving collection and treatment efficiency while progressively optimizing resource utilization across its operations.

Accordingly, domestic waste is segregated into major categories at the points of generation. Organic waste is reused for livestock feed; recyclable and reusable materials such as paper, cans and plastic bottles are collected separately; and the other waste is transferred to qualified treatment providers in accordance with Circular No. 02/2022/TT-BTNMT. Waste collection areas are appropriately designed to meet

environmental hygiene requirements, preventing secondary pollution and ensuring full compliance with applicable regulations.

Maintaining a rate of 100% for segregation at source enables Vicostone to effectively control waste streams while providing a strong foundation for expanding reuse and recycling in subsequent phases. This approach helps the Company gradually reduce the volume of waste requiring final treatment, contributing to improvement of resource efficiency and minimizing environmental impacts arising from manufacturing and business operations.

Indicator	Unit	2023			2024			2025		
		Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
Total waste generated / treated	kg	18,700	9,100	27,800	16,200	8,140	24,340	16,000	17,000	33,000
Rate of segregation at source	%	100	100	100	100	100	100	100	100	100
Reuse / recycling rate	%	0	0	0	0	0	0	0	0	0
Waste generation intensity	kg/m ² , kg/tonne	-	-	-	0.0309 kg/m ²	0.00009 kg/tonne	-	0.0218 kg/m ²	0.00021 kg/tonne	-

Domestic solid waste indicators (GRI 306)

In 2025, total domestic solid waste generated on a consolidated basis reached approximately 33,000 kg, compared with 24,340 kg in 2024, primarily due to expansion of the production scale and the workforce. Nevertheless, thanks to the synchronized implementation of control measures, all domestic waste was collected, segregated and treated in accordance with regulatory requirements, with no environmental incidents recorded.

The 100% rate of segregation at source was maintained at both Vicostone and Phenikaa Hue, demonstrating the effectiveness and consistency of the internal management system. However, no domestic waste was reused or recycled

during 2025, indicating opportunities for further improvement through expanding circular solutions for domestic waste stream.

In the next phase, Vicostone will continue improving the effectiveness of domestic waste management by increasing recycling rates and reducing waste generation through expanding enhanced waste segregation programmes, limiting single-use plastics and strengthening cooperation with professional recycling partners. These activities will contribute to improved environmental performance while supporting realization of long-term ESG and sustainable development objectives.

3.1. Orientation and Approach (Continued)

3.1.3. Hazardous waste

Hazardous waste management at Vicostone and Phenikaa Hue is implemented through a consistent approach encompassing segregation at source, safe storage and transfer to waste treatment providers in accordance with applicable regulations. Expanding and synchronizing this management system across member units contribute to enhance the effectiveness of environmental risk control across the system.

At Vicostone, the hazardous waste management system has been established and operated in full compliance with applicable regulations and integrated into the internal control system to minimize environmental risks. Regularly generated hazardous waste streams are registered under Environmental Permit No. 130/GPMT-UBND, issued by Hanoi People's Committee on 14 August 2023. All hazardous waste is segregated, stored in accordance with regulations and transferred to qualified treatment providers under contractual arrangements, ensuring safe and compliant transportation and treatment.

In 2025, total hazardous waste generated at Vicostone declined by 24.8% compared with 2024, reflecting the effectiveness of internal control solutions, operational

optimization and continuous improvements in waste management. This demonstrates a sustained downward trend in hazardous waste generation while reducing environmental risks and strengthening governance performance regarding ESG.

At Phenikaa Hue, hazardous waste management is implemented in a synchronized manner in accordance with regulatory requirements, including segregation at source, safe storage and transfer for disposal. Hazardous waste streams are closely monitored, recorded and controlled through a system of files and periodic reports, providing a foundation for further improvements in environmental management effectiveness in the next phases.

Hazardous waste generated at Vicostone and Phenikaa Hue primarily includes waste oil, oil-contaminated materials such as cleaning cloths and filter media, waste solvents and chemicals, contaminated packaging and other specialized hazardous waste streams. Treatment methods include recycling, destruction, physico-chemical treatment or transfer to specialized treatment providers in accordance with laws and depending on the characteristics of each waste type.

Indicator	Unit	2023			2024			2025		
		Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
Total hazardous waste generated	kg	16,358	2,070	18,428	21,052.0	2,525.0	23,577.0	15,823.0	3,195.0	19,018.0
Proper treatment rate	%	100	100	100	100	100	100	100	100	100
Recycling / reuse rate	%	-	-	-	0	0	0	0	0	0
Waste generation intensity	kg/m ² , kg/tonne	-	-	-	0.040 kg/m ² -	0.000040 kg/tonne	-	0.022 kg/m ²	0.000027 kg/tonne	-

Hazardous waste indicators (GRI 306)

Maintaining a 100% rate of compliant treatment demonstrates that the hazardous waste management system operates effectively and strictly comply with regulatory requirements. Furthermore, declining hazardous waste volumes and generation intensity reflect the effectiveness of measures to control at source and manufacturing optimization. In the next phase, Vicostone will continue enhancing the effectiveness of hazardous waste management by reducing waste generation,

optimizing segregation practices and expanding appropriate treatment solutions. At the same time, the Company will also strengthen internal controls, enhancing employees' awareness through training and progressively integrate hazardous waste management indicators into operational KPIs to reinforce the linkage between environmental objectives and production - business performance.

3.2. 2026-2030 Strategic Direction

Over the next phase, Vicostone will continue improving waste management effectiveness by reducing waste generation at source, expanding reuse activities and progressively advancing its Circular Economy model.

Key priorities include accelerating technology improvement projects and Continuous Improvement (CI) programmes to reduce material losses while doing research to develop products incorporating recycled materials recovered

from production waste. At the same time, the Company will strengthen internal training on waste segregation and management, and integrate waste management indicators into operational KPIs.

Vicostone will also continue expanding its network of reuse partners with the objective of maximizing the reuse rate of industrial solid waste, ultimately targeting 100% reuse, thereby minimizing final disposal methods such as landfill.

3.3. Contribution to Net Zero targets

Vicostone's waste management activities contribute both directly and indirectly to reducing Greenhouse Gas (GHG) emissions throughout the product life cycle. Reducing waste generation, increasing material reuse and optimizing operations decrease demand for virgin materials, reduce transportation requirements and minimize emissions associated with final treatment.

In particular, solutions to reuse stone powder and burr within the construction materials industry contribute to reducing Scope 3 emissions across the value chain by replacing virgin materials and avoiding emissions associated with natural resource extraction.

Accordingly, waste management has become a core component of Vicostone's strategy of circular economy and overall decarbonization, supporting the achievement of its Net Zero 2050 goal while strengthening the Company's position as an ESG leader in the materials industry.

Waste management (Continued)

4. Environmental roadmap and Target implementation

4.1. Overall direction

To achieve its defined environmental objectives, Vicostone and its subsidiary, Phenikaa Hue, have developed an implementation roadmap based on a systematic approach, with a focus on reducing generation at source, improving resource efficiency and tightly controlling environmental risks throughout operations.

This approach does not only ensure compliance with legal requirements but also aims to deeply integrate ESG principles into manufacturing and business activities, while establishing a foundation for the transition toward a circular economy model and long-term Greenhouse Gas (GHG) emissions reduction.

4.2. 2025 Performance

In 2025, Vicostone achieved positive results in environmental management, particularly in waste and resource management.

The reuse rate of non-hazardous industrial solid waste reached 82.9%, representing a significant increase compared with the previous year and reflecting the effectiveness of reuse solutions and expanded collaboration with partners across the value chain. Waste generation intensity continued to be controlled and significantly reduced through production improvement programmes.

In water management, the production water recirculation rate was maintained at 100%, while wastewater discharged into the environment accounted for only 29.3% of permitted capacity. At the same time, no environmental incidents were recorded and 100% of hazardous waste was treated in accordance with regulatory requirements, demonstrating that the environmental management system is operating in a stable and effective manner.

These results reflect a noticeable transition from an “environmental compliance” model to an “emissions and resource governance” model, in which environmental performance is closely linked with operational efficiency and cost optimization.

Target	Unit	2025 Result	2026 Target	Long-term Target (3-5 years)
Reuse rate of industrial solid waste	%	82.9	≥85	≥95-100
Generation intensity of industrial solid waste (stone powder and burr)	kg/m²	14.9	≤ 14	≤ 12
Water recirculation rate in production	%	100	100	Maintain 100
Ratio of wastewater discharged to permitted capacity	%	29.3	≤ 25	≤ 20
Environmental incidents	cases	0	0	0
Proper treatment rate of hazardous waste	%	100	100	100

2026 

4.3. 2026 Targets and Long-term strategic direction

Based on the results achieved, Vicostone has set specific targets for 2026 and the next three to five years to further enhance environmental management performance and progressively align with international ESG standards.

In waste management, the Company aims to increase the reuse rate of industrial solid waste to at least 85% by 2026 and progress toward 95-100% over the long term. It will also continue reducing waste generation intensity to below 14 kg/m² and toward ≤12 kg/m² in the next phase.

For water management, Vicostone will maintain its target of 100% water recirculation rate in production while gradually reducing the ratio of wastewater discharged into the environment to ≤25% in 2026 and toward ≤20% over the long term, thereby optimizing resource efficiency and reducing pressure on receiving environments.

At the same time, the Company will continue maintaining high management standards for hazardous waste and environmental incident control, with the objectives of ensuring that 100% hazardous waste is treated in accordance with laws and zero environmental incidents occur throughout operations.

2026  2030

4.4. Key implementation solutions

To achieve the above targets, Vicostone will implement groups of key solutions in a synchronized manner during the 2026-2030 period.

First, the Company will continue accelerating technology improvement programmes and Continuous Improvement / Kaizen initiatives directly on production lines to reduce waste generation at source, control material losses and optimize operational efficiency. This approach reduces the need for final treatment while contributing to Greenhouse Gas (GHG) emissions reduction across the product life cycle.

In addition, Vicostone will strengthen internal training and awareness on waste management and resource use, while integrating environmental indicators into operational KPIs to ensure alignment between ESG objectives and manufacturing and business performance.

The Company will also continue expanding its network of reuse and recycling partners, prioritizing partners with technological capability and legal eligibility to participate in the circular value chain. At the same time, Vicostone will proactively cooperate with regulatory authorities and professional organizations to complete the technical and legal framework for waste reuse, particularly for stone grinding powder, thereby promoting the development of a Circular Economy in the materials industry.

4. Environmental roadmap and Target implementation (Continued)

4.5. Contribution to Net Zero targets

Vicostone's environmental management roadmap does not only aim to minimize environmental impacts but also plays an important role in the strategy of reducing Greenhouse Gas (GHG) emissions.

Through waste reduction, increased reuse and operational optimization, the Company is progressively reducing emissions across all three scopes. Specifically, production improvement solutions contribute to reducing direct emissions (Scope 1); operational efficiency improvements help reduce indirect energy-related emissions (Scope 2); while material reuse and reduced demand for virgin materials make a significant contribution to reducing emissions in the value chain (Scope 3).

Through these efforts, Vicostone is progressively transitioning from an “environmental management” model to an “emissions and resource management” model, establishing a strong foundation for achieving its Net Zero 2050 goal.

4.6. Conclusion

With a clear implementation roadmap, specific targets and an integrated approach, Vicostone is progressively establishing an environmental governance model aligned with international standards, in which environmental performance, operational efficiency and economic value are balanced and optimized simultaneously.

By closely linking waste management, water management, air emissions control and its strategy of reducing Greenhouse Gas (GHG) emissions, the Company does not only minimize environmental impacts but also strengthens its competitiveness and responds to the increasing expectations of the market and stakeholders.

This provides a solid foundation for Vicostone to affirm its role as a pioneering enterprise in ESG practices and to realize its sustainable development commitments, contributing to a greener future over the long term.

Greenhouse Gas Emissions

1. Strategic overview of Greenhouse Gas emissions management

As the global economy continues to transition strongly toward a low-carbon growth model, Greenhouse Gas (GHG) emissions management is no longer merely a compliance requirement, but has become a core factor shaping long-term competitiveness and sustainable business growth of businesses.

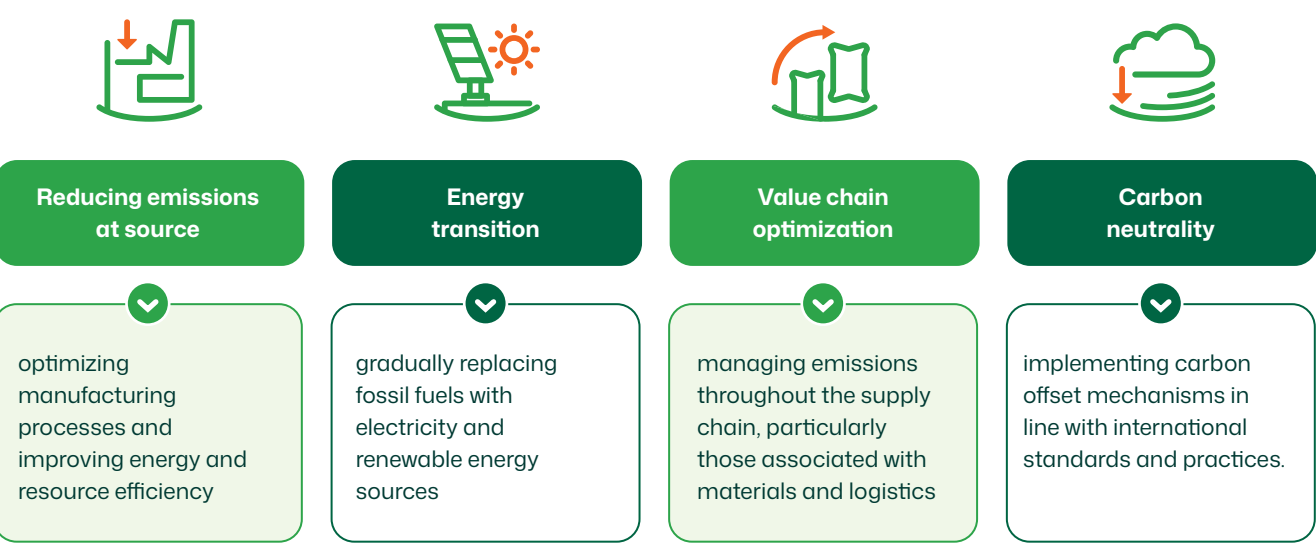


1. Strategic overview of Greenhouse Gas emissions management (Continued)

Vicostone regards GHG emissions as a strategic governance indicator that reflects operational efficiency, technological innovation and the ability to respond to increasingly stringent carbon transparency requirements imposed by international markets. Accordingly, the Company is progressively transitioning from an “emissions control” approach to “carbon management throughout the value chain”, whereby emissions are monitored, assessed and optimized across the product life cycle, from input materials, manufacturing and logistics to distribution and consumption.

Vicostone’s emissions management system is developed based on international standards, including ISO 14064-1 and ISO 14067, combined with IPCC guidance and the operational control approach. This ensures that emissions data are reliable, consistent and internationally comparable, while establishing a foundation for emissions reduction target-setting and the long-term implementation of the carbon neutrality roadmap.

The emissions reduction strategy is implemented based on a principle of hierarchy, focusing on four key orientations:



These orientations are translated into six action pillars, comprising green manufacturing, green materials and green energy, resource efficiency, zero discharge, friendly logistics and sustainable consumption.

The entire system is integrated into the **4I strategic framework - Internalization, Integration, Innovation and Impact tracking** - to ensure that emissions governance is implemented consistently, comprehensively and measurably in an effective way.

Strategic highlights

During 2023-2025, Vicostone focused not only on controlling absolute emissions but also on improving carbon efficiency per unit of product. Initial results showed a continuous decline in emissions intensity, even as production scale increased. This reflected the decoupling of growth from emissions and reinforced the Company’s transition toward a growth model driven by resource efficiency and technological innovation.

Through this approach, Vicostone is progressively building the foundation for a low-carbon manufacturing model, contributing to the realization of its carbon neutrality objective by 2050 while strengthening competitiveness in a global market increasingly focused on carbon transparency and GHG emissions reduction.



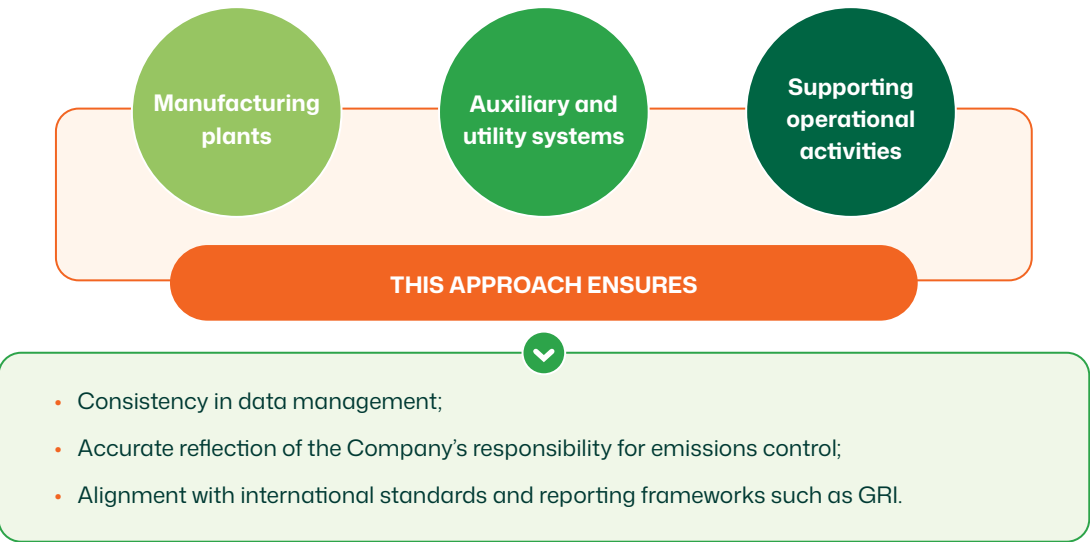
Greenhouse Gas Emissions (Continued)

2. GHG inventory boundary and Methodology

Vicostone conducts its GHG inventory based on clearly defined organizational and operational boundaries to ensure that all emissions sources arising from manufacturing and business activities are fully reflected, in alignment with international standards on emissions reporting and carbon governance.

2.1. Organizational and Operational boundaries

The inventory boundary is established based on the operational control approach, under which Vicostone accounts for all GHG emissions generated from activities over which the Company has direct control, including:



2.2. Classification of emissions by Scope

Based on the defined boundaries, Vicostone classifies GHG emissions into three main scopes in accordance with international practices:

Scope 1	Scope 2	Scope 3
Direct emissions	Energy indirect emissions	Other indirect emissions
Emissions from sources under the Company's operational control, including fuel combustion, internal vehicles and fugitive emissions from technical systems;	Emissions from purchased electricity consumed for manufacturing and operations;	The entire emissions across the value chain, including input materials, transportation, waste treatment and product distribution.

2.3. Expanding the Inventory Boundary across the value chain

A significant enhancement of Vicostone's GHG inventory system is the expansion of measurement to Scope 3 through a value chain-based approach. The Company is progressively integrating emissions data from strategic suppliers, particularly its subsidiary, Phenikaa Hue.

This approach enables the Company to:

- Develop a comprehensive view of the product carbon footprint;
- Control emissions at source, particularly at the material stage;
- Establish a foundation for low-carbon product development and satisfy carbon traceability requirements.

This also represents an important transition from internal emissions management to carbon governance throughout the value chain, in line with international trends and the requirements of export markets

2.4. Emissions calculation methodology

Vicostone applies emissions calculation methodologies based on the 2006 IPCC Guidelines, together with relevant ISO standards, including:

- GHG emissions are quantified using activity data and applicable emission factors in accordance with ISO 14064-1, ISO 14067, the 2006 IPCC Guidelines, the 2019 Refinement, and Circular No. 13/2024/TT-BXD.
- Emission factors are selected in order of priority from site-specific data, national or regional sources, and IPCC default factors.
- Emissions are converted into tCO₂e using the IPCC AR6 100-year global warming potential values (GWP100).
- Scope 2 emissions are calculated using the location-based method and the Vietnam grid emission factor applicable to the inventory period.
- Biogenic emissions arising from domestic waste treatment are classified as direct fugitive GHG emissions and included in Scope 1.

Further details on the calculation methodology, emission factor sources, and uncertainty assessment are provided in the 2025 GHG Inventory and Verification Report.

Key greenhouse gases, including CO₂, CH₄, N₂O and fluorinated gases, are converted into carbon dioxide equivalent (CO₂e) using Global Warming Potential (GWP100) factors.

This methodology ensures:

- Consistency in calculation;
- Comparability of data against international standards;
- Reliability for ESG disclosure purposes.

2. GHG inventory boundary and Methodology (Continued)

2.5. Data management and Quality assurance

To enhance the reliability of emissions data, Vicostone maintains a system for data collection, control and standardization based on internal management procedures, in combination with:

- Periodic data review and reconciliation;
- Standardization of emission factors;
- Data storage and traceability.

2.6. Strategic significance

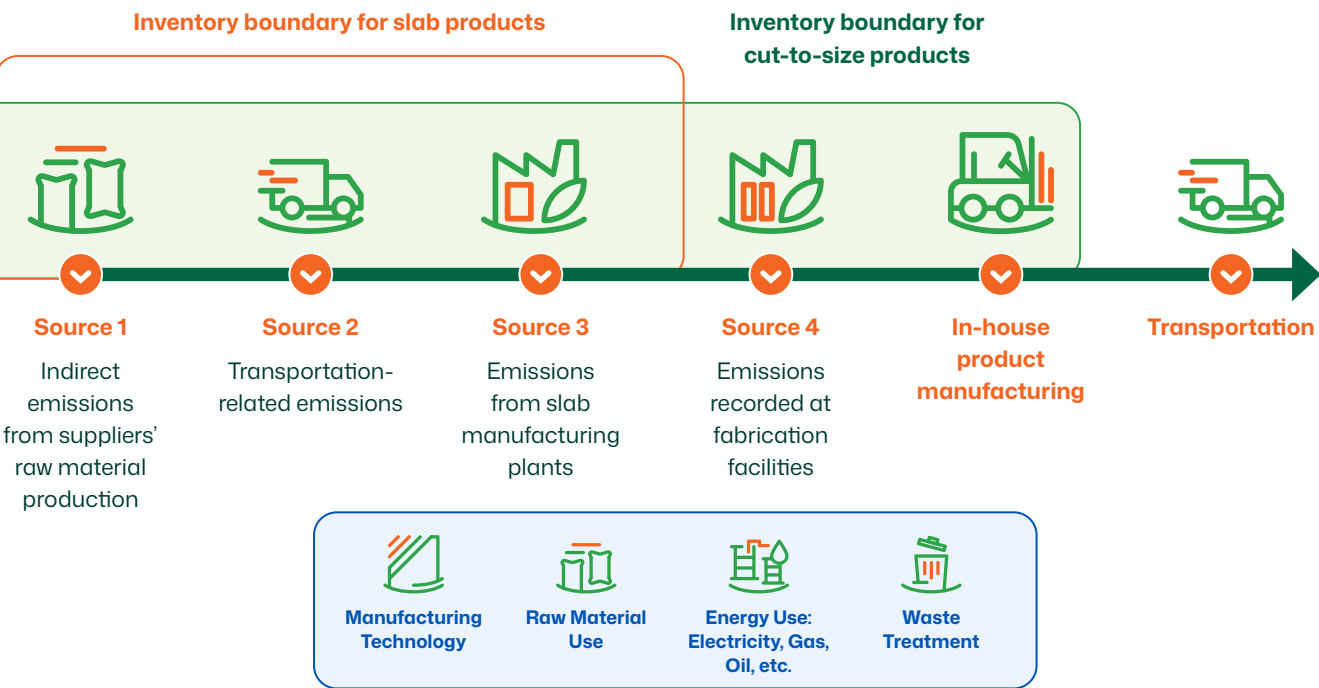
Clearly defining inventory boundaries and applying internationally recognized methodologies does not only strengthen Vicostone's internal governance capabilities but also provides a foundation for key strategic objectives, including:

- Setting and monitoring emissions reduction targets;
- Implementing the carbon neutrality roadmap;

At the same time, the GHG inventory system is verified independently by a third party in accordance with ISO 14064-1 and ISO 14067, ensuring transparency and a high level of data reliability.

- Meeting increasingly stringent carbon transparency requirements from international markets.

In the context of mechanisms such as CBAM and increasingly stringent global ESG standards, reliable carbon data system is a critical factor enabling Vicostone to strengthen competitiveness and international integration.

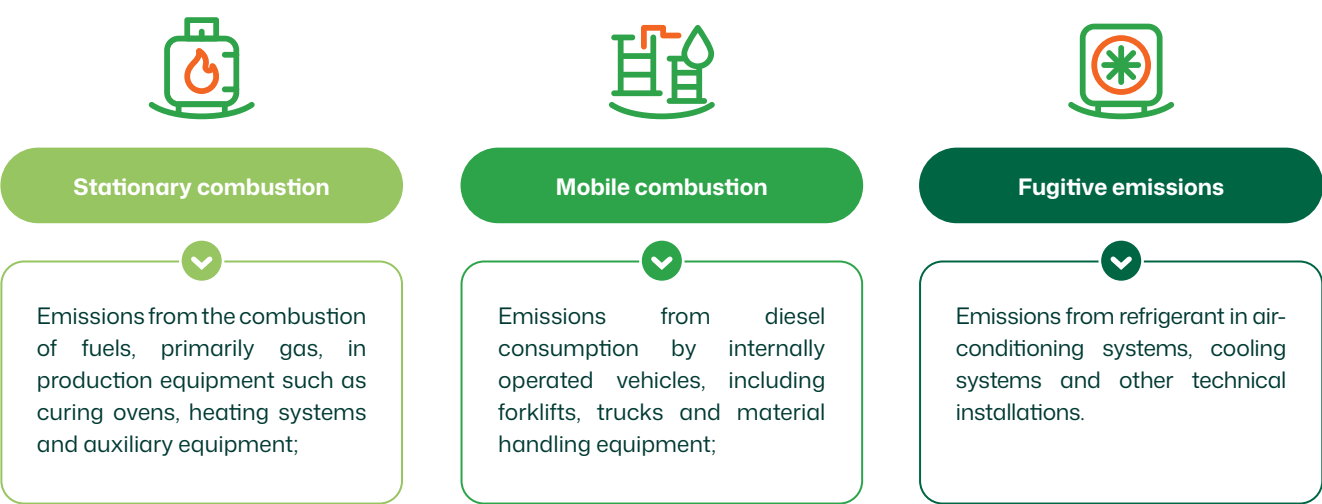


Greenhouse Gas Emissions (Continued)

3. Direct Greenhouse Gas Emissions (Scope 1)

Direct GHG emissions (Scope 1) at Vicostone arise from sources under the Company's operational control, including fuel combustion in manufacturing operations, internal vehicles operations, and fugitive emissions from technical systems. As these emissions are directly controllable by the Company, Scope 1 remains a key focus of Vicostone's short- and medium-term decarbonization programmes.

3.1. The principal sources of Scope 1 emissions



3.2. Emissions performance

In 2025, total consolidated Scope 1 emissions for Vicostone and Phenikaa Hue was approximately 12,750.63 tCO₂e, representing a 6.3% decrease compared with 2024. This reduction reflected the effectiveness of operational optimization, fuel control and technical improvement

solutions implemented across the system. These were positive results given the continued high level of production activities, demonstrating the Company's enhanced capability to manage direct GHG emissions.

3.3. The emissions profile indicates that

- CO₂ remained the dominant emission source, reflecting the continued use of fossil fuels in manufacturing operations;
- High Global Warming Potential (GWP) gases, including CH₄ and certain HFCs, recorded a notable decline.

These results demonstrated that Vicostone was not only reducing overall emissions but also strengthening the management of high-GWP gases, thereby mitigating its climate impact more effectively.

3.4. Strategic significance and Role

Scope 1 has been identified as a “short-term lever” in Vicostone's emissions reduction strategy, as these emissions can be directly reduced through operational improvements and technological upgrades.

Effective control of Scope 1 emissions delivers multiple strategic benefits:

- Rapid reduction of absolute GHG emissions in the short term;
- Improved energy efficiency and lower operating costs;
- A stronger foundation for long-term energy transition steps.

Gas Type	2024 (tCO ₂ e)			2025 (tCO ₂ e)		
	Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
CO ₂	872.67	12,362.82	13,235.49	942.21	11,623.06	12,565.27
CH ₄ - Fossil	1.81	6.10	7.91	1.90	5.70	7.60
CH ₄ - Biogenic	126.40	4.06	130.46	57.54	4.21	61.75
N ₂ O	27.46	25.35	52.80	27.86	21.46	49.32
HFC-32	16.19	11.68	27.87	10.95	14.60	25.55
HFC-125	78.54	21.13	99.67	41.14	0.00	41.14
HFC-134a	0.00	0.00	0.00	0.00	0.00	0.00
HFC-143a	0.00	0.00	0.00	0.00	0.00	0.00
HCFC-22	0.00	0.00	0.00	0.00	0.00	0.00
Total	1,123.07	12,488.69	13,611.76	1,081.60	11,669.03	12,750.63

3.5. Scope 1 Emissions reduction orientation

Over the next phase, Vicostone will continue implementing key solutions to reduce direct emissions, including:

- Electrification of operating equipment through gradual replacement of fossil fuel-powered vehicles with power-driven equipment;
- Optimizing combustion systems to improve fuel efficiency and reduce energy losses;

- Controlling fugitive emissions through strict management of refrigerants and technical systems;
- Replacing fuel by researching and progressively adopting lower-carbon fuels.

Through these solutions, Vicostone aims to gradually reduce its reliance on fossil fuels while establishing a solid foundation for the transition to a low-carbon manufacturing model in the next phases.

Greenhouse Gas Emissions (Continued)

4. Indirect Greenhouse Gas Emissions (Scope 2)

Indirect GHG emissions related to energy (Scope 2) at Vicostone primarily arise from the consumption of purchased electricity from the national grid for manufacturing operations, together with electricity used for auxiliary systems such as offices, utilities and internal services. Scope 2 represents a significant source of GHG emissions and therefore, plays a central role in its long-term energy transition and emission reduction strategy.

4.1. Energy consumption and Electricity mix

During 2024-2025, the total consolidated electricity consumption by Vicostone and Phenikaa Hue increased from 18,248.5 MWh to 19,780.2 MWh, representing an increase of about 8.4%. This increase reflected expanded production activities and the increased electrification of operations.

In the electricity mix:

- Grid electricity remained the primary energy source, accounting for more than 99% of total electricity supply to production activities;

- Internal solar power generation was implemented and continued to increase, reaching 189,390 kWh on a consolidated basis in 2025, representing a significant increase compared with 2024.

As a result, the share of renewable electricity increased from 0.72% in 2024 to 0.92% in 2025, reflecting initial steps in the transition toward cleaner energy sources.

Consolidated electricity consumption of Vicostone and Phenikaa Hue

Energy Source	Unit	2024			2025		
		Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
Solar power	kWh/year	126,783.0	4,803	131,586.0	137,298.0	52,092.0	189,390.0
	GJ	460.0	17.3	477.3	500.0	187.5	687.5
	Rate, %	0.96	0.10	0.72	0.90	0.97%	0.92%
National grid electricity	kWh/year	13,239,700	5,008,808	18,248,508.0	15,255,927.0	4,524,338.0	19,780,265.0
	GJ	47,662.9	18,150.3	65,813.3	54,921.3	19,079.0	74,000.3
	Rate, %	99.04	99.90	99.28	99.10	99.03	99.08
Total	GJ	48,122.9	18,167.6	66,290.5	55,421.3	19,266.5	74,687.8

Note: 1 kWh = 3.6 × 10⁻³ GJ

4.2. Emissions performance

In line with higher electricity consumption, consolidated Scope 2 emissions increased from 12,029.41 tCO₂e in 2024 to 13,039.15 tCO₂e in 2025, representing an increase of about 8.4%.

This increase was primarily driven by expanded manufacturing activities and higher electricity demand. From a strategic perspective, however, the increase also reflected the transition from direct fossil fuel consumption (Scope 1) to electricity-based operations (Scope 2), representing an important step in its long-term emissions reduction pathway.

Electrification gradually reduces reliance on fossil fuels and establishes a foundation for the greater integration of renewable energy in future years. Consequently, although absolute emissions increased alongside production growth, this trend is considered positive from a long-term perspective.

GHG Emissions

Indicators	Unit	2024			2025		
		Vicostone	Phenikaa Hue	Consolidated	Vicostone	Phenikaa Hue	Consolidated
Electricity consumption	(MWh)	13,239.7	5,008.8	18,248.5	15,255.9	4,524.3	19,780.2
GHG emissions	(tCO ₂ e)	8,727.61	3,301.80	12,029.41	10,056.71	2,982.44	13,039.15

4. Indirect Greenhouse Gas Emissions (Scope 2) (Continued)

4.3. Strategic significance - Energy transition and Electrification

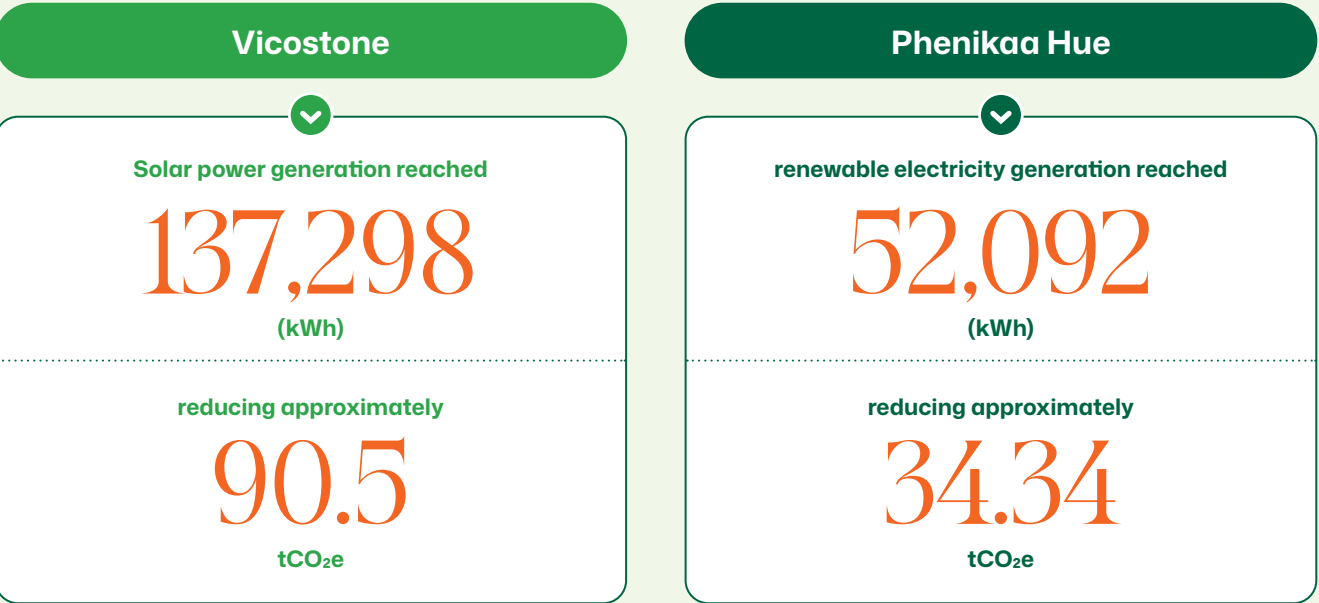
Rather than simply reflecting increased production, the growth in Scope 2 emissions also illustrates the ongoing electrification strategy. Transitioning from direct fossil fuel consumption (Scope 1) to electricity use (Scope 2) provides several strategic benefits:

- Gradually reducing dependence on fossil fuels;
- Creating opportunities to integrate renewable energy into operations;
- Enhancing the ability to manage and reduce emissions over the long term.

Accordingly, while absolute emissions increased alongside operational growth, electrification remained a positive development aligned with the global energy transition and emission reduction pathway.

4.4. Emissions reduction through Renewable energy

In addition to purchased grid electricity, Vicostone has continued investing in and utilizing internal renewable energy to reduce indirect GHG emissions.



In total, renewable energy contributed to an estimated reduction of approximately 125 tCO₂e in 2025.

The increased use of renewable electricity did not only directly reduce Scope 2 emissions but also served as a foundation in the transition toward low-carbon manufacturing, andstrengthened resilience against energy price volatility.

4.5. Scope 2 Emissions reduction orientatio in the next period

To further reduce Scope 2 emissions, Vicostone will focus on the following priorities:



Expanding the share of renewable energy

through additional investments in rooftop solar installations and clean energy sources;



Improving electricity efficiency

by optimizing operations and upgrading equipment in order to lower energy losses;



Accelerating electrification

through replacement of fossil fuel-powered equipment with electric alternatives;



Exploring access to green electricity mechanisms

through application of Power Purchase Agreements (PPAs), Renewable Energy Certificates (RECs) and carbon market soluitions.

Vicostone has proactively invested in and utilized internally generated Renewable Energy, contributing to the reduction of indirect Greenhouse Gas (GHG) Emissions.

Notably, the rooftop solar project at Phenikaa Hue, with an expected generation capacity of approximately 1.0 million Wh per year, is anticipated to make a meaningful contribution to reducing GHG emissions in future reporting periods.

Through these orientations, Vicostone is progressively establishing a foundation for a low-carbon energy transition, supporting its Net Zero goal while strengthening competitiveness in the context that global market increasingly requires carbon transparency.



Photo: Signing ceremony for the 928 kWp rooftop solar power project at Phenikaa Hue Mineral Processing and Investment One Member Company Limited.

Greenhouse Gas Emissions (Continued)

5. Other Indirect Emissions (Scope 3)

Other indirect GHG emissions (Scope 3) at Vicostone are identified based on a value chain approach, reflecting all impacts that occur outside the Company's direct control, from upstream to downstream activities. This is the largest emissions category and plays a decisive role in Vicostone's long-term emission reduction roadmap and realization of the Net Zero goal.

Scale and Structure of Scope 3 Emissions

In 2025, total Scope 3 emissions reached approximately 63,548.7 tCO₂e, accounting for around 85.7% of Vicostone's total GHG emissions. This overwhelming proportion indicates that most of the product carbon footprint originates outside the Company's operations, with emissions concentrated primarily within the supply chain and logistics network. This is consistent with the characteristics of the building materials industry, where emissions are largely driven by input materials and transportation activities.



...the product carbon footprint originates outside the Company's operations, with emissions concentrated primarily within the supply chain and logistics network



5.1. Upstream Emissions

Category	Description	2024			2025		
		Vicostone	Phenikaa Hue	Hợp nhất	Vicostone	Phenikaa Hue	Hợp nhất
Category 1 - Purchased goods and services	Materials, including quartz, resin and additives	29,880.21	4,934.0	34,814.21	39,439.76	4,150	43,589.76
Category 4 - Upstream transportation	Material transportation	2,044.28	452	2,496.28	1,962.17	245.0	2,207.87
Category 5 - Waste generated in operations	Waste treatment	130.12	5.36	135.48	104.36	4.4	108.76
Total		32,054.61	5,391.36	37,445.97	41,506.29	4,400.10	45,906.39

Within upstream emissions, Vicostone focuses on important categories under the GHG Protocol:

Category 1

Purchased goods (materials) and services

This was the largest emissions source, reaching approximately 43,589.76 tCO₂e in 2025 and accounting for a dominant share of Scope 3 emissions. This reflected the industry's high dependence on materials such as quartz, resin and additives.

Category 4

Upstream transportation

Emissions from this category reached 2,207.87 tCO₂e in 2025, decreasing by approximately 11.6% compared with 2024. This result demonstrated the effectiveness of inbound logistics optimization, including transport distances, shipment volumes and transportation methods.

Category 5

Waste generated

Emissions decreased to approximately 108.76 tCO₂e, demonstrating the effectiveness of recycling and waste management solutions.

The total consolidated upstream Scope 3 emissions reached approximately 45,906.39 tCO₂e, increasing by approximately 22.6% compared with the previous year, primarily due to the expansion of production scale.

5. Other Indirect Emissions (Scope 3) (Continued)

5.2. Downstream GHG Emissions

Vicostone conducts downstream GHG emissions accounting in accordance with the GHG Protocol, focusing on categories that are material within the value chain. During the reporting period, downstream emissions were primarily identified from:

Category 9

Downstream transportation and distribution of products to customers.

Currently, Phenikaa Hue has not yet conducted GHG emissions accounting for downstream activities. Therefore, downstream data in this report reflects only emissions from Vicostone's operations.

Category	Description	2024 Emissions (tCO ₂ e)	2025 Emissions (tCO ₂ e)
Category 9 - Downstream transportation	Product distribution	19,448.62	22,042.39
Total downstream		19,448.62	22,042.39

Data updated as of 1 April 2026

For other downstream categories:

Category 11

Use of sold products

minor, as engineered quartz stone products do not consume energy during the use phase;

Category 12

End-of-life treatment

Not quantified during the reporting period due to data limitations and will be assessed in subsequent reporting periods.

5.3. Overview of Scope 3 Emissions and Strategic significance

Total Scope 3 emissions in 2025 reached approximately 63,548.7 tCO₂e, accounting for around 85.7% of Vicostone's total GHG emissions.

The significant share of Scope 3 shows that most of the product carbon footprint lies outside internal operations and is concentrated in the supply chain and logistics. This requires a shift in the approach, from “internal emissions management” to “carbon management throughout the value chain.”

This evolution is also consistent with increasingly stringent international expectations regarding carbon transparency, traceability and emission reduction throughout the product life-cycle.

5.4. Scope 3 Management and Reduction orientation

To control and reduce Scope 3 emissions, Vicostone is implementing the following strategic orientations:

Category 1

Material management

- Strengthening supplier selection based on ESG criteria;
- Expanding the use of low-carbon materials, including Bio Quartz and recycled materials;
- Increasing localization and supply chain integration.

Category 4&9

Logistics optimization

- Optimizing transport routes and logistics methods;
- Reducing transportation distances through supply localization;
- Gradually exploring low-emission transportation solutions.

Category 5

Promoting the circular economy

- Increasing waste recycling and reuse rates;
- Collaborating with recycling partners to convert waste into input materials;
- Reducing waste generation at source.

Strengthening upstream supply chain control

In particular, the integration of Phenikaa Hue, a major material supplier, into the ESG governance system enables Vicostone to:

- Proactively control upstream emissions;
- Standardize carbon data across the value chain;
- Implement emissions reduction initiatives in a synchronized manner.

5.5. Role of Scope 3 in the Net Zero Roadmap

Scope 3 is identified as both the greatest challenge and a strategic opportunity in Vicostone's emission reduction roadmap.

Effective control of Scope 3 does not only help reduce total emissions but also:

- Enhances the ability to meet international ESG and carbon standards;

- Improves product competitiveness in export markets;
- Establishes a foundation for the future development of low-carbon product lines.

In the next phases, Vicostone will continue expanding the Scope 3 inventory boundary, improving data accuracy and gradually implementing emissions reduction programmes across the entire value chain, toward the objective of carbon neutrality.

Greenhouse Gas Emissions (Continued)

6. Greenhouse Gas Emissions intensity

Between 2023 and 2025, Vicostone experienced significant production growth, particularly in 2025, when output reached 732,706 m², representing a substantial increase compared with 2024. This expansion led to higher energy demand and increased GHG emissions in certain scopes, particularly Scope 2 and Scope 3. However, from an emissions intensity perspective, which reflects resource and energy efficiency per unit of product, the trend shows a noticeable improvement.

6.1. Scope 1 and Scope 2 Emissions and Emissions intensity trends

Vicostone's total Scope 1 and Scope 2 GHG emissions fluctuated in line with operating scale. Specifically, Scope 1 emissions increased from 847.53 tCO₂e in 2023 to 1,123.07 tCO₂e in 2024, before declining slightly to 1,081.6 tCO₂e in 2025. Scope 2 emissions decreased in 2024 but increased again in 2025, reaching 10,056.71 tCO₂e, mainly due to higher electricity demand for production.

The total Scope 1 and Scope 2 emissions in 2025 reached approximately 11,138.31 tCO₂e, higher than 9,850.68 tCO₂e recorded in the base year 2024. This increase was mainly attributable to production output growth of approximately 40%, which led to a corresponding increase in energy demand.

On an emissions intensity basis, however, performance improved significantly. Scope 1 and Scope 2 emissions intensity decreased continuously from 0.0203 tCO₂e/m² in 2023 to 0.0188 tCO₂e/m² in 2024 and further to 0.0152 tCO₂e/m² in 2025. Overall, emissions intensity declined by approximately 25.1% over the three-year period and by nearly 20% compared with the base year 2024.

These results reflect the effectiveness of operational optimization, technological upgrades and enhanced energy efficiency. At the same time, the reduction in emissions intensity amid strong production growth demonstrates that the Company has improved resource efficiency per unit of product.

Vicostone's GHG Emissions and Emissions intensity during 2023-2025

No.	Indicators	Unit	2023	2024	2025
1	Direct GHG emissions - Scope 1	tCO ₂ e	847.53	1,123.07	1,081.6
2	Indirect GHG emissions related to electricity use - Scope 2	tCO ₂ e	10,180.95	8,727.61	10,056.71
3	Total product output	m ²	542,558	523,840	732,706
4	GHG emissions intensity (Scope 1 and 2)	tCO ₂ e/m ²	0.0203	0.0188	0.0152
5	Other indirect GHG emissions from transportation and products used by the organization - Scope 3	tCO ₂ e	Not measured	51,503.23	63,548.7
6	GHG emissions intensity (Scope 1, 2 and 3)	tCO ₂ e/m ²	Not measured	0.1171	0.1019

Phenikaa Hue's GHG Emissions and Emissions intensity during 2024-2025

No.	Indicators	Unit	2024	2025
1	Direct emissions - Scope 1	tCO ₂ e	12,488.69	11,726.60
2	Indirect emissions related to electricity use - Scope 2	tCO ₂ e	3,301.81	2,982.44
3	Other indirect GHG emissions - Scope 3 upstream	tCO ₂ e	5,396.63	4,409.00
4	Total product output	tonnes	92,646.60	80,373.85
5	GHG emissions intensity (Scope 1 and 2)	tCO ₂ e/tonne	0.1704	0.1830
6	Expanded GHG emissions intensity (Scope 1, 2 and 3 upstream)	tCO ₂ e/tonne	0.2287	0.2379

6.2. Scope 3 Emissions and Overall Emissions intensity trends

Vicostone began measuring Scope 3 emissions in 2024. The total Scope 3 emissions increased from 51,503.23 tCO₂e in 2024 to 63,548.7 tCO₂e in 2025, mainly due to supply chain expansion and increased transportation activities.

Although absolute emissions increased, overall emissions intensity covering Scope 1, Scope 2 and Scope 3 decreased from 0.1171 to 0.1019 tCO₂e/m². This indicates that emissions per unit of product continued to be controlled, reflecting

the effectiveness of emissions management across the value chain.

This trend illustrates a clear decoupling of production growth from GHG emissions, with production continuing to expand while emissions per unit of product declined gradually. This is an important indicator of a sustainable and carbon-efficient growth model.



6. Greenhouse Gas Emissions intensity (Continued)

6.3. Assessment of target performance

Vicostone selected 2024 as the base year for setting its GHG emissions reduction target. In 2025, the Company aimed to reduce its combined Scope 1 and Scope 2 emissions by 3% against the base year. This target was not met, as total emissions increased by approximately 13.1%. The increase occurred alongside a 39.8% rise in production output, from 523,840 m² in 2024 to 732,706 m² in 2025.

Despite the increase in total emissions, emissions per unit of product decreased, indicating improved emissions management efficiency in production. Going forward,

Vicostone will continue to monitor progress against its absolute emissions reduction target and consider adding an emissions intensity target to better assess performance as production levels change.

This indicates that Vicostone's approach to emissions management has shifted from focusing solely on absolute emissions reduction toward improving emissions efficiency, which is appropriate with the Company's current stage of production expansion.



6.4. Additional supply chain analysis - Phenikaa Hue

During 2024-2025, Phenikaa Hue, a major material supplier, also implemented GHG inventory activities in line with the Group's common roadmap.

Results show that the total Scope 1 and Scope 2 emissions decreased from 15,790.50 to 14,709.05 tCO₂e, while upstream Scope 3 emissions decreased by approximately 18%. This reflects efforts to control emissions from materials and upstream manufacturing activities.

However, as production output declined faster than emissions, emissions intensity tended to increase. Specifically, Scope 1 and Scope 2 intensity rose from 0.1704 to 0.1830 tCO₂e/tonne, while expanded emissions intensity increased from 0.2287 to 0.2379 tCO₂e/tonne. This indicates that energy and resource efficiency per unit of product did not improve correspondingly during the reporting period.

On the positive side, the implementation of product emissions intensity traceability under ISO 14067 and independent verification have helped strengthen data transparency and the ability to meet international carbon traceability requirements.

6.5. Strategic direction

The above results show that Vicostone is progressively transitioning from a resource consumption-based growth model to a growth model driven by energy efficiency and carbon optimization.

In the next phase, Vicostone will continue improving its GHG emissions management system with the following priorities:

- Enhancing data quality and expanding the emissions inventory boundary across the entire value chain;
- Strengthening measures of reduction at source through technological and operational optimization;
- Promoting energy transition, increasing the share of renewable energy and electrifying equipment;
- Developing a sustainable supply chain and engaging partners in emissions reduction;
- Gradually implementing carbon neutrality mechanisms in line with international standards.

Through these orientations, Vicostone aims to establish an integrated GHG management model that simultaneously optimizes environmental performance, operational efficiency and economic value. This model is not only a foundation for implementing the long-term carbon neutrality goal, but also an essential component that strengthens the Company's competitiveness, meeting increasingly stringent market expectations and reinforcing its position as a leader in the sector of sustainable building materials.



Greenhouse Gas Emissions (Continued)

7. GHG Emissions management measures

Vicostone maintains and operates its environmental and energy management systems in accordance with international standards, including ISO 14001 and ISO 50001. These systems provide a foundation for systematic GHG emissions control and continual improvement in resource and energy efficiency.

On this basis, the Company implements GHG emissions management measures that combine internal operational optimization with the transition toward a low-carbon manufacturing model, while extending control across the entire value chain.

I Overall Approach

Vicostone's emissions reduction solutions are structured across three strategic layers, corresponding to the transition from operational optimization to carbon neutrality.



Vicostone is progressively transitioning from a resource consumption-based growth model to a growth model driven by energy efficiency and carbon optimization.

Short Term



Operational optimization and Source reduction (Scope 1 & 2)

At the current stage, Vicostone focuses on solutions that can be implemented rapidly to control and reduce direct emissions:

- **Improving energy efficiency:** Implementing operational optimization measures, particularly in internal transportation. Diesel consumption decreased from 88,397 litres in 2024 to 86,564 litres in 2025, equivalent to a reduction of approximately 2.1%, contributing to lower Scope 1 emissions;
- **Optimizing manufacturing processes:** Technical improvements reduced material consumption by approximately 0.5% and improved recovery efficiency by nearly 2%, contributing to reduced indirect emissions across the value chain;
- **Controlling fugitive emissions:** Strengthening the management of refrigerants and technical systems to reduce emissions from high-GWP gases.

These solutions enable emissions reductions in the fastest way, while improving operational efficiency and lowering costs.

Medium Term



Energy and Technology transition (Scope 1 & 2 → Scope 2)

Vicostone is progressively transitioning its energy model to reduce dependence on fossil fuels:

- **Equipment electrification:** Piloting and gradually introducing electric forklifts to establish a foundation for replacing fossil fuel-powered equipment from 2026;
- **Renewable energy development:** Investing in rooftop solar power systems at Vicostone and Phenikaa Hue. The Phenikaa Hue project, with an expected capacity of approximately 1.0 MWh/year, will contribute to reducing Scope 2 emissions in the supply chain;
- **Improving energy performance:** Continuing to upgrade equipment and optimize operations to reduce electricity consumption per unit of product.

This represents an important transition phase from **fossil fuels → electricity → clean energy**, establishing a foundation for long-term emissions reduction.

Long Term



Value chain governance and Carbon neutrality (Scope 3 & Net Zero)

Over the long term, Vicostone aims to expand emissions governance across the entire value chain:

- **Developing low-carbon materials:** Increasing the use of recycled materials, Bio Quartz and other low-carbon materials;
- **Building a sustainable supply chain:** Integrating ESG criteria into supplier selection and working with partners to reduce upstream emissions;
- **Promoting the circular economy:** Increasing the waste recycling rate from 61.7% to 82.9% and converting waste into input materials for other industries;
- **Implementing carbon neutrality mechanisms:** Studying solutions such as carbon offsets, carbon credits and market-based instruments in accordance with international standards.

This stage represents the transition from emissions reduction to carbon neutrality and plays a decisive role in the Net Zero 2050 roadmap.

Greenhouse Gas Emissions (Continued)

8. GHG Emissions management targets for 2026

Vicostone has developed a phased roadmap for GHG emissions management and reduction, targeting carbon neutrality by 2050 in alignment with Phenikaa Group's ESG strategy and the global transition toward a low-carbon economy.

Within this roadmap, 2024 has been selected as the baseline year for establishing the reference emissions pathway and for monitoring and evaluating target performance in subsequent phases.

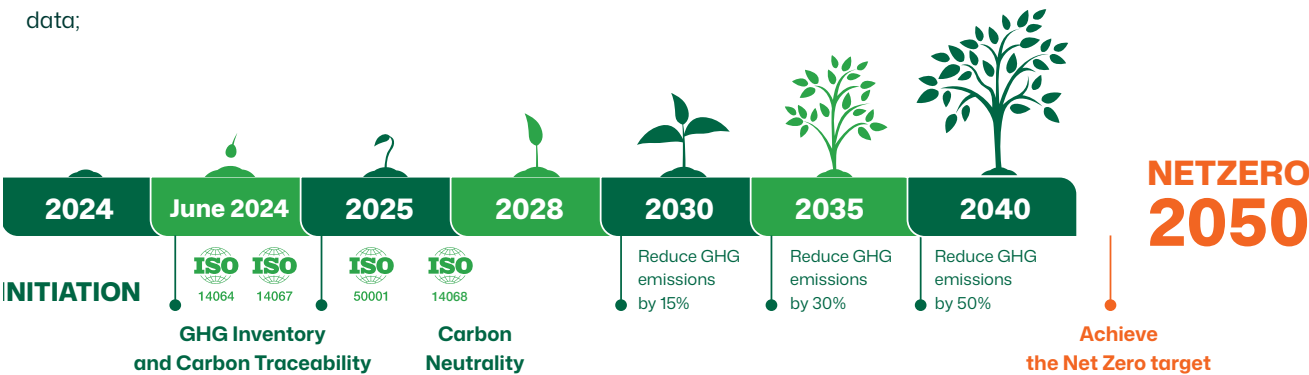
8.1. 2025 Phase - Foundation building

The year 2025 is defined as a foundation-building phase, focusing on:

- Maintaining periodic GHG inventories in accordance with **ISO 14064-1**;
- Expanding measurement to Scope 3 in line with the **GHG Protocol**;
- Improving the accuracy and consistency of emissions data;

- Implementing product carbon traceability under **ISO 14067**.

This represents an important preparatory step toward building a comprehensive carbon data system to support science-based emissions reduction target setting in subsequent phases.



8.2. 2026 Target - Transition toward Carbon neutrality management

From 2026, Vicostone aims to transition from an “emissions management” approach to “carbon neutrality management” through the implementation of ISO 14068.

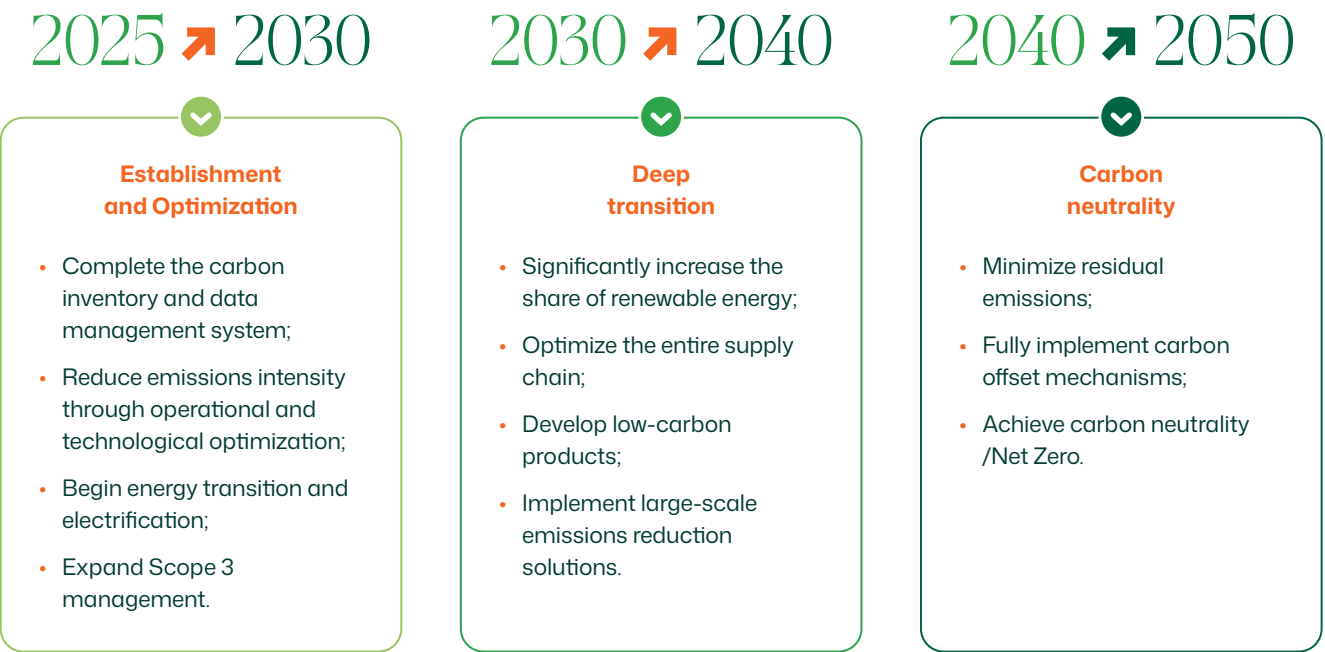
Key targets include:

- **Reducing GHG emissions intensity:** Reducing emissions intensity (tCO₂e/m²) by at least 6% compared with the baseline of 2024 through operational optimization and improved energy efficiency;
- **Increasing the share of renewable energy:** expanding rooftop solar power systems and other clean energy sources to gradually reduce reliance on grid electricity and fossil fuels;

- **Promoting electrification:** Gradually replacing fossil fuel-powered equipment with electric alternatives, particularly for internal operations;
- **Expanding Scope 3 management:** Improving data accuracy and strengthening emissions control across the supply chain;
- **Implementing carbon offset mechanisms:** Studying and applying solutions such as carbon credits and market-based mechanisms in line with international practices.

8.3. Emissions reduction and Carbon neutrality Roadmap

Vicostone's Net Zero roadmap is structured into three main phases.



8.4. Strategic significance

Setting targets based on emissions intensity, rather than solely on absolute emissions, reflects a flexible approach appropriate to Vicostone's current stage of development, as the Company continues to expand its production scale.

At the same time, the application of ISO 14068 helps:

- Standardize the carbon neutrality approach;
- Enhance transparency and data reliability;
- Strengthen the Company's ability to meet international ESG and carbon requirements.

In the context of increasingly stringent mechanisms such as CBAM and global emissions standards, the Net Zero roadmap is not only an environmental commitment but also a key factor enabling Vicostone to strengthen competitiveness and maintain its position in international markets.

Greenhouse Gas Emissions (Continued)

9. Data assurance and Transparency

Vicostone is committed to ensuring the accuracy, consistency and transparency of GHG emissions data through the establishment of a comprehensive carbon data governance system aligned with international standards and ESG disclosure requirements.

9.1. Emissions data management system

Vicostone's GHG emissions data is collected, managed and controlled through a standardized process, including:

- Collecting data from emissions sources across manufacturing and business activities;
- Standardizing data using consistent emission factors and calculation methodologies;
- Reviewing, reconciling and approving data across management levels;
- Storing and retrieving data for reporting and assessment purposes.

This system ensures:

- Consistency across reporting periods;
- Data traceability;
- Reliability for governance and disclosure purposes.

9.2. Application of International standards

Vicostone conducts emissions inventories and manages emissions data in accordance with international standards:



9.3. Independent verification and Assurance

To enhance data reliability and transparency, Vicostone requests a third-party to conduct independent verification of its GHG inventory system and product carbon traceability.

Specifically:

- Organizational-level emissions data is verified in accordance with ISO 14064-1;
- Product carbon data is verified in accordance with ISO 14067.

In parallel with Vicostone, Phenikaa Hue also implements product carbon traceability and independent verification, contributing to:

- Standardized emissions data across the supply chain;
- Enhanced reliability of Scope 3 data;
- Fulfilment of carbon traceability requirements imposed by international markets.



9.4. Transparency and Disclosures

Vicostone discloses GHG emissions information based on the following principles:

- **Completeness:**
Covering material emissions sources;
- **Consistency:**
Applying consistent methodologies and inventory boundaries;

- **Comparability:**
Maintaining data series across reporting years;
- **Transparency:**
Disclosing methodologies, assumptions and data limitations.
Emissions information is integrated into the Sustainable Development Report to serve stakeholders, including investors, customers, business partners and regulatory authorities.

9. Data assurance and Transparency (Continued)

9.5. Orientation for Improving Data Quality

In the next phase, Vicostone will continue improving its carbon data management system through the following priorities:



Digitalization of ESG data

Developing a centralized data management system and automating data collection and reporting;



Expanding the inventory boundary

Particularly for Scope 3 and categories that have not yet been fully quantified;



Improving data accuracy

Updating emission factors and refining calculation methodologies;



Strengthening independent verification

Expanding the scope and frequency of data verification.

9.6. Strategic significance

As ESG standards and carbon border adjustment mechanisms such as CBAM become increasingly stringent, GHG emissions data is not only an internal governance tool but also a strategic asset of the Company.

Building a transparent and reliable carbon data system enables Vicostone to:

- Strengthen its credibility with stakeholders;
- Meet carbon traceability requirements;
- Improve access to markets and green finance;
- Support decision-making in the Net Zero strategy.

Vicostone manages GHG emissions through a strategic approach, transitioning from internal control to carbon governance throughout the value chain, in alignment with international standards such as ISO 14064, ISO 14067 and the GHG Protocol. During 2023-2025, although absolute emissions increased due to production expansion, emissions intensity declined significantly by approximately 25%, demonstrating a trend toward decoupling growth from emissions.

Scope 3 accounted for the largest share, at approximately 86%, identifying the supply chain as a key focus for long-term emissions reduction. The Company is promoting energy transition, electrification and the development of low-carbon materials, while building a Net Zero roadmap toward 2050 based on carbon efficiency improvement, transparent data governance and the implementation of carbon neutrality mechanisms.



Vicostone is promoting energy transition, electrification and the development of low-carbon materials, while building a Net Zero roadmap toward 2050.

Supplier environmental assessment

Responsible supply chain management

Vicostone recognizes sustainable supply chain management as a core component of its sustainable development strategy and Enterprise Risk Management (ERM) system.

As customers, international markets and stakeholders increasingly demand higher standards of ESG performance, supply chain transparency, traceability and Greenhouse Gas (GHG) emissions management, the Company is progressively integrating environmental criteria into its supplier selection, assessment, management and development processes.

For Vicostone, the supply chain does not only secure the sources of materials, supplies, services and logistics required for production, but also directly influences resource efficiency, product carbon footprints, responsiveness to markets'

demands and the Company's long-term competitiveness. Accordingly, supplier environmental assessment is implemented through an integrated approach that combines compliance, risk management, operational excellence and support for the Net Zero roadmap.

Vicostone's approach extends beyond document reviews and compliance assessment to fostering responsible partnerships with suppliers. Through the assessment process, the Company progressively identifies potential environmental risks, encourages suppliers to strengthen their management systems and data quality, and promotes their participation in emissions reduction initiatives across the value chain.



Vicostone recognizes sustainable supply chain management as a core component of its sustainable development strategy and Enterprise Risk Management (ERM) system.



Supplier environmental assessment

(Continued)

1. Governance approach and Strategic integration

In 2025, Vicostone continued to strengthen its supplier management framework by integrating environmental and ESG requirements into its QEHS Management System, aligned with ISO 9001, ISO 14001 and ISO 45001. This provides a robust foundation for ensuring that supplier assessments are conducted consistently, under control and in accordance with the Company's established governance system.

The Company's key priorities included:

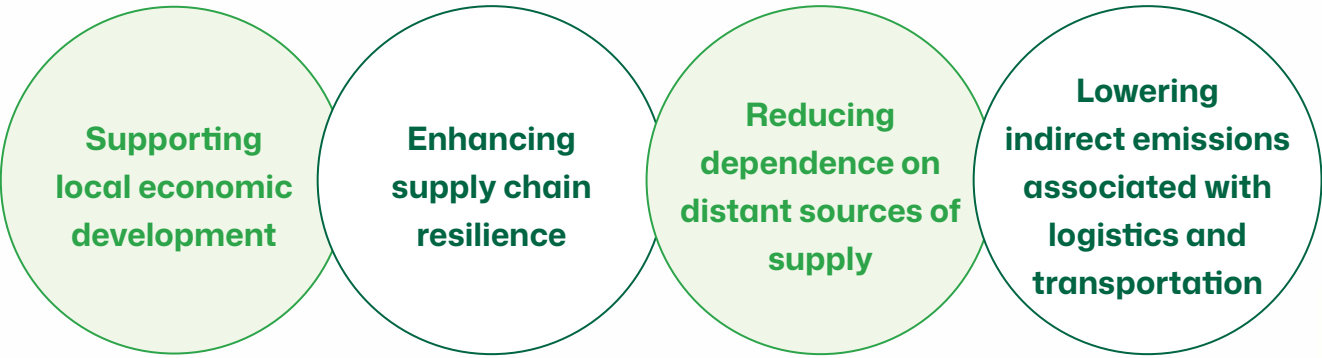
- Integrating requirements relating to environmental legal compliance, waste management, resource efficiency, emissions control, chemical safety and energy management into supplier assessments;
- Embedding ESG requirements and the Net Zero orientation into supplier selection, assessment and engagement processes;

- Prioritizing further in-depth assessments of suppliers with significant influence on manufacturing operations and indirect emissions;
- Prioritizing collaboration with suppliers that have implemented recognized environmental and energy management systems, such as ISO 14001 and ISO 50001, to reduce compliance risks and support the standardization of environmental and emissions data across the supply chain;
- Progressively establishing a supplier ESG data platform to support monitoring, risk analysis, continuous improvement and Scope 3 emissions management in subsequent phases.



Vicostone also leverages the advantages of the integrated supply chain within the Phenikaa Group ecosystem to strengthen supply self-sufficiency, enhance quality control, shorten transportation distances and improve consistency in ESG implementation across member units.

In 2025, expenditure on local suppliers accounted for 52% of the total procurement spending, contributing to:



Through this approach, Vicostone continues to strengthen its environmental risk governance capabilities across the supply chain while building a flexible, responsible supply network and improving capability of meeting increasingly stringent ESG expectations imposed by international markets.



Supplier environmental assessment

(Continued)

2. Risk-based assessment methodology

Vicostone applies a risk-based assessment methodology to prioritize resources for suppliers with material influence on the environment, manufacturing operations and GHG emissions across the value chain. This approach enables the Company to focus on suppliers with high procurement values, providers of critical materials or suppliers with the potential to generate significant environmental impacts.

Supplier groups that should be prioritized in assessments include providers of major materials, chemicals, resin, quartz, cristobalite, auxiliary materials, logistics services and other partners critical to production continuity. These groups are also directly associated with upstream Scope 3 emissions, particularly Category 1 - Purchased goods and Services and Category 4 - Upstream transportation.

Suppliers are classified based on the following key criteria:

Criteria Group	Assessment focus
Financial materiality	Procurement value and influence on manufacturing operations
Environmental impacts	Resource consumption, waste generation and pollution risks
Contribution to GHG emissions	Contribution to Scope 3 emissions, particularly Categories 1 and 4
ESG capability	Ability to meet environmental, data and ESG governance requirements
Compliance history	Regulatory compliance status and previous assessment results

Based on the assessment results, suppliers are categorized according to risk level to determine the appropriate assessment frequency and monitoring programme.



The assessment process is standardized and integrated into the governance system, including the following steps:



This approach enables Vicostone to move beyond traditional compliance monitoring toward proactive governance. It allows the Company not only to identify environmental risks at an early stage but also to encourage suppliers to strengthen their management systems, optimize resource utilization and progressively enhance their capability to meet ESG requirements across the supply chain.

Supplier environmental assessment

(Continued)

3. Assessment scope and performance

3.1. Assessment coverage

In 2025, Vicostone further expanded the scope of environmental assessments for material suppliers, particularly suppliers of input materials and logistics services. These supplier groups play a critical role in manufacturing operations and are directly associated with the Company's upstream Scope 3 emissions.

Key results included:

39

Vicostone assessed 39 suppliers against environmental criteria, which was an increase of seven suppliers compared with 2024. These suppliers were considered key business partners with influence on supply of materials, consumables, transportation services or other critical production inputs.

03

Three suppliers were identified as presenting significant environmental risks or requiring continued monitoring. The identified risks primarily related to waste treatment performance, energy consumption, ability of resource optimization and the maturity of environmental data management systems. These suppliers were required to develop and implement improvement plans.

0

No supplier relationships were terminated due to non-compliance with environmental criteria.

Indicator	2023	2024	2025	Notes
Percentage of new suppliers screened using environmental criteria	0%	0%	0%	No new suppliers
Number of suppliers assessed for environmental impacts, number suppliers	32	32	39	Material suppliers
Number of suppliers identified as having significant actual and potential negative environmental impacts, number suppliers	03	03	03	Improvement actions implemented
Percentage of suppliers identified as having significant actual and potential negative environmental impacts for which improvement actions were agreed following assessment, %	100%	100%	100%	No suppliers excluded
Percentage of suppliers identified as having significant actual and potential negative environmental impacts whose business relationships were terminated following assessment, %	0%	0%	0%	No supplier relationships terminated

No new suppliers were engaged by Vicostone during the reporting period. Accordingly, no data was reported under GRI 308-1 relating to the percentage of new suppliers screened using environmental criteria.

The stable number of suppliers identified as presenting significant environmental risks demonstrates the effectiveness of the supplier screening, monitoring and management practices in recent years. Risks were identified at an early stage, incorporated into monitoring plans and managed through continuous improvement mechanisms.

Rather than excluding suppliers from its supply chain, Vicostone adopts a "collaborate - support - improve" approach. This approach enables the Company to effectively manage risks while supporting suppliers in strengthening their environmental management capabilities, thereby generating more positive and sustainable impacts across the value chain.

3. Assessment scope and performance (Continued)

3.2. Environmental impacts and Mitigation measures (GRI 308-2)

Within the scope of the 2025 assessment, Vicostone identified no instances of supplier non-compliance with environmental legislation. This conclusion was based on periodic assessments, legal document reviews, supplier disclosures and on-site evaluations of material supplier groups.

Nevertheless, the assessment process identified several potential environmental risks requiring continued monitoring and improvement. These included suboptimal waste treatment

technologies, dependence on fossil fuels in production operations, inconsistent resource efficiency and limited environmental data management capabilities among certain suppliers.

For the three suppliers identified as presenting significant environmental risks, Vicostone required the development and implementation of improvement plans focusing on:

- >

01



Upgrading wastewater, dust, air emissions and solid waste treatment systems
- >

02



Optimizing manufacturing processes to reduce energy, water and material consumption
- >

03



Strengthening waste segregation at source and increasing recycling rates
- >

04



Completing regulatory documentation and environmental data management systems
- >

05



Progressively transitioning to cleaner or lower-emission energy sources.

By the end of 2025, 100% of suppliers identified as presenting environmental risks had developed and implemented improvement plans in accordance with Vicostone's requirements. No supplier relationships were terminated due to non-compliance with environmental criteria.

These results demonstrate the effectiveness of the Company's "collaborate - support - improve" approach. Through periodic assessment and continuous monitoring, Vicostone does not only mitigates environmental risks throughout the supply chain but also contributes to strengthening the environmental management capabilities of its business partners.



Supplier environmental assessment

(Continued)

4. Scope 3 emissions management and Supplier engagement

Scope 3 emissions management is a material component of Vicostone's Net Zero roadmap and its commitment to enhancing GHG emissions transparency. Unlike Scope 1 and Scope 2 emissions, which fall within the Company's direct or indirect operational control, Scope 3 emissions depend significantly on data availability and the level of collaboration among participants across the value chain.

Vicostone has completed GHG inventories in accordance with ISO 14064-1 and product carbon footprint assessments under ISO 14067, with the results independently verified by a third party. The findings indicate that the supply chain represents a material source of indirect emissions, primarily concentrated in:

Scope 3

- **Category 1**
Input materials
- **Category 4**
Transportation and Logistics

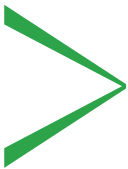
In 2025, Vicostone launched an ESG engagement programme with key suppliers to progressively improve the quality of Scope 3 data and enhance supply chain transparency. Key priorities included:

11

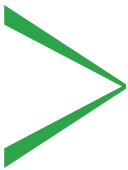
Selecting 11 key suppliers to participate in Phase 1 of the ESG engagement programme, focusing on major materials and logistics, which account for a significant proportion of procurement value and upstream emissions;

100%

Obtaining commitment from 100% of participating suppliers to provide available information relating to energy consumption, material and GHG emissions;



Strengthening collaboration on initiatives to improve environmental performance and supply chain transparency;



In subsequent phases, the Company intends to expand data collection directly from suppliers, prioritizing those with high emissions, substantial procurement value and significant influence on product carbon footprints. This will further improve Scope 3 data quality and support emissions reduction across the supply chain.

Through this programme, Vicostone is progressively reducing its dependence on estimated data, increasing the use of supplier-specific primary data and establishing a solid foundation for programmes to reduce emissions in the value chain. In subsequent phases, the Company intends to expand data collection directly from suppliers, prioritizing those with high emissions, substantial procurement value and significant influence on product carbon footprints. This will further improve Scope 3 data quality and support emissions reduction across the supply chain.



Supplier environmental assessment

(Continued)

5. Improvement results and Supply chain capability building

Vicostone achieved significant progress in supplier assessment and improvement during 2025. Completing environmental assessments for 100% of key suppliers enhanced the Company's ability to identify risks and drive continuous improvement across the supply chain.

For the three suppliers identified as presenting moderate or significant environmental risks, Vicostone required specific improvement plans to enhance operational performance, optimize resource utilization and reduce environmental impacts.



Several suppliers proactively upgraded wastewater, dust and solid waste treatment systems, optimized manufacturing processes, reduced energy consumption, strengthened waste segregation at source and increased internal recycling rates. Certain suppliers also implemented technical improvements to enhance fuel efficiency and reduce emissions from production activities.

These results demonstrate that Vicostone's supplier assessment process extends beyond compliance monitoring and is progressively generating broader positive impacts by strengthening ESG capabilities throughout the supply chain.

The improvement results achieved in 2025 are summarized below:

Indicator	Result
Key suppliers assessed	100%
Suppliers presenting risks that developed improvement plans	100%
Supplier relationships terminated due to environmental violations	0
Suppliers participating in Phase 1 of the ESG engagement programme	11
Participating suppliers committed to providing environmental data	100%

Through its "collaborate - improve" approach, Vicostone is progressively transitioning from compliance monitoring to ESG capability building across the supply chain, establishing a strong foundation for future Scope 3 management, emissions reduction in logistics and green procurement initiatives.



Vicostone's supplier assessment process extends beyond compliance monitoring and is progressively generating broader positive impacts by strengthening ESG capabilities throughout the supply chain.

Supplier environmental assessment

(Continued)

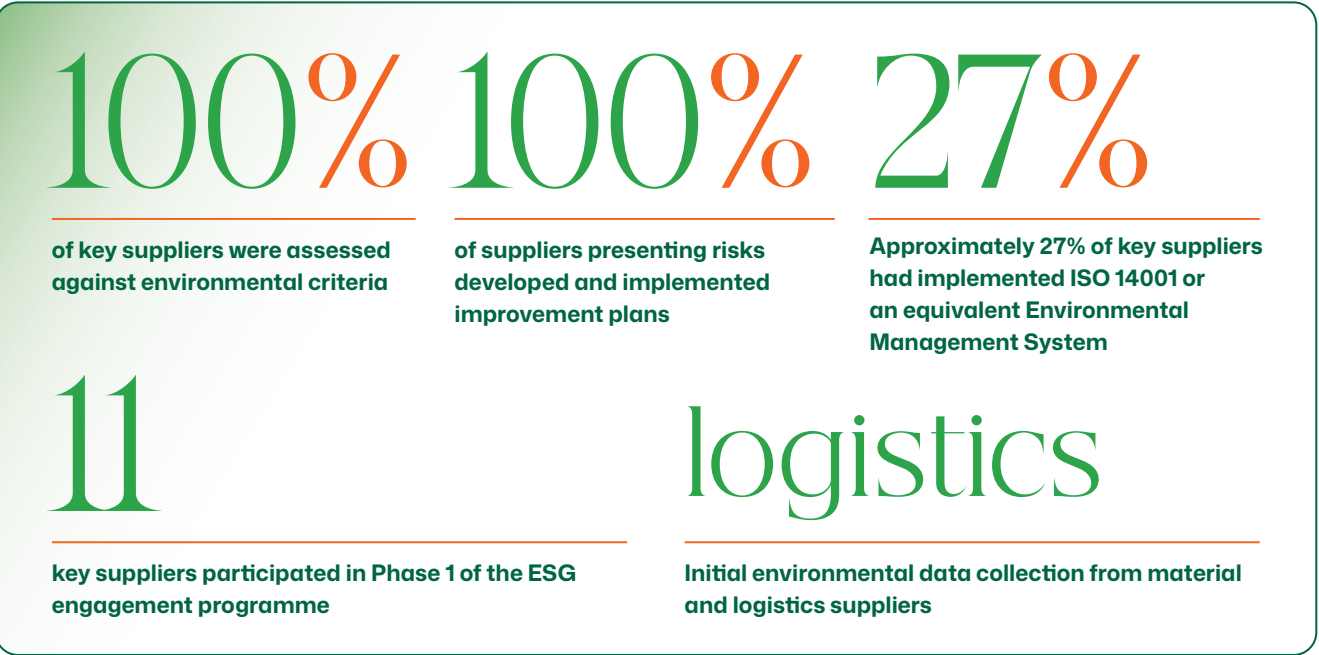
Indicator system and Data management

Data is a critical foundation for Vicostone's ESG governance and sustainable supply chain management. Developing a supplier environmental data system does not only support ESG disclosures but also strengthens risk management, performance evaluation and Scope 3 emissions management across the value chain.

In 2025, Vicostone continued enhancing its ESG data platform, with GHG emissions and product carbon footprint

data independently verified. The Company applies robust internal controls to ensure the accuracy, completeness and consistency of data before it is used for reporting or disclosure purposes. For supplier data, Vicostone focuses on indicators relating to assessment coverage, compliance performance, progress of improvement plans and environmental management capabilities throughout the supply chain.

Key performance indicators for 2025 included:



The fact that approximately 27% of key suppliers have implemented Environmental Management Systems demonstrates the progressive strengthening of environmental governance across Vicostone's supply chain. At the same time, the Company will continue expanding the scope of data collection, improving Scope 3 data quality and increasing the proportion of supplier-specific primary data.

In the next phases, Vicostone will progressively standardize data templates, expand digitalization and integrate ESG data into its supply chain governance system. This approach will enable the Company to transition from "data collection" to "data-driven management", thereby strengthening emissions control, risk management and long-term decision-making.

7. Supply chain Risk management

Supply chain risk management is an integral component of Vicostone's Enterprise Risk Management (ERM) system. As climate change, ESG requirements and global market volatility intensify, supply chain risks extend beyond pricing and delivery schedules to encompass environmental performance, GHG emissions, data and corporate reputation.

Vicostone progressively identifies and manages material supply chain risks through supplier assessments, data reviews and the integration of ESG requirements into procurement and supplier management processes.

Risk category	Management measures
Environmental compliance risk	Periodic assessments, document reviews and improvement requirements
Supply chain disruption risk	Supply diversification and increased localization
ESG and reputational risk	Integration of ESG criteria into supplier selection and assessment
Scope 3 data risk	Direct data collection and standardized reporting templates
Carbon cost risk	Prioritizing lower-emission suppliers and collaborating on emissions reduction
Improvement capability risk	Supplier support, guidance and monitoring of improvement roadmaps

These risks are reviewed periodically and progressively integrated into the ERM system to support risk assessment, response planning and more effective supply chain governance.

Vicostone recognizes Scope 3 data as a material element of its Net Zero roadmap. Accordingly, the Company continues strengthening collaboration with suppliers on data sharing, standardized calculation methodologies and environmental management capability building, thereby progressively developing a transparent, responsible and sustainable supply chain.

Supplier environmental assessment

(Continued)

8. Orientation and Roadmap

8.1. 2025 Performance

The year 2025 marked an important milestone in standardizing ESG governance across Vicostone's supply chain. Activities implemented during the year established a strong foundation for the Company's transition from internal environmental management to environmental governance across the entire value chain.

Under the supply chain governance pillar:

- Completed environmental assessments of 100% of key suppliers;
- Initially integrated ESG requirements into the supplier assessment process;
- Launched an ESG commitment programme with 11 key suppliers participating in Phase 1;
- Initiated enhanced data collection to support Scope 3 emissions management.

8.2. 2026 Targets

Building on the foundation established, Vicostone aims to further strengthen ESG integration in supplier management during 2026 by:

- Achieving ESG Codes compliance across at least 80% of supply chain value, based on supplier assessment and classification;
- Expanding supplier assessments from environmental criteria to an integrated ESG assessment framework applied consistently throughout supplier management;

- Establishing mechanisms for ESG compliance classification and monitoring linked to improvement requirements and periodic reassessments;
- Strengthening the collection, standardization and progressive digitalization of supplier ESG data to support Scope 3 emissions management and supply chain transparency.

8.3. Medium-term strategic direction to 2030

During the 2026-2030 period, Vicostone aims to establish a ESG governance system in the supply chain, aligned with international best practices. The Company's objective is to develop a transparent, responsible, low-carbon and resilient supply chain capable of responding effectively to environmental, market and regulatory changes.

- Achieving ESG Codes compliance across at least 90% of supply chain value by 2030;
- Integrating ESG requirements as mandatory criteria for supplier selection, evaluation and continued engagement;
- Linking ESG compliance performance to supplier performance evaluations and long-term partnership decisions;
- Completing the data management system for measuring and monitoring Scope 3 emissions to support value chain emissions reduction programmes aligned with the Company's Net Zero roadmap.

Conclusion

The year 2025 marked significant progress in Vicostone's ESG-oriented supply chain governance. Completing assessments of key suppliers, expanding the scope of environmental assessments, launching the ESG engagement programme and progressively strengthening Scope 3 data management have significantly enhanced the Company's capability to manage environmental risks throughout its supply chain.

Through its "collaborate - support - improve" approach, Vicostone does not only ensures compliance but also actively supports its business partners in strengthening their environmental management capabilities. This approach reflects the Company's sustainable development philosophy, recognizing that a responsible supply chain is built not only through compliance requirements but also through collaboration, data sharing and continuous improvement.

In the next phases, Vicostone will continue expanding assessment coverage, improving data quality and further integrating ESG principles into procurement and supplier management processes. This is a solid foundation for developing a transparent, responsible, low-carbon and resilient supply chain while reinforcing the Company's position as a leading sustainable enterprise in the engineered quartz stone industry.

06

Chapter 06

Health
and safety

392 Occupational Health and Safety

414 Customer Health and Safety

1905 Avani

(Vicostone Eco Surfaces collections)

Inspired by the powerful, ceaseless flow of surging rivers, warm earthy tones and dynamic patterns reflect the strength and movement of water as it carves its path through the landscape. This design brings a sense of vitality and energy, making it ideal for spaces that seek to capture the power and majestic beauty of nature.

Occupational Health and Safety

1. Occupational Health and Safety Management System

Vicostone regards Occupational Health and Safety (OHS) not only as a legal compliance requirement, but also as an integral part of its sustainability strategy, enterprise risk management, and long-term human capital protection. The Company considers a safe workplace to be a foundation for maintaining operational excellence, enhancing labor productivity, and fostering a sustainable corporate culture in line with the vision of “Vicostone - For a Green Future”.

In the engineered quartz stone manufacturing industry, which entails specific occupational risk factors such as respirable crystalline silica dust, noise, chemicals, and mechanical hazards, Vicostone has been progressively shifting from a reactive safety management model to a proactive risk management approach. Under this approach, prevention is embedded from the stages of operational design, technological improvement, and production planning. The Company focuses on building a data-driven OHS management system, strengthening hazard identification, analyzing safety trends, and promoting meaningful employee participation in workplace improvement initiatives.



The Company considers a safe workplace to be a foundation for maintaining operational excellence, enhancing labor productivity, and fostering a sustainable corporate culture in line with the vision of “Vicostone - For a Green Future”.



1. Occupational Health and Safety Management System (Continued)

Vicostone's OHS management system is established and operated in full compliance with Vietnamese laws and regulations, while integrating international standards, including:

>

ISO 45001:2018

on Occupational Health and Safety

>

ISO 14001:2015

on Environmental Management

>

SA8000:2014

on Social Accountability

The system covers 100% of employees at Vicostone and Phenikaa Hue, as well as customers, business partners, and contractors working within the Company's production areas.

Vicostone operates the OHS system in line with a risk-based management approach, focusing on the following criterias:

- Engineering controls and working environment management;
- Periodic risk assessment and hazard identification;
- Operational supervision and workplace inspections;
- Training and safety awareness enhancement;
- Internal communication and reinforcement of a safety culture;
- Continuous improvement based on data and workplace feedback.

Through this approach, the Company continues to strengthen its capacity to prevent occupational accidents, reduce the risk of occupational diseases, and minimize adverse impacts on employees' health throughout its production and operational processes.

ISO 45001:2018

In 2025, the OHS management system continued to be maintained and assessed for compliance with ISO 45001:2018 by an independent certification body. Key activities included:

01 system-wide risk assessment

01 internal audit of the OHS system

Reviews of high-risk areas related to silica dust, noise, chemicals, and equipment safety

Assessments of the effectiveness of workplace controls and corrective and preventive actions

The assessment results did not identify any material non-conformities; recommendations for improvement are being monitored and implemented in accordance with a specific action plan.

OHS indicators are monitored and reported periodically to the senior management to:

- Evaluate the effectiveness of risk controls;
- Analyze safety trends;
- Identify priorities for improvement;
- Enhance the effectiveness of data-driven safety governance.



Vicostone's Occupational Health and Safety management system is established and operated in full compliance with Vietnamese laws and incorporates relevant international standards...

1. Occupational Health and Safety Management System (Continued)

Occupational Health and Safety Committee

Vicostone's Health and Safety Committee was consolidated under the Decision No. 15/2024-QD/VCS-HR dated January 29, 2024, comprising 12 members and ensuring balanced representation between the employer and employees.

The Committee structure includes:

06

Employer representatives:

- 03 members of the Senior Management;
- 02 employees;
- 01 officer in charge of occupational safety and hygiene.

06

Employee representatives:

- The Trade Union Chairperson;
- 05 employees.

This structure helps strengthen two-way dialogue, enhance transparency, and promote shared responsibility in OHS management.

The Health and Safety Committee performs the following key functions:



Vicostone maintains regular consultation mechanisms with employees through:

- Safety meetings;
- Workplace inspections;
- Internal feedback channels;
- Recording of near misses and workplace feedback.

Near misses are analyzed to identify root causes, and preventive actions are implemented to minimize recurrence. The Company continues to foster a culture of “learning from near misses”, considering this to be an important tool to strengthen early risk prevention capabilities and improve safety behavior across the organization.



The Company continues to foster a culture of “learning from near misses”, considering this to be an important tool to strengthen early risk prevention capabilities and improve safety behavior across the organization.

1. Occupational Health and Safety Management System (Continued)

I Maintaining 5S - Kaizen and a Safety Culture

Vicostone maintains 5S and Kaizen as foundational tools for workplace management, improvement of working conditions, and operational risk control. Through the standardization of production areas, elimination of unsafe conditions, and optimization of work practices, the Company has been progressively shifting from incident response to proactive prevention.

In 2025:

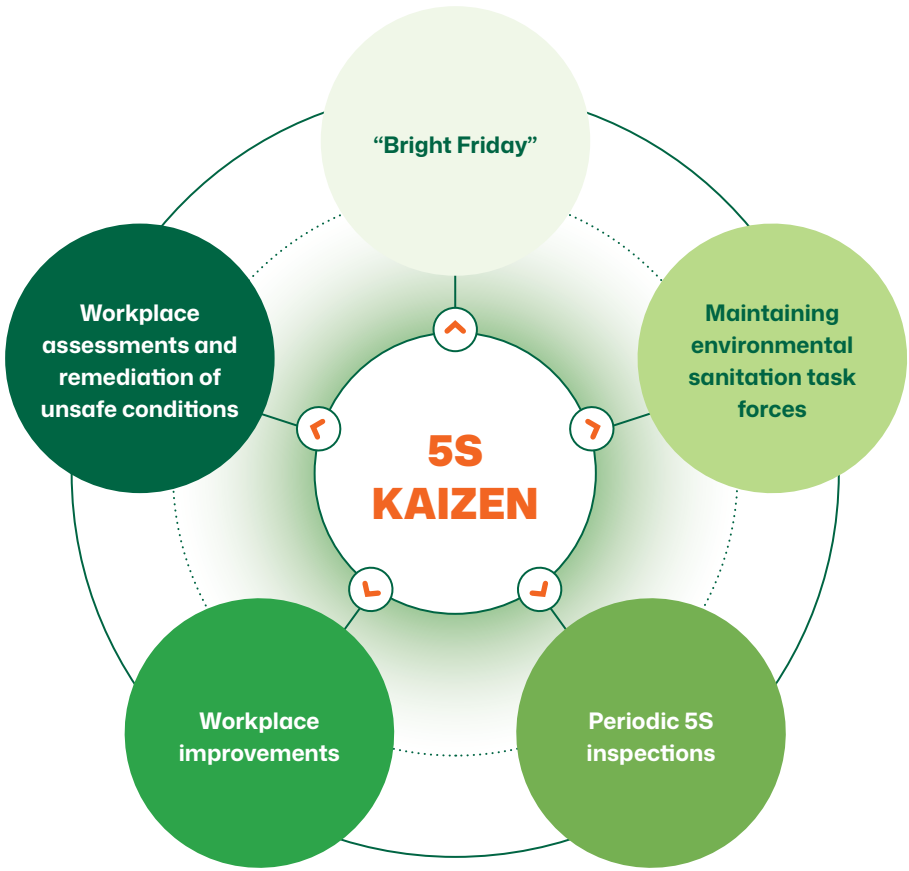


Vicostone recognizes individuals and teams with outstanding Kaizen initiatives.



Vicostone maintains 5S and Kaizen as foundational tools for workplace management, improvement of working conditions, and operational risk control

Activities such as:



Those activities were implemented regularly to maintain a clean and safe workplace and foster a spirit of continuous improvement across the organization.

Vicostone defines safety culture not only as a compliance requirement, but also as a foundation for long-term risk management and sustainable development. The Company is gradually creating a workplace in which every employee is responsible for:

- Protect themselves;
- Support their colleagues;
- Proactively identify workplace hazards and risks;
- Actively contribute to improving working conditions at the source.

In addition to Vicostone, OHS management system and social responsibility commitments are also consistently implemented at Phenikaa Hue Mineral Investment and Exploitation One-Member Limited Liability Company. The OHS management system at Phenikaa Hue is developed in accordance with ISO 45001:2018, with a focus on controlling silica dust, noise, chemicals, and other specific risks associated with engineered stone production, in alignment with the sustainability governance orientation of Vicostone and Phenikaa Group.

Occupational Health and Safety

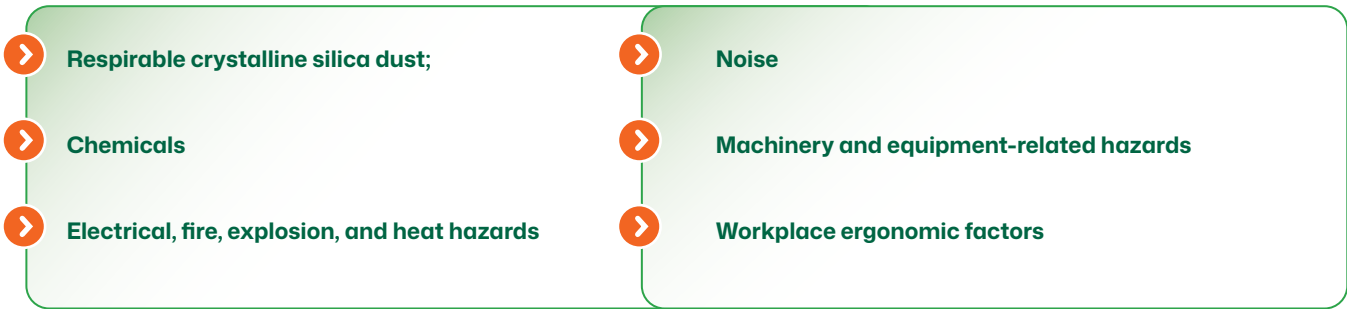
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2. A Safe, Healthy and Sustainable Working Environment

2.1. Risk Management and Working environment control

Vicostone conducts periodic hazard identification, risk assessment, and risk control across all production, operational, and support functions to promptly identify hazards that may affect employees' health and safety.

The Company prioritizes the management of the following material occupational risks:



Risk control measures are implemented in accordance with the hierarchy of controls, prioritizing engineering controls, followed by administrative controls and personal protective equipment (PPE), including:

- Conducting safety assessments prior to technological changes or equipment upgrades;
- Maintaining dust collection, ventilation, and chemical fume extraction systems;
- Expanding automation to reduce employees' direct exposure to hazardous agents;
- Conducting periodic working environment monitoring;
- Performing workplace inspections and targeted risk reviews;
- Providing appropriate personal protective equipment for each job function.

2.2. Occupational Silica Dust Control Program

Vicostone recognizes respirable crystalline silica dust as one of the most significant occupational hazards in engineered quartz stone manufacturing and a key priority within its OHS Management System. The Company implements a comprehensive silica dust management program through an integrated approach that combines:

- Engineering controls;
- Equipment automation;
- Working environment monitoring;
- Personal protective equipment;
- Employee awareness and training;
- Long-term occupational health surveillance.

In 2025, Vicostone continued to:



Monitoring results showed that the average respirable crystalline silica dust concentration at Vicostone was maintained at 0.027 mg/m³, below the Company's internal control target, demonstrating the effectiveness of its engineering controls and supporting the reduction of long-term occupational exposure risks.

Alongside engineering controls, Vicostone continued to implement silica dust awareness training, provide guidance on the proper use of personal protective equipment, and conduct specialized occupational health examinations for employees with high exposure risks, thereby strengthening employees' ability to protect themselves and prevent occupational diseases over the long term.

At Phenikaa Hue, the centralized dust collection system, noise control measures, and industrial housekeeping programs continued to be maintained to minimize occupational exposure risks and improve workplace conditions.

For contractors working within production areas, Vicostone requires full compliance with the Company's Occupational Safety and Hygiene requirements and control measures. Before commencing work, contractors receive safety induction training, job-specific risk assessments, and guidance on appropriate preventive measures to minimize safety risks during their operations.

2. A Safe, Healthy and Sustainable Working Environment
(Continued)

2.3. Healthcare and Working Conditions

Vicostone maintains an on-site healthcare system to support employees in their daily work and strengthen emergency response capabilities. The Company provides:

On-site medical room and first-aid equipment

On-site medical personnel

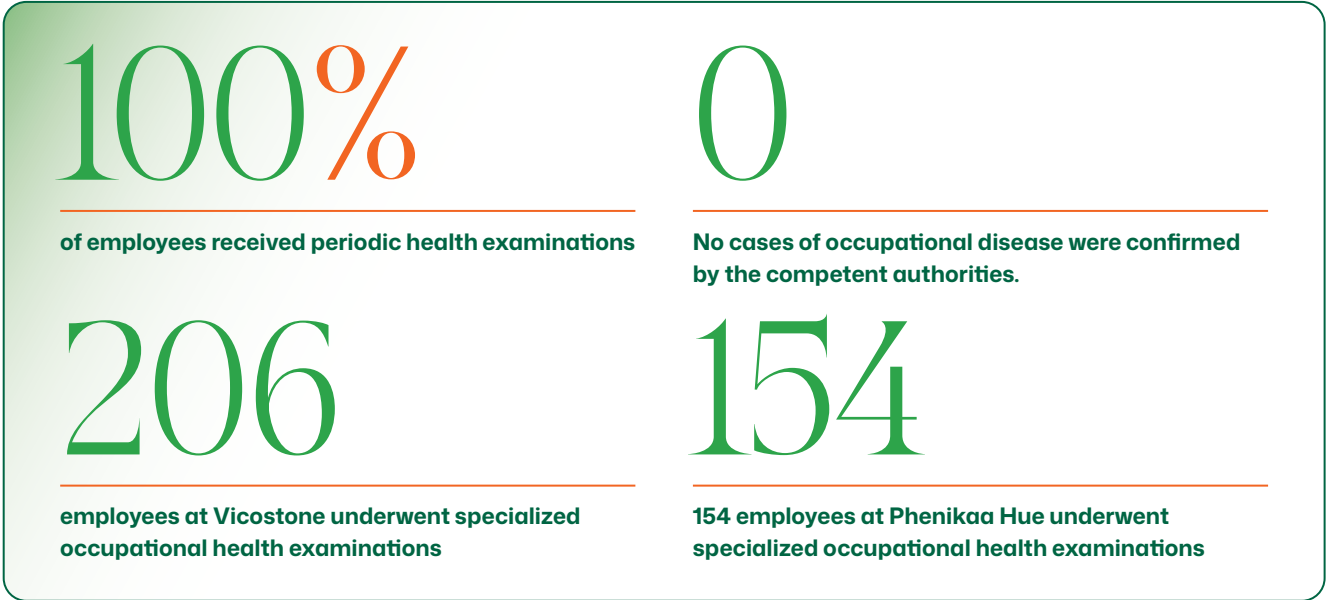
First-aid kits and equipment in high-risk areas

Emergency response equipment appropriate to the specific characteristics of production activities



In addition, Vicostone works closely with external healthcare providers to ensure timely medical support whenever employee health-related incidents arise. Industrial hygiene practices, environmental control measures, and disease prevention activities are also implemented regularly to maintain clean, safe, and well-ventilated workplaces across production facilities and office areas.

In 2025:



Beyond statutory health examinations, the Company also continued to provide:

- Specialized medical examinations for employees in high-risk occupations;
- Health and nutrition consultation programs;
- Supplementary healthcare insurance programs;
- Preferential medical examination and treatment services within the PhenikaaMec healthcare system;
- Healthcare support programs for employees' family members.

Vicostone recognizes that employee health care is essential not only to protecting its workforce, but also to sustaining productivity, improving employees' quality of life, and fostering long-term employee engagement with the Company.

In addition to physical health, the Company continues to promote employees' mental health and work-life balance through:

- Employee engagement activities;
- Corporate culture communications;
- Employee and family welfare programs;



Vicostone continues to maintain comprehensive Occupational Health and Safety programmes that integrate preventive measures, periodic health monitoring and initiatives to enhance employees' quality of life.

2. A Safe, Healthy and Sustainable Working Environment (Continued)

2.4. Employee participation and Safety culture

Vicostone recognizes employees as the cornerstone of its OHS Management System and key contributors to improving workplace conditions. The Company maintains regular consultation and dialogue mechanisms through the Health and Safety Committee, with employee representatives participating in:

- Reviewing occupational safety performance;
- Assessing emerging workplace risks;
- Considering recommendations from operational sites;
- Agreeing on measures to improve working conditions.

The Company's hazard reporting system operates through multiple channels, including:

- Direct communication;
- Telephone;
- Internal digital platforms;
- Other workplace reporting mechanisms.



Through its 5S, Kaizen, and workplace improvement initiatives, the Company continues to foster a proactive safety culture in which every employee plays an active role in:

- Safeguarding their own safety;
- Looking out for colleagues;
- Proactively identifying hazards;
- Contributing to improvements in working conditions at their source.

2.5. Occupational Safety, Hygiene Training and Communication

Vicostone maintained a 100% training completion rate for employees subject to mandatory Occupational Safety and Hygiene training under applicable regulations. Training programs are tailored to different employee groups and job functions to strengthen hazard identification capabilities, emergency response skills, and compliance with safety procedures.

No.	Training Course	Vicostone		Phenikaa Hue	
		Training Period	Number of Participants	Training Period	Number of Participants
1	Occupational safety training for Group 1 in accordance with Decree No. 44/2016/ND-CP	October 2025	12	July 2025	9
2	Occupational safety training for Group 3 in accordance with Decree No. 44/2016/ND-CP for employees performing work subject to stringent Occupational Health and Safety requirements as prescribed under Circular No. 36/2016/TT-BLDTBXH	February 2025, August 2025, October 2025	140	July 2025	3
3	Occupational safety training for Group 4 in accordance with Decree No. 44/2016/ND-CP for employees not classified under Groups 1, 2 or 3	October 2025	119	March 2025	32
4	Occupational safety training for Group 5 in accordance with Decree No. 44/2016/ND-CP	February 2025	02	March 2025	1
5	Occupational safety training for Group 6 in accordance with Decree No. 44/2016/ND-CP	October 2025	62	April 2025	11
6	Basic first aid training	April 2025	62	November 2025	29

In 2025, Vicostone and Phenikaa Hue implemented key training programs covering:

- Occupational Safety and Hygiene training in accordance with the Decree No. 44/2016/ND-CP;
- Chemical safety training;
- Electrical safety, fire prevention and firefighting, and rescue training;
- Basic first-aid training;
- Training on silica dust hazards and other occupational risk factors.

These programs focused on strengthening:

- Hazard identification capabilities;

- Incident response skills;
- Compliance with safety procedures;
- Employees' ability to assess and prevent workplace hazards.

Alongside training activities, the Company continued to strengthen internal safety communication through:

- The Month of Action on Occupational Safety and Hygiene;
- Visual safety communication across manufacturing facilities;
- Emergency response drills;
- On-site thematic safety training;
- Awareness campaigns on occupational diseases and employee health.

By integrating engineering controls, employee health protection, awareness training, and the promotion of a proactive safety culture, Vicostone continues to build a safe, healthy, and sustainable workplace, safeguarding its employees while supporting the Company's long-term sustainable development.

Occupational Health and Safety

(Continued)

3. Occupational Health and Safety Performance in 2025

OHS Performance Indicator	Unit	Vicostone 2023	Vicostone 2024	Vicostone 2025	Phenikaa Hue 2025	Consolidated 2025
Total number of Employees	persons	672	646	645	196	841
Employees covered by the ISO 45001 Management System	%	100	100	100	100	100
Total hours worked	hours	1,528,039	-	1,355,777	376,104	1,731,881
Recordable occupational accidents	cases	1	1	3	1	4
Number of injured Employees	persons	1	1	3	1	4
Female Employees injured	persons	-	-	0	0	0
Injured Employees in indirect production functions	persons	-	-	0	0	0
Work-related fatalities	persons	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	per 1 million hours	0.65	-	2.21	2.66	2.31
Lost workdays due to occupational injuries	days	7	-	80	3	83
Employees completing mandatory OHS training	%	100	100	100	100	100
Employees receiving periodic health examinations	%	100	100	100	100	100
Employees receiving specialized occupational health examinations	persons	-	-	206	154	360
Confirmed occupational disease cases	cases	-	-	0	0	0
Average respirable crystalline silica dust concentration	mg/m³	-	-	0.027	-	-

During 2025:

0

No fatal occupational accidents were recorded;

No cases of permanent disability resulting from occupational injuries were recorded;

No occupational diseases were confirmed by the competent authorities.

Vicostone's Lost Time Injury Frequency Rate (LTIFR) for 2025 was 2.21, calculated using the following formula:

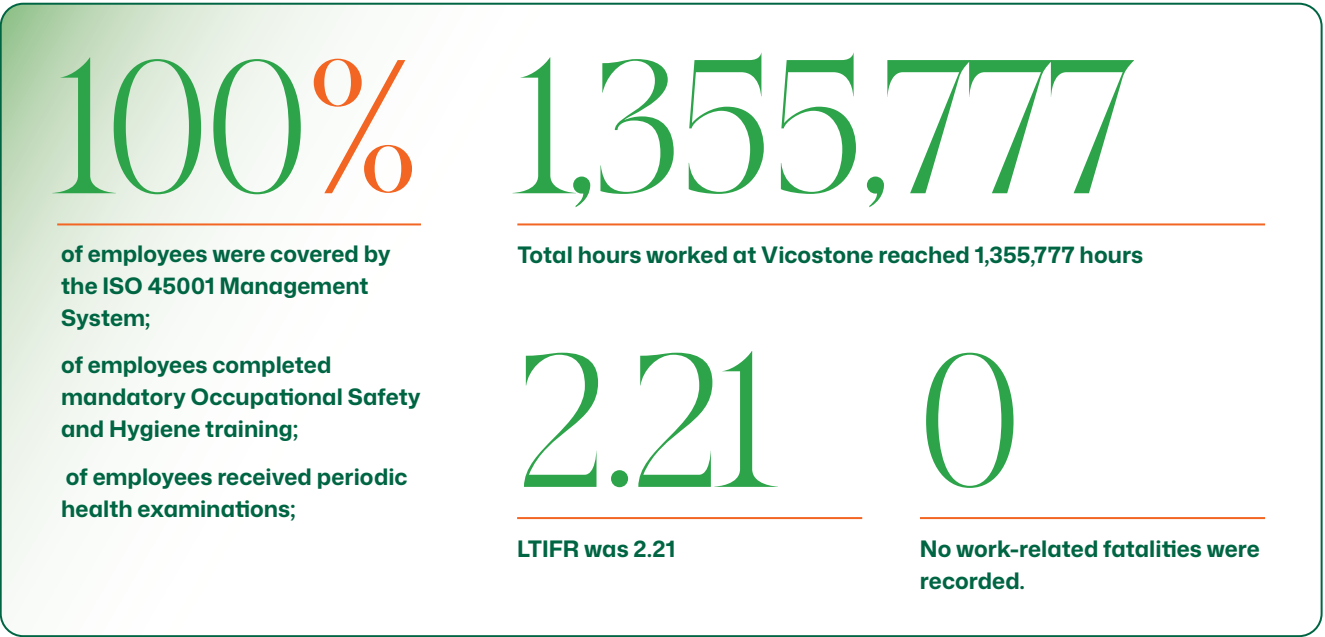
LTIFR

=

Number of lost-time injuries x 1,000,000

Total hours worked

Key Occupational Health and Safety performance indicators for 2025 include:



For all occupational incidents, the Company implemented comprehensive follow-up measures, including:

- Providing healthcare and rehabilitation support for affected employees;
- Reassessing risks in the areas where incidents occurred;
- Implementing additional corrective and preventive actions;
- Supporting employees in completing medical assessment procedures and compensation claims to ensure their rights and benefits in accordance with applicable regulations.

Occupational Health and Safety performance indicators are reviewed periodically by the senior management and relevant functional departments to evaluate the effectiveness of risk controls, analyze safety trends, and identify priorities for continuous improvement.

Performance monitoring indicates that the Company's training programs, working environment controls, engineering improvements, and strengthened workplace governance continued to contribute to maintaining a safe and stable workplace while minimizing serious occupational incidents throughout 2025.

Occupational Health and Safety (Continued)

4. Occupational Health and Safety Action Plan for 2026

In 2026, Vicostone will continue to enhance the effectiveness of its Occupational Health and Safety (OHS) Management System by focusing on:

- Proactive risk management;
- Prevention at source;
- Greater application of technology;
- Fostering a sustainable safety culture;
- Enhancing workplace conditions and employee health.

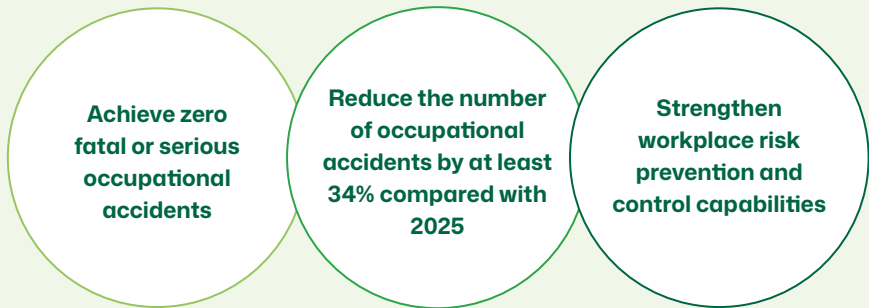
The Company will continue its transition from a compliance-based safety management model to a data-driven safety governance approach, under which hazard identification, safety trend analysis, and preventive improvements are implemented on an ongoing basis to strengthen employee protection and enhance long-term operational resilience.

Through these strategic initiatives, Vicostone aims to foster a workplace that is:

- Safe;
- Healthy;
- Proactive in preventing risks;
- Engaging for employees;
- Aligned with the Company's Sustainability and ESG strategy.

4.1. Zero occupational accident Program

4.1.1. Zero occupational accident Program



4.1.2. Key actions

Key actions:

- Conducting risk assessments for 100% of production processes;
- Expanding preventive measures across production processes with similar risk profiles;
- Implementing the Stop unsafe work policy;
- Publicly disclosing monthly safety KPIs for each operating unit;
- Strengthening the reporting and analysis of near misses;
- Prioritizing system improvements rather than focusing solely on individual accountability.

Vicostone will also continue to foster a culture of learning from potential incidents and near misses, recognizing it as an effective means of:

- Strengthening early risk prevention capabilities;
- Promoting safe working behaviors;
- Enhancing workplace hazard identification;
- Minimizing the recurrence of incidents across the organization.

The Company is committed to progressively creating a workplace where every employee has the right to:

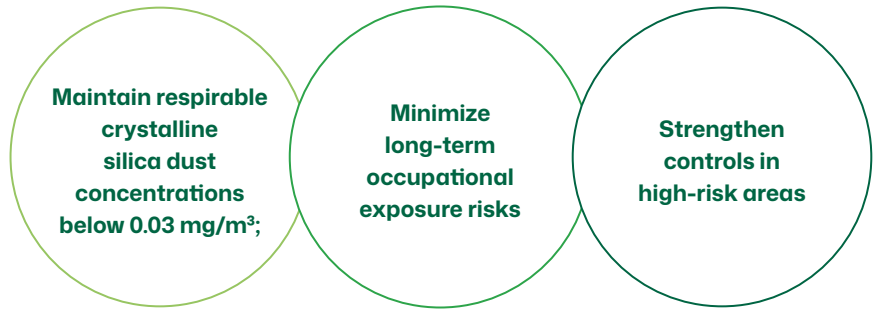
- Refuse unsafe work;
- Proactively report hazards;
- Participate in improving working conditions;
- Contribute to building a sustainable safety culture.



4. Occupational Health and Safety Action Plan for 2026 (Continued)

4.2. Occupational Silica Dust Control Program

4.2.1. Objectives



4.2.2. Key actions

Vicostone will continue implementing a comprehensive silica dust management program through an integrated approach combining:

- Engineering controls;
- Technological improvements;
- Working environment monitoring;
- Occupational health surveillance;
- Employee training and awareness.

Key initiatives include:

- Continuing to upgrade equipment and dust-generating work areas;
- Maintaining the effective operation of dust collection systems;
- Enclosing and isolating dust-generating areas;
- Conducting monthly internal dust concentration monitoring;
- Establishing a long-term occupational health database for employees in high-exposure roles.

In parallel with engineering controls, the Company will continue to strengthen:

- Employee awareness training on silica dust hazards;
- Guidance on the proper use of personal protective equipment (PPE);
- Workplace compliance monitoring;
- Specialized occupational health examinations for employees in high-exposure groups.

Vicostone will also continue exploring opportunities to:

- Expand automation;
- Reduce employees' direct exposure to respirable crystalline silica dust;
- Optimize manufacturing technologies;
- Further develop environmentally friendly products while reducing long-term occupational health risks.

4.3. Accelerating digital transformation in Occupational Health and Safety management

Vicostone will continue to study and progressively apply digital technologies to its OHS management system to:

- Enhance working environment monitoring;
- Improve hazard identification capabilities;
- Strengthen safety data analytics;
- Increase the speed and effectiveness of risk prevention and emergency response.

The Company aims to enhance workplace governance through:

- Digitalizing safety data;
- Monitoring safety risk trends;
- Managing corrective and preventive actions;
- Strengthening oversight of high-risk areas.



Looking ahead, Vicostone will continue exploring the implementation of:

- A centralized safety data management system;
- Real-time working environment monitoring;
- Workplace hazard alert systems;
- Data analytics to support risk management;
- Digital solutions that enhance OHS management across the organization.

Through digital transformation, the Company seeks to improve transparency, responsiveness, and the effectiveness of data-driven safety governance throughout its operations.

4. Occupational Health and Safety Action Plan for 2026 (Continued)

4.4. Enhancing workplace conditions and Employee health

In 2026, Vicostone will continue to:

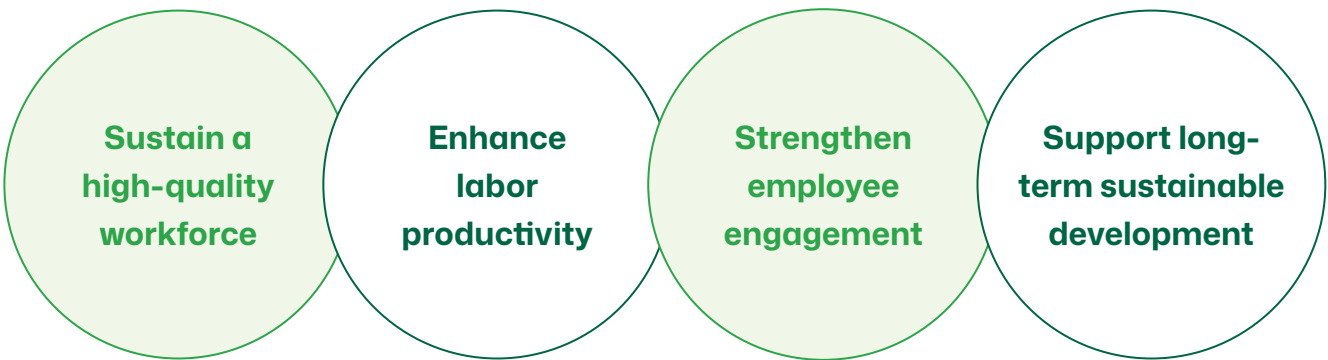
- Maintain a 100% completion rate for mandatory Occupational Safety and Hygiene training;
- Ensure that 100% of employees receive periodic health examinations;
- Expand specialized medical examinations for employees in high-risk occupations;
- Strengthen both physical and mental health initiatives for employees;
- Continue employee welfare programs and supplementary healthcare insurance.

In addition to physical health, the Company will continue to promote:

- Employee engagement activities;
- Corporate culture communications;
- Mental health initiatives;
- Welfare programs for employees and their families.



Vicostone believes that investing in employee health is not only a corporate responsibility but also a strategic investment that helps:



4.5. Vicostone's commitment

Vicostone recognizes that investing in Occupational Health and Safety is not only a legal obligation but also a strategic decision to protect people, maintain operational excellence, and create long-term sustainable value.

The Company is committed to:

➤ **Maintaining and continually improving its OHS Management System in accordance with international standards;**

➤ **Providing comprehensive protection for employees' physical and mental health, as well as safe and healthy working conditions;**

➤ **Fostering a proactive safety culture and meaningful employee participation**

➤ **Strengthening data- and technology-driven risk management**

➤ **Working together with Phenikaa Group to build a green, safe, and sustainable manufacturing ecosystem.**

Vicostone's Occupational Health and Safety initiatives continue to contribute to the achievement of the United Nations Sustainable Development Goals (SDGs), particularly:



For Vicostone, a safe and healthy workplace is more than an operational requirement—it is the foundation that enables every employee to work with confidence, grow together with the Company, and create sustainable value for the community and society.

Customer Health and Safety

Vicostone identifies customer health and safety as a material topic within its Sustainability strategy. Guided by its vision of “Vicostone - For a Green Future”, the Company adopts a lifecycle approach to product responsibility, encompassing research and development, raw material management, manufacturing, product safety information, fabrication and installation guidance, warranty services, and after-sales service.

In 2025, Vicostone continued to strengthen its global distribution network spanning more than 50 countries and over 10,000 distribution partners and dealers, while enhancing customer experience through digital platforms and an integrated global customer service system.



Vicostone identifies customer health and safety as one of the material topics within its sustainability strategy.



Customer Health and Safety

(Continued)

1. Serviceing Customer Access to Information

Vicostone maintains an extensive distribution network to improve product accessibility, provide transparent information, and deliver timely customer service across its key markets. During the reporting period, the Company continued to expand its direct distribution network under the VICOSTONE® brand, operating 25 distribution centers in the United States and five distribution branches with warehouse facilities in Canada.

Alongside the expansion of its distribution network, Vicostone continued to leverage digital technologies to improve customer access to product information and enhance the customer journey from product selection to installation and use. These digital platforms also enable customers to access product safety information, user guidance, and recommendations for safe fabrication and installation tailored to different customer groups.

1.1. Digital technology applications

Vicostone continued to invest in and upgrade its digital customer engagement platforms to improve responsiveness, increase accessibility to product information, and enhance customer experience throughout the product lifecycle.

Key digital solutions include:

Store Locator

A Store Locator integrated into the Company's website and mobile application, enabling customers to locate the nearest authorized dealer based on their geographical location;

3D Visualizer

A 3D Visualizer that allows customers, architects, and designers to preview and compare VICOSTONE® surfaces in simulated environments such as kitchens, bathrooms, bars, and showrooms;

VR Tour

A VR Tour platform providing immersive virtual experiences of VICOSTONE® applications, serviceing customers in material selection prior to installation;

AI-powered Chatbot

An AI-powered Chatbot delivering 24/7 product consultation and responding to customer enquiries via the Company's website and social media platforms, thereby improving service responsiveness and customer engagement.

1.2. Enhancing information channels

Vicostone continued to improve the accessibility and transparency of product information through:

- A product search platform that allows customers to filter products by application, colour, stone pattern, intended use, and price range;
- Technical videos, educational articles, and professional guidance to enhance customer understanding of product features and applications;
- An interactive multilingual map enabling international customers to conveniently access local product information and distribution networks.

1.3. Personalized customer service

To further enhance customer experience, Vicostone continued to develop personalised service solutions, including:



Scheduled online consultations with technical specialists via video conferencing



Customer profile management and intelligent recommendation tools that provide product suggestions based on customers' preferences and browsing history

1.4. PROSITE - A Dedicated platform for Industry professionals

To better serve architects, interior designers, contractors, fabricators, and distribution partners, Vicostone continued to develop PROSITE, a dedicated professional platform.

PROSITE is designed to improve access to technical information, service the safe application of materials, and strengthen collaboration across the product value chain.

Its key features include:

- A digital technical library containing CAD drawings, BIM/3D models, installation guidelines, and product specifications;
- Online documentation and e-learning programs to enhance technical knowledge and product application capabilities;
- Sales service resources, including digital catalogues, sample management tools, and quotation service;
- A project collaboration platform connecting architects, contractors, distributors, and authorized fabricators;
- Online ordering and order tracking functions to streamline coordination and delivery processes.

Through digital platforms and specialized service systems, Vicostone continues to enhance customer experience, improve information transparency, and promote the safe and responsible use of its products throughout the value chain.



The "VICOSTONE VN" application is designed to digitalize the customer purchasing journey.

Customer Health and Safety

(Continued)

2. Customer service and After-sales services

Vicostone regards customer service excellence as one of the key drivers of sustainable brand value and long-term customer relationships. With seven production lines, an annual production capacity exceeding 3.5 million m², and a distribution network of more than 10,000 partners across over 50 countries, the Company maintains a stable supply capability to ensure timely product availability and consistent service quality worldwide.

To meet customer expectations for fast and reliable delivery, Vicostone places strong emphasis on demand forecasting, sales planning, production scheduling, and cross-functional coordination among sales, manufacturing, procurement, and logistics teams. The Company maintains the following internal service targets:

95%

of orders delivered within two weeks of order confirmation

100%

of orders delivered within four weeks of order confirmation

Improving customer care and strengthening after-sales services remain strategic priorities. Key initiatives include:

Business partner service

During 2025, Vicostone continued to enhance customer care and after-sales services through:



- Serviceing showroom design, display systems, and brand identity for distributors;
- Providing technical, logistics, and after-sales service across domestic and international markets;
- Delivering professional training programs for authorized fabricators, architects, and the **Vicostone Authorized Fabricator (VAF)** network;
- Strengthening customer satisfaction surveys and continuously improving feedback and complaint management processes.

Beyond commercial activities, Vicostone continued to promote professional engagement within the architecture and interior design community. In 2025, the Company collaborated with universities to organize academic programs, sponsor technical training, and award scholarships, enabling more than 1,000 students to gain practical exposure to engineered quartz stone materials. These initiatives contributed to developing future industry talent and promoting the application of sustainable building materials.

Professional seminars, technical workshops, and networking events were organized across multiple regions to strengthen engagement with architects, designers, and fabrication partners. In parallel, Vicostone delivered specialised training programs on market trends, applications of engineered quartz stone, and material selection for different project requirements.

Recognizing the importance of occupational health and safety throughout the value chain, the Company also organized two fabrication safety training programs in the Northern and Central regions during 2025, comprising 48 training hours and attracting 180 participants.

Training topics included:

- Silica dust control;
- Wet cutting techniques;
- Proper use of personal protective equipment (PPE);
- Occupational safety requirements for stone fabrication and installation.

These programs enhanced awareness of safe fabrication practices, reduced silica dust exposure risks, and promoted responsible material use throughout the product value chain. They also contributed to improving installation quality and reinforcing the reputation of the VAF network across more than 30 provinces and cities in Viet Nam.

Customer care for Individual customers

Vicostone continued to strengthen customer engagement through:

- Expanding its distributor and dealer network to improve market coverage and customer accessibility;
- Providing continuous training and development for customer care and complaint-handling teams to ensure professional and customer-focused service;
- Continuously reviewing and improving customer complaint intake and resolution processes to enhance service quality and customer satisfaction;
- Expanding customer feedback channels through the customer service, including dedicated email communication;
- Conducting regular customer satisfaction surveys to identify opportunities for continuous improvement and enhance service quality.

Amid increasing volatility in global markets, Vicostone also introduced flexible support measures for partners, including showroom display support, marketing materials, adjustments to commercial policies, and targeted assistance for partners operating in key markets. These initiatives further strengthened long-term partnerships and enhanced customer confidence in the VICOSTONE® brand.

Customer Health and Safety

(Continued)

3. Customer order management and Complaint handling

Vicostone manages customer relationships and order fulfilment through standardised procedures QT15 and QT16, developed in accordance with ISO 9001:2015, to ensure consistency, transparency, and operational efficiency throughout the sales and customer service process.

Customer enquiries, orders, feedback, warranty requests, and complaints are centrally recorded, monitored, and managed to ensure:

- Timely responses;
- Transparent and accurate processing;
- Appropriate corrective and preventive actions;
- Continuous improvement of customer experience and satisfaction.

3.1. Customer order management

Order Management is managed under the Sales Procedure (QT15) by the Sales Department, ensuring that customer requirements are handled consistently, accurately, and promptly.

The process includes:



By standardizing its order management process and strengthening collaboration among sales, production, logistics, and customer service functions, Vicostone continues to improve operational efficiency and service quality across its markets.

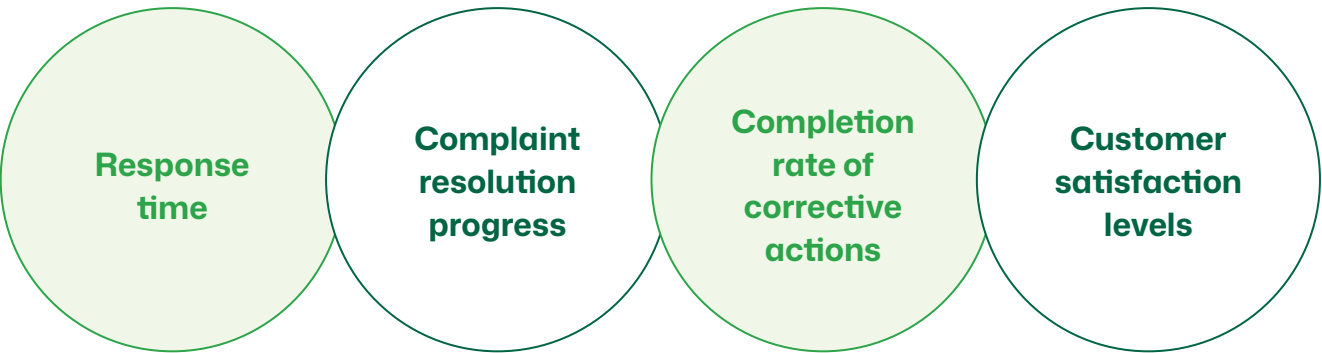
3.2. Customer complaint and Feedback handling

Vicostone considers effective complaint management an essential element of customer satisfaction and brand reputation. Complaints are managed under the Customer Complaint Handling Procedure (QT16), developed in accordance with ISO 9001:2015, and implemented by the Customer Service Department in close coordination with relevant technical and specialize departments.

The complaint handling process includes:

- Receiving and recording complaint information;
- Assigning complaints to relevant departments for verification;
- Investigating root causes and determining corrective measures;
- Implementing warranty services and providing responses to customers;
- Developing corrective and preventive action plans;
- Monitoring implementation effectiveness;
- Preparing periodic reports and maintaining records.

The effectiveness of complaint handling is regularly assessed using internal performance indicators, including:



Assessment results provide an important basis for continuous improvement of product quality, service performance, and customer experience throughout the value chain.

Customer Health and Safety

(Continued)

4. Customer satisfaction surveys

4.1. Domestic Market

Vicostone conducts periodic customer and business partner satisfaction surveys to evaluate product quality, service performance, and opportunities to enhance sales, customer service, and after-sales service.

In 2025, surveys were conducted nationwide among distributors, dealers, customers in the finished-product channel, and members of the Vicostone Authorized Fabricator (VAF) network. Assessment criteria included:



A total of:

79

valid responses were received from the finished-product channel

36

valid responses were received from the VAF network

Survey results indicated consistently high levels of customer satisfaction. Within the finished-product channel:

- The combined "Satisfied" and "Very satisfied" rating for service quality reached 91.14%;
- Positive ratings for product quality reached 97.46%.

Within the VAF network:

- Positive ratings for service quality reached 80.56%;
- Positive ratings for product quality reached 83.33%.

Customers and partners particularly recognized:

Product aesthetics, durability, and consistency

Brand reputation and market responsiveness

Professionalism and customer service provided by the sales team;

Installation quality, warranty services, and responsiveness of the authorised fabrication network

Alongside these positive results, the Company has also identified a number of areas requiring further improvement in order to enhance the customer experience and the effectiveness of its collaboration with the partner network, focusing on:

- Strengthening sales service through marketing tools, product samples, and professional training;
- Optimizing operations, delivery performance, and quality control;
- Enhancing information sharing across departments and the distribution network;
- Improving after-sales services through faster response times and stronger regional technical service.

By actively listening to customer feedback and pursuing continuous improvement, Vicostone aims to strengthen transparent, efficient, and long-term partnerships with distributors, dealers, and customers throughout Vietnam.

4. Customer satisfaction surveys (Continued)

4.2. International Markets

Vicostone also continued to assess distributor satisfaction across international markets to enhance service quality, strengthen long-term partnerships, and reinforce the competitiveness of the VICOSTONE® brand.

Assessments were conducted through:

- Periodic distributor satisfaction surveys;
- Direct business meetings and consultations;
- Technical service, market development, and after-sales activities;
- Joint branding and market development programs.

Through regular engagement, the Company captured valuable feedback on product quality, delivery performance,

technical service, customer service, and market development needs. Vicostone continues to strengthen the role of distributors as strategic partners in developing the VICOSTONE® brand across international markets.

Continuous evaluation not only helps Vicostone to gain a clear understanding of its partners' expectations, but also serves as a basis for:

- Reviewing and improving business operations;
- Enhancing service quality and operational coordination;
- Strengthening logistics and technical service;
- Improving customer experience and partnership effectiveness across the global value chain.

In 2025, international survey results were consistent with domestic market findings, including:

91.14%

positive satisfaction for service quality in the finished-product channel;

80.56%

positive satisfaction ratings of 80.56% and 83.33% for service quality and product quality, respectively, within the VAF network

97.46%

positive satisfaction for product quality

83.33%

5. Customer information security

Vicostone recognizes the protection of customer and partner information as an essential component of corporate governance, contributing to customer trust, business integrity, and long-term stakeholder relationships.

The Company safeguards information through an integrated information security framework, including:

- Executing Non-Disclosure Agreements (NDAs) with customers and business partners to ensure confidential information is used solely for agreed business purposes;

- Assigning system access rights based on job responsibilities to ensure appropriate protection of confidential information;
- Conducting internal awareness programs to strengthen employees' understanding of data confidentiality and information security responsibilities;
- Strictly controlling data transmission and storage through internal information management systems, including:
 - Restrictions on the use of external applications for file transfers;
 - Controls over cloud-based storage platforms;
 - Restrictions on data backup using personal hard drives, USB devices, and unauthorized storage media.



Vicostone recognizes the protection of customer and partner information as an essential component of corporate governance



Vicostone periodically reviews user access rights, audits data storage practices, and assesses information security controls to strengthen data governance, reduce cybersecurity risks, and prevent customer data breaches.

In 2025, the Company recorded no data breaches or substantiated complaints relating to customer privacy or information security.

Customer Health and Safety

(Continued)

6. Product responsibility and Consumer health and safety

Vicostone applies a product stewardship approach throughout the entire product lifecycle, from raw material control, research and development, manufacturing, quality assurance to the provision of product safety information disclosure, fabrication and installation guidance, warranty services, and post-sales feedback management.

Customer health and safety remain fundamental principles throughout the Company's product development and manufacturing processes. Guided by its commitment to "Vicostone - For a Green Future", the Company proactively

manages its supply chain and manufacturing operations to ensure compliance with stringent international requirements relating to product safety, chemical emissions, and environmental performance.

Before being placed on the market, 100% of VICOSTONE® products are tested and assessed against internationally recognized standards relating to consumer health and safety, indoor air quality, chemical emissions, and product sustainability, including:

These certifications demonstrate product safety, low chemical emissions, suitability for green buildings and sensitive environments such as schools and hospitals, transparency of material composition, and responsible lifecycle management.

Annual assessments are conducted by independent certification bodies and accredited laboratories to verify compliance with consumer health and safety requirements in key export markets, including the United States, Canada, Europe, Japan, and Australia.

Vicostone also undergoes supplier assessments conducted by international customers covering product safety, environmental responsibility, and social responsibility. The Company remains committed to maintaining robust quality management and supply chain governance frameworks to ensure product safety and customer confidence.

To service the safe use of its products, Vicostone provides technical documentation, fabrication and installation guidance, training programs, and ongoing technical service.

Certification	Content	Product value
NSF/ANSI 51	Sanitation and safety standard for materials used in food-contact applications	Ensures suitability for use in laboratories, healthcare facilities, schools and food-processing areas
CE (EN 15286:2013)	Certification of conformity with European Union safety requirements	Demonstrates compliance with applicable safety, health and environmental requirements for placement on the EU market
EPD	Environmental Product Declaration	Provides transparent information on environmental impacts and services compliance with green building standards
HPD	Health Product Declaration covering product ingredients and associated health information	Confirms the absence of chemicals considered hazardous to user health
ASTM (Microbial resistance D6329-98)	Standard for assessing microbial resistance of material surfaces	Helps limit bacterial growth and services a safer use environment
LBC Declare	Material ingredient disclosure under the Living Building Challenge	Enhances ingredient transparency and services the use of sustainable building materials
ASTA Standard	Global engineered stone industry standard	Demonstrates social and environmental responsibility and services a sustainable Supply Chain
Kosher (Seal-K)	Food-related certification in accordance with Jewish dietary requirements	Confirms compliance with stringent food safety requirements

Warranty coverage includes:



The Company is committed to:

- Responding to customer feedback and complaints in a timely manner
- Implementing appropriate corrective and preventive actions
- Continuously improving product and service quality to maximise long-term customer value

In 2025, Vicostone recorded no incidents of non-compliance relating to the health and safety impacts of its products and services.

Customer Health and Safety

(Continued)

7. Strengthening Research and Development

Research and Development (R&D) remains a strategic priority within Vicostone's Sustainability strategy, serviceing innovation, market competitiveness, and long-term value creation.

In 2025, the Company launched:

12

new commercial slab collections

06

products developed for international project applications

These products delivered positive commercial results during their first year on the market and created momentum for future growth.

Vicostone also strengthened collaboration with customers, partners, architects, and designers through co-development initiatives to improve responsiveness to international design trends and evolving market demand. These collaborative programs service product differentiation, enhance customer experience, and strengthen the competitive positioning of the VICOSTONE® brand.



In parallel, the Company continues to invest in research into innovative materials and sustainable manufacturing solutions, focusing on:

- Low-emission material solutions;
- Efficient resource utilization;
- Greater use of environmentally friendly materials and recyclable content;
- Alignment with green building and sustainable construction trends.

R&D activities also aim to:

- Enhance product aesthetics and customer experience;
- Improve product durability and performance;
- Strengthen health and safety throughout the product lifecycle;
- Increase long-term product value and resource efficiency.



Through continuous innovation and sustainable product development, Vicostone continues to advance its strategic orientation of “Green Vision - Dedicated Service - Happiness for all”, while reinforcing the international competitiveness of the VICOSTONE® brand.

07

Chapeter 07

Responsible
business

- 432 Business ethics;
- 442 Anti-competitive behaviour
- 450 Requirements for Product and Service information and Labelling

1707 Nerissa

(Vicostone Eco Surfaces collections)

Nerissa is a refined interpretation of classic marble, distinguished by delicate, web-like veining that gracefully extends across a pure, radiant white background. The design elevates the timeless elegance of natural marble, offering a level of sophistication that transcends its inherent characteristics.

Business ethics (Continued)

1. Commitment to Business ethics

Vicostone is committed to conducting its business operations on the principles of integrity, transparency, respect for the rule of law, and compliance with the standards of business ethics. The Company regards these principles as the cornerstone of its sustainable development and a foundation for building trust with stakeholders. Vicostone adopts a zero-tolerance approach toward any violations of the law or breaches of business integrity, including fraud, corruption, abuse of authority, unfair competition, and any form of personal gain or misconduct.

This commitment applies across all of the Company's operations and governs its relationships with employees, customers, suppliers, business partners, shareholders, regulatory authorities, and other Stakeholders throughout the value chain.

The commitment is set out in the Code of Conduct issued by Phenikaa Group and is consistently applied across Vicostone and its member companies. It is further embedded through the Company's internal policies, regulations, governance procedures, control mechanisms, and compliance monitoring framework.



Vicostone is committed to conducting its business operations on the principles of integrity, transparency, respect for the rule of law



Business ethics (Continued)

2. Cultural foundation and Ethical standards

At Vicostone, business ethics are built upon the Company's Core Values and corporate culture, which guide every decision and action across the organization. Since its establishment, the Company has pursued sustainable development by balancing the interests of Stakeholders while creating long-term value for both the business and society. Its three Core Values and seven distinctive cultural attributes provide the foundation for the consistent implementation of business ethics standards.

2.1. Core values

Trustworthy:
Demonstrating the courage to think and act, upholding integrity and sincerity, and honoring commitments for the benefit of all stakeholders.

Pioneering:
Continuously learning, driving innovation, and leading emerging market trends.

Inspirational:
Committed to delivering high-quality products that are user-friendly, feature distinctive and diverse designs, and meet the evolving needs of customers and the market.

2.2. Distinctive cultural attributes

Trust:
Fostering trust within the Company and between the Company and its external stakeholders.

Accountability:
Promoting transparent, clear, and two-way communication across all matters and among all relevant parties.

Care:
Acting with professional, honesty, empathy, mutual support, and appreciation.

Transparency:
Providing clear and accurate information regarding policies, plans, objectives, and other relevant matters.

Integrity:
Acting honestly, openly, responsibly, and decisively while maintaining respect for people.

Loyalty:
Demonstrating dedication, loyalty, and sustained contribution to the Company.

Equality:
Fostering an open and inclusive environment in which Employees are encouraged to express their views freely, exchange feedback, and engage in constructive two-way dialogue with managers and leadership.

Business ethics (Continued)

3. Principles of Conduct with stakeholders

Vicostone has established principles of conduct to ensure that all relationships are built on transparency, fairness, and mutual respect.



With Employees

Vicostone recognizes that the Company's value and success are driven by the creativity, dedication, and professionalism of every employee. Accordingly, the Company is committed to fostering a happy, professional, and collaborative workplace that encourages constructive dialogue, enables individuals to unleash their creativity, realize their full potential, and create meaningful value that contributes to the Company's sustainable growth.

Guided by a culture of understanding, care, and mutual support, Vicostone aspires to be a workplace where aspirations are nurtured, ambitions are inspired, and every individual is empowered to realize their full potential.



With shareholders and investors

Transparency, respect, fairness, and collaboration underpin Vicostone's relationships with shareholders and investors. The Company is committed to delivering sustainable value through effective business operations, strict compliance with applicable laws and regulations, and the timely, accurate, and transparent disclosure of information relating to corporate governance and business performance.



With Customers and Business partners

Vicostone places customers and business partners at the centre of every decision and action. They are regarded not only as valued assets but also as strategic partners who play an integral role in the successful implementation of the Company's strategies and the achievement of its long-term objectives.



With suppliers

In its dealings with suppliers, Vicostone is committed to complying with all applicable laws and regulations while adhering to the principles of fairness, objectivity, and mutual benefit. The Company actively promotes fair and healthy competition among suppliers and firmly opposes any unlawful or unethical business practices.



With competitors

At Vicostone, competitors are regarded as partners in learning and continuous improvement. The Company embraces fair competition based on continuous improvement, mutual respect, and a shared commitment to enhancing products and services for customers while contributing to sustainable economic and social development.



With Government authorities

Vicostone respects and strictly complies with all applicable laws and regulations. The Company fulfils its legal responsibilities and obligations in a timely manner and conducts all interactions with government authorities with integrity and professionalism. Vicostone does not engage in any unlawful or unethical practices to obtain or conceal information for the Company's benefit and is committed to cooperating fully with competent authorities in investigations and other lawful requests as required.



With community and society

As a responsible member of the community and society, Vicostone is committed to protecting the environment and working with the government authorities and other stakeholders to improve quality of life. The Company contributes to sustainable social development through advanced manufacturing practices, scientific innovation, and modern technologies that deliver smarter and more sustainable solutions.



Vicostone is committed to fostering a happy, professional and inclusive workplace that encourages open dialogue, constructive feedback and a culture of continuous improvement.

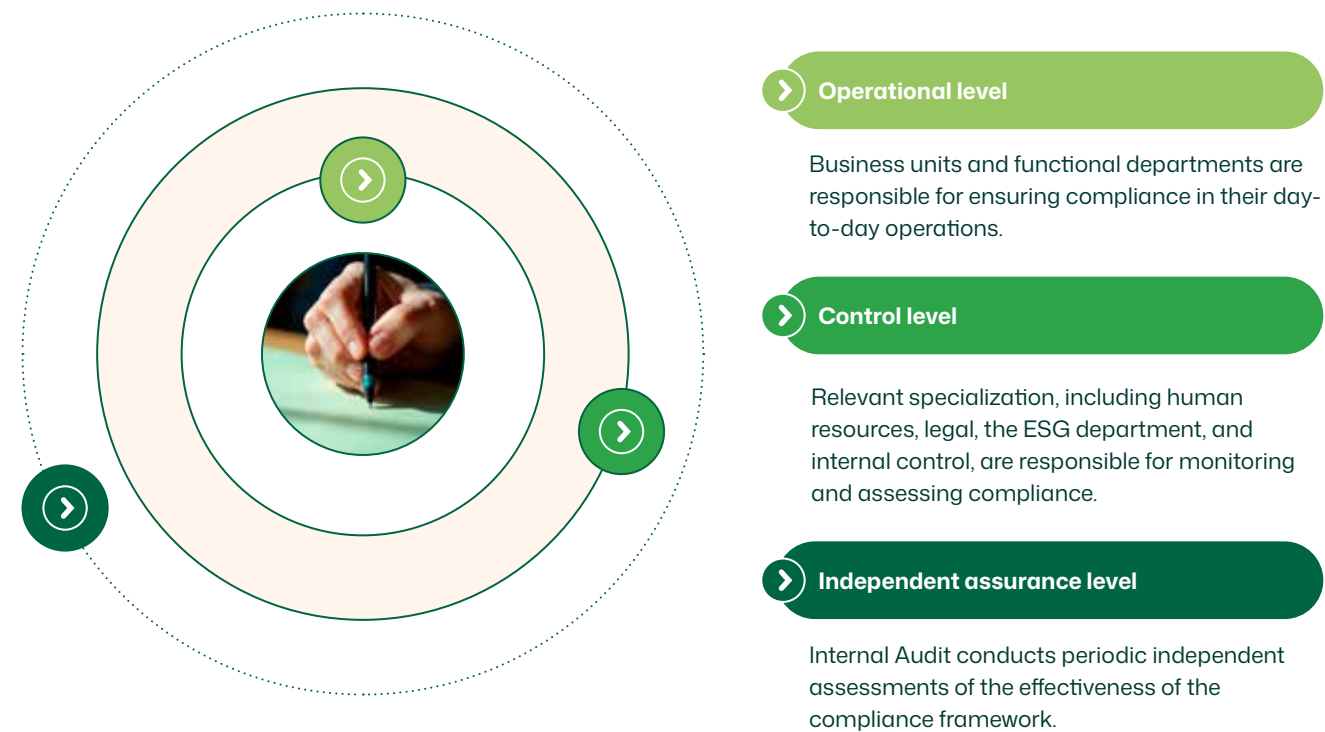
Business ethics (Continued)

4. Implementation and Oversight

Vicostone implements its business ethics principles through its internal governance framework, policies, and operational procedures based on the Code of Conduct issued by Phenikaa Group. The Company reinforces these principles through regular training and internal communications while integrating ethics and compliance requirements into its governance and operational processes.

The Board of Directors and the Board of Management oversee compliance with business ethics principles through the Company's internal control and internal audit systems.

Compliance is monitored through a multi-layered control model comprising:



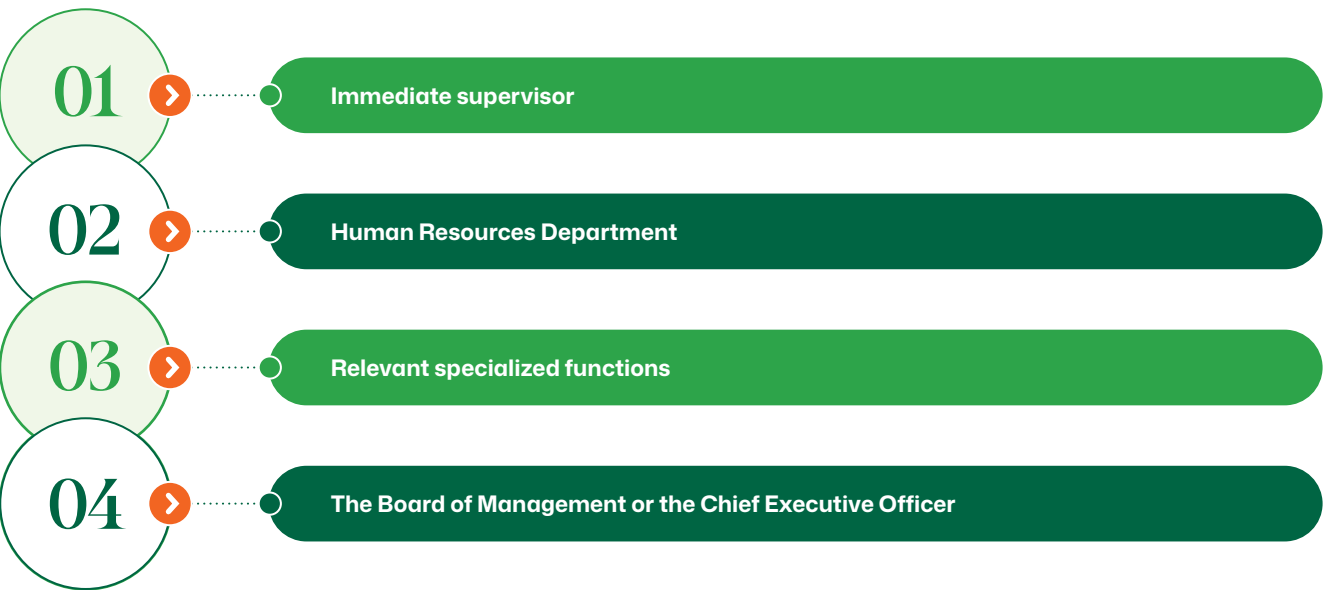
This Three Lines Model enhances the Company's ability to prevent, detect, and promptly address instances of non-compliance, thereby strengthening governance effectiveness and fostering a culture of integrity throughout the organization.

5. Handling violations and Ensuring compliance

Any violations of the Company's business ethics principles or applicable laws and regulations are subject to review and disciplinary action in accordance with the Company's internal policies and applicable laws.

The Company encourages the reporting of actual or suspected violations and ensures the confidentiality of reported information, protection against discrimination and retaliation, and a transparent and fair process for receiving, reviewing, and handling reports. Corrective and disciplinary measures are implemented in accordance with the nature and severity of each violation to strengthen deterrence and prevent recurrence.

Reporting channels include



Official contact channels (applicable across Phenikaa Group and its member companies)

- **Email:** homthugopy@phenikaa.com
- **Hotline:** +84 24 3368 5253

At Vicostone, employees may also submit feedback through suggestion boxes located in pantry areas or via email at: hr@vicostone.com

Business ethics (Continued)

6. Monitoring and Evaluation indicators

Vicostone monitors the implementation of its business ethics framework through indicators related to training, compliance, and the handling of violations.

In 2025, 100% of employees and managers within the reporting boundary received communication and training on the Company's corporate culture and Code of Conduct through induction programmes, as well as regular training and internal communication activities. These initiatives are maintained and continuously updated to ensure consistent awareness of and compliance with the Company's business ethics principles across the organisation.

During the reporting period, the Company recorded no material incidents of non-compliance related to business ethics.

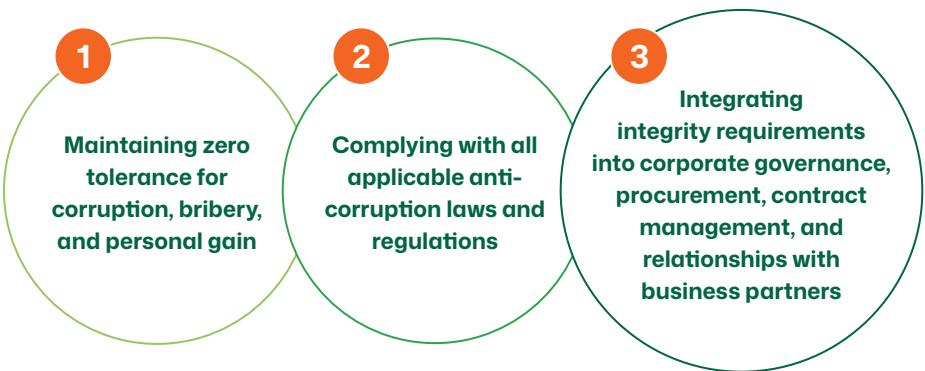
Looking ahead, Vicostone will progressively standardize its management system, establish measurable performance indicators, and integrate them into its KPI framework. These indicators will include the proportion of suppliers assessed against ESG criteria, including business ethics requirements; compliance commitment rates; and the number of reported violations and the time taken to resolve them.

7. Linkage to Anti-Corruption (GRI 205)

At Vicostone, business ethics are implemented in conjunction with the principles of integrity and compliance set out in the Company's Code of Conduct and internal regulations, ensuring transparency and accountability across all business activities.

Principles for preventing corruption risks are embedded in the Company's requirements on the management of conflicts of interest, transparency in procurement and contract management, controls over personal gain and misconduct, standards of conduct governing relationships with business partners and Suppliers, and mechanisms for receiving and handling reports of violations.

The Company is committed to:



These requirements are embedded within the Company's internal control system, contributing to effective risk prevention and strengthening corporate governance.

8. Roadmap for improvement

Vicostone is committed to further strengthening the implementation of business ethics and compliance principles across the Company, in alignment with advanced governance practices and the objectives of its ESG and sustainability strategy.



Through this roadmap, Vicostone aims to strengthen integrity, transparency and governance effectiveness, while enhancing its ability to prevent risks and respond to the evolving expectations of the market and stakeholders.

Vicostone recognizes that business ethics and integrity are not only compliance requirements but also fundamental principles for building trust, enhancing competitiveness and supporting long-term sustainable development.

Anti-competitive behaviour

As the global business environment increasingly emphasizes transparency, responsible governance, and fair competition, Vicostone regards compliance with competition laws and the protection of intellectual property rights as important foundations of the Company's sustainable development strategy.

Throughout more than 20 years of development, Vicostone has consistently sought to foster a transparent, fair, and legally compliant business environment while continuously advancing innovation to enhance product value, brand equity, and sustainable competitiveness in both domestic and international markets.

Vicostone is committed to refraining from prohibited anti-competitive practices, abuse of market dominance, or unfair competition in violation of applicable laws and regulations. Phenikaa Group's Code of Conduct applies across all of Vicostone's business activities. Requirements relating to fair competition, business ethics, and legal compliance are communicated to relevant functions, including Business, Sales, Market development, and other specialized units.

In 2025, the Company recorded no incidents, legal proceedings, or sanctions relating to unfair competition, breaches of competition laws, or abuse of a dominant position. This outcome reflects the effectiveness of Vicostone's compliance governance framework and its commitment to maintaining transparent and fair competition across all business activities.



Vicostone recognizes compliance with competition laws and the protection of intellectual property rights as fundamental pillars of its sustainability strategy.



Greylac® BQ8738

Anti-competitive behaviour

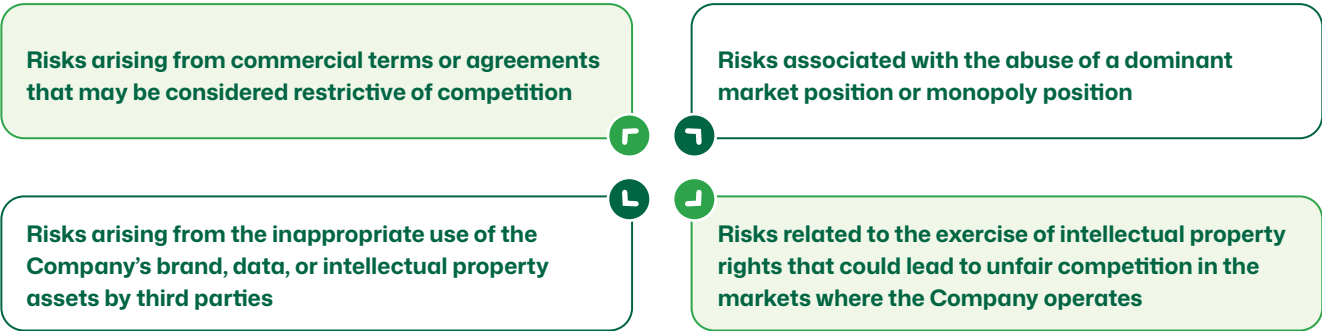
(Continued)

1. Measures to control and prevent Unfair competition and Anti-competitive practices

1.1. Governance commitment and Risk identification

Vicostone operates a competition law compliance framework based on prevention, monitoring, and continuous improvement to manage risks relating to unfair competition and anti-competitive practices in its business activities.

The key risks identified by the Company include:



The Company maintains coordination mechanisms among Legal, Business, Sales, and other relevant departments to strengthen the identification, assessment, and control of compliance risks arising from its business activities.

Compliance risks are periodically reviewed and updated in response to changes in the legal environment, export markets, and the Company's business operations, thereby enhancing governance effectiveness and risk prevention.

1.2. Compliance control mechanisms

Vicostone implements competition law compliance controls through the following measures:



Competition law compliance requirements are integrated into the Company's compliance governance activities and the periodic reviews conducted by relevant functional units. Each function is responsible for monitoring, updating, and reporting risks relating to restrictive practices and unfair competition within its area of responsibility.

Vicostone is also progressively strengthening internal training and awareness of fair competition, legal compliance, and business ethics among personnel in roles with higher exposure to risks associated with commercial activities and market development.

The Company conducts periodic reviews and updates of compliance requirements to reflect changes in the legal environment, business operations, and requirements in key export markets.

1. Measures to control and prevent Unfair competition and Anti-competitive practices (Continued)

1.3. Measures to protect intellectual property rights and Prevent unfair competition

Vicostone regards intellectual property as a strategic asset that contributes to the Company's sustainable competitive advantage in international markets. The Company implements coordinated measures to protect intellectual property rights, prevent unfair competition, and safeguard the VICOSTONE® brand.

Key measures include:

Registering and expanding

the protection of the VICOSTONE® trademark and product trademarks in key export markets;

Maintaining and managing

a portfolio of domain names associated with the VICOSTONE® brand to mitigate the risks of disputes, cybersquatting, or fraudulent use of the Company's domain names

Applying product labels

barcodes, and traceability information to support customers in identifying genuine products and improve product traceability

In addition to legal measures, Vicostone continues to apply technological and governance solutions to strengthen the protection of intellectual property assets and reduce the risks of counterfeit products, imitation products, and unfair competition in the markets where it operates.

Strengthening the protection of intellectual property rights not only safeguards the VICOSTONE® brand but also supports the Company's long-term competitive advantage, promotes innovation, and enhances customer confidence in its products and brand.



1.4. Monitoring, Reporting, and Violation handling mechanisms

The Company maintains mechanisms for receiving and handling reports relating to unfair competition through internal channels and the Legal department, in compliance with applicable laws and internal regulations.

All reports received are reviewed, assessed, and addressed in accordance with the Company's regulations and applicable legal requirements to maintain a transparent, fair, and compliant business environment.

Where conduct may indicate a violation of competition laws, the Company undertakes the following actions:

- Reviewing and assessing the relevant transactions, contracts, or business activities;
- Consulting the Legal department and relevant functions to assess legal risks and potential impacts;
- Requiring the modification, discontinuation, or non-implementation of activities that may pose competition law compliance risks;
- Applying appropriate internal measures in accordance with the Company's regulations.

For infringements of intellectual property rights or acts of unfair competition committed by third parties, the Company applies appropriate measures in accordance with applicable laws, including:

- Issuing written requests for the cessation of infringing conduct and remediation of its consequences;
- Suspending or terminating brand usage rights granted to non-compliant business partners;
- Cooperating with competent government authorities to address violations in accordance with the law, where necessary.

Vicostone also maintains mechanisms for the periodic monitoring, review, and reporting of compliance risks relating to competition and intellectual property to support continuous improvement in governance practices.

The Company encourages good-faith reporting of unfair competition and safeguards the confidentiality of information provided through reporting channels in accordance with its internal regulations.

Maintaining effective monitoring, reporting, and violation handling mechanisms contributes to stronger compliance governance, greater transparency in business activities, and the development of a fair and sustainable competitive environment.

1. Measures to control and prevent Unfair competition and Anti-competitive practices (Continued)

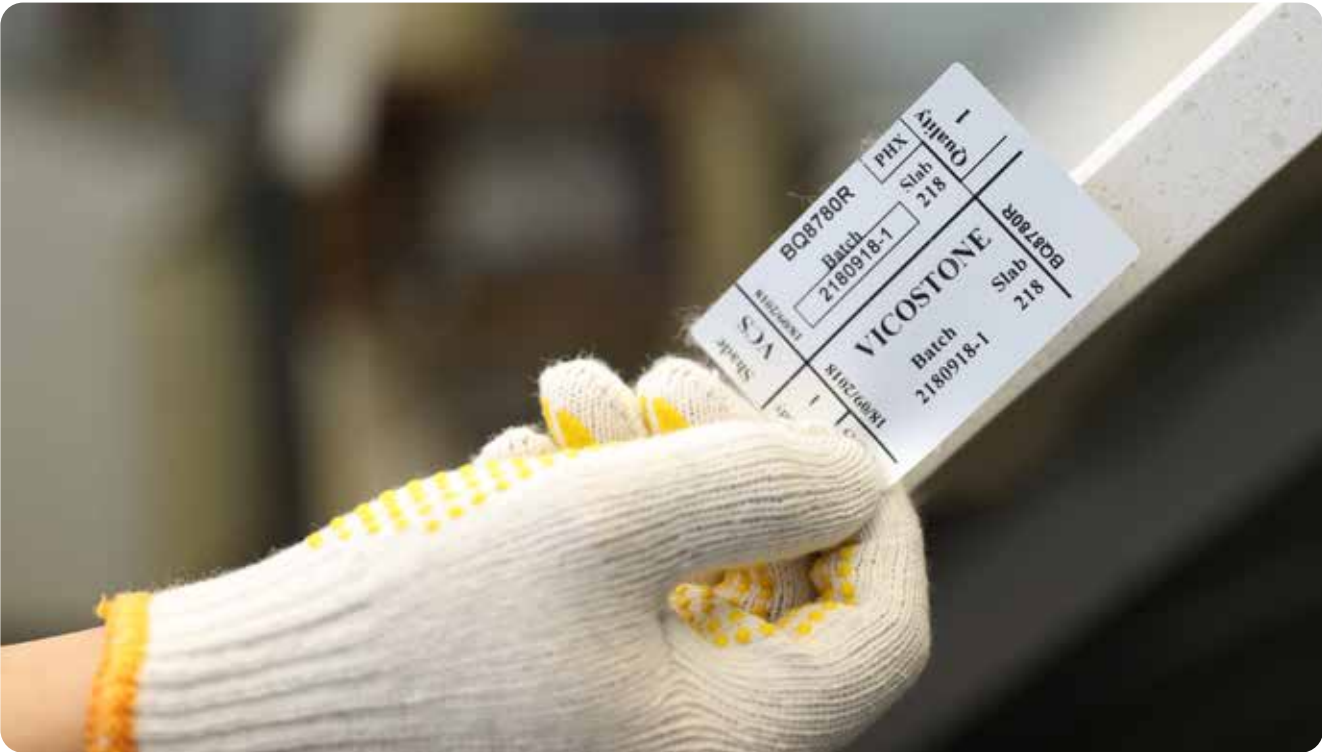
1.5. Performance results

In 2025, the Company recorded no:

- ✗ Incidents or legal proceedings relating to unfair competition
- ✗ Fines or legal sanctions relating to competition laws
- ✗ Incidents involving abuse of a dominant market position or monopoly position
- ✗ Material incidents involving infringements of intellectual property rights that affected the Company's business operations

Vicostone continued to maintain a transparent, fair, and legally compliant business environment while strengthening the management of intellectual property assets and compliance risks across its operations.

These results reflect the effectiveness of the Company's compliance governance framework, internal control mechanisms, and commitment to maintaining transparent and fair competition throughout its business activities.



1.6. Improvement Priorities and Targets

Looking ahead, Vicostone will continue to strengthen its competition law compliance framework, enhance internal awareness, and expand the protection of intellectual property assets in key markets to reinforce the Company's sustainable competitiveness.

Vicostone will progressively integrate compliance governance and intellectual property asset management into its ESG governance framework to strengthen risk management, enhance information transparency, and support innovation across the organisation.

Targets for 2026

- Record no material incidents involving violations of competition laws
- Continue strengthening compliance awareness among functions exposed to risks associated with competition and commercial activities
- Expand trademark and intellectual property protection in key export markets
- Strengthen internal training on fair competition, intellectual property rights protection, and trade law compliance

Implementation priorities for 2027-2030

- Strengthen internal communication and training on competition laws, the prevention of abuse of a monopoly position, and trade compliance;
- Continue improving legal review procedures for contracts and business cooperation activities;
- Enhance the effectiveness of mechanisms for identifying, monitoring, and reporting compliance risks;
- Strengthen the protection of intellectual property rights and the prevention of unfair competition in key markets;
- Progressively digitalize intellectual property asset management and compliance governance activities to enhance the effectiveness of internal controls and monitoring;
- Maintain the target of recording no material incidents involving restrictive practices, unfair competition, or abuse of a monopoly position.

By strengthening compliance governance and the protection of intellectual property rights, Vicostone aims to foster a transparent and fair business environment and promote sustainable development in alignment with the ESG direction of both the Company and Phenikaa Group.

Requirements for Product and Service information and Labelling

Vicostone is committed to providing customers with complete, transparent, and timely product information through consistent and modern communication channels to enhance product traceability, ensure safe use, and improve the customer experience throughout the product life cycle.

Key information provided includes:

- QR codes and barcodes for product traceability;
- Product information, production batch numbers, and manufacturing dates;

- The VICOSTONE® brand logo;
- Occupational safety warning labels relating to silica dust;
- Technical information, international certifications, and warranty policies; and
- Technical documentation available through the PROSITE platform and integrated multi-channel communication systems.

I Product identification and Traceability system

Vicostone implements a standardized labeling and traceability system across its entire product portfolio:



Barcode and QR code labels

Each product is affixed with a barcode and QR code containing information on the product code, production batch, and manufacturing date, enabling customers to conveniently access information and verify the product's origin;



Information printed on the back of the product

The VICOSTONE® brand name, product code, and manufacturing information are printed directly on the reverse side of each slab to support brand identification and quality control;



Information printed on the protective surface film

The VICOSTONE® logo is printed on the protective surface film to facilitate the identification of genuine products in the market.

I Safety warnings and Instructions for use

Vicostone places the health and safety of employees and consumers at the forefront throughout the product life cycle. All products carry safety warning labels regarding the potential risks associated with silica dust during fabrication and installation, together with guidance on appropriate occupational safety measures to minimize occupational health risks.

The Company also provides comprehensive technical documentation and guidance on fabrication, installation, and product use through:

- The official VICOSTONE® website;
- Brochures, binders, and product documentation;
- Integrated communication and marketing systems; and
- The PROSITE platform for architects, designers, and distribution partners.

PROSITE is a specialized information platform developed by Vicostone to support professional communities by providing design data, technical documentation, sales support tools, and up-to-date product information.

I Customer information Support system

VICOSTONE®-branded dealer and distribution partner networks in domestic and international markets serve as direct customer support channels, enabling customers to access complete and timely information regarding the Company's products, technical specifications, and service policies.

Vicostone also strictly complies with domestic and international regulations relating to chemical safety, construction materials, product labelling, and environmental protection, thereby ensuring transparency and accountability in the provision of information to customers.

In 2025, Vicostone recorded no incidents of non-compliance relating to product or service quality or product labelling information.

The Company recognizes that customer trust is built not only on product quality but also on its ability to provide transparent, safe, and responsible services throughout the product life cycle. This represents an important foundation for VICOSTONE® to maintain its competitiveness and achieve sustainable development in international markets.



08

Chapter 08

Social
responsibility

- 454 Social responsibility standards
- 460 Education and Training
- 468 Responsibility to Local communities

1606 Idalie

(Vicostone Eco Surfaces collections)

Inspired by the gentle glow of sunset reflected on a river’s surface, Idalie captures the serenity and subtle mystery of dusk. Set against a soft white-grey background, the design is distinguished by refined, flowing veining that extends gracefully across the surface, reminiscent of delicate ripples of light shimmering on the water.

Social responsibility standards

Vicostone Joint Stock Company recognizes people and social responsibility as fundamental pillars of its sustainable development strategy. In managing its workforce, Vicostone applies the principles of the SA8000 Standard to foster a transparent and people-centered working environment that respects human rights and supports the employees' sustainable development.

In 2025, Vicostone continued to implement key measures relating to the prevention of forced labor and child labor, non-discrimination, freedom of association and collective bargaining. The Company also strengthened its management of risks associated with human rights, working conditions and labor relations through internal assessments, regular dialogue and employee grievance mechanisms.



Vicostone Joint Stock Company recognizes people and social responsibility as fundamental pillars of its sustainable development strategy.



Social responsibility standards

(Continued)

1. Forced labor and Child labor

Vicostone is firmly committed to prohibiting the use of forced labor, involuntary labor and child labor, in accordance with Vietnamese law and the SA8000 Standard. The principles of human rights and responsible labor practices are applied throughout the Company's business and manufacturing operations.

100%

The age of every candidate is verified as part of the recruitment process before employment commences. All employees work voluntarily, enter formal labor contracts and are provided with their lawful rights and benefits in accordance with applicable regulations.



The Company maintains internal control mechanisms, periodic assessments and confidential grievance channels to prevent and promptly address risks relating to forced labor and child labor. Awareness training on human rights and SA8000 is also provided regularly to employees.

2025

In 2025, Vicostone identified no operations, suppliers or contractor personnel presenting significant risks related to forced labor or child labor.

2. Non-discrimination

Vicostone is committed to fostering a fair, inclusive and respectful workplace in which all employees have equal opportunities for development based on their competence and performance, regardless of gender, age, religion, ethnicity or other personal characteristics unrelated to their work.

Indicators	2023	2024	2025
Female representation on the Board of Directors (%)	40%	20%	40%
Female employees (%)	17.8%	19%	19%

Although the Company operates in the industrial manufacturing sector, where men account for a significant proportion of the workforce, Vicostone continues to promote gender equality and strengthen women's participation in corporate governance and business operations.

Recruitment, training, performance evaluation, promotion and remuneration are conducted on the principles of fairness and transparency. The Company also maintains internal grievance and complaint-handling mechanisms to support a respectful, safe and non-discrimination working environment.

2025

In 2025, Vicostone recorded no incidents of workplace discrimination.

3. Freedom of Association and Collective Bargaining

Vicostone respects employees' rights to freedom of association and collective bargaining in accordance with Vietnamese laws, as reflected in the Company's Workplace Democracy Regulations and Collective Labor Agreement.

Each year, the Company conducts regular dialogue sessions with employees and their representatives to exchange information, gather feedback and improve labor policies. Feedback and recommendations are consolidated, addressed and used as a basis for reviewing and refining policies relating to working conditions and employee welfare.

2025

In 2025, the Company maintained all required regular dialogue sessions and identified no significant risks related to freedom of association or collective bargaining.

Social responsibility standards

(Continued)

4. Conclusion

Vicostone continues to maintain and enhance its labor management system in accordance with the principles of transparency and fairness, the SA8000 Standard and its ESG orientation.

Compliance monitoring, awareness training, employee dialogue and internal grievance mechanisms are maintained

regularly, contributing to a safe, inclusive and people-centered working environment. Vicostone believes that safeguarding human rights, promoting social responsibility and fostering a fair workplace are essential foundations for improving operational performance and achieving long-term sustainable development.

Social responsibility governance indicators in 2025

Indicators	2025 Result
Incidents involving child labor	0
Incidents involving forced labor	0
Discrimination-related complaints	0
Regular employee dialogue sessions	2
Percentage of employees participating in the trade union within the applicable scope	100%
Percentage of employees receiving SA8000 awareness training	100%
Internal grievance channel	Maintained and operational
Human rights violations	0
Internal social responsibility assessments	Conducted periodically once a year

Note: These indicators cover Vicostone's operations and individuals within the scope of the Company's workforce management in 2025.

Material social responsibility risks and Control measures

Material risks	Control measures
Forced labor and child labor	Recruitment controls, age verification and periodic assessments
Workplace discrimination	Equal opportunity policies in human resource management, awareness training and internal grievance mechanisms
Labor rights and working conditions	Implementation of the Internal Labor Regulations and Collective Labor Agreement, together with regular employee dialogue
Human rights and social responsibility in the supply chain	Risk-based assessment and review of partners and contractors, supported by ongoing monitoring and internal grievance mechanisms
Occupational health, safety and working environment risks	Occupational safety controls, regular training and monitoring of working conditions at operating facilities

5. Future directions

In 2026, Vicostone will enhance the effectiveness of its social responsibility management by providing SA8000 training to 100% of employees and managers, maintaining regular dialogue and improving the transparency, timeliness and effectiveness of its internal grievance-handling process.

The Company will also review matters relating to human rights, working conditions and social responsibility across its business and manufacturing operations, as well as in its engagement with contractors, partners and suppliers, based on a risk-based management approach.

In addition, Vicostone will strengthen internal compliance assessments, promote continuous improvement in workforce management and maintain a safe, fair and inclusive working environment. Social responsibility considerations will continue to be integrated into the Company's ESG governance framework to enhance operational performance and sustainable development value.

Over the long term, the Company aims to further strengthen its social responsibility management system by proactively preventing risks, enhancing transparency and progressively aligning its practices with international sustainable governance practices.

Indicators	2026 Targets
Female representation on the Board of Directors (%)	40%
Female employees (%)	20%
Incidents involving child labor	0
Incidents involving forced labor	0
Discrimination-related complaints	0
Regular employee dialogue sessions	2
Percentage of employees participating in the trade union within the applicable scope	100%
Percentage of employees receiving SA8000 awareness training	100%
Internal grievance channel	Maintained and operational
Human rights violations	0
Internal social responsibility assessments	Conducted periodically once a year

GRI References: GRI 2-7, GRI 2-23, GRI 401-1, GRI 406-1, GRI 407-1, GRI 408-1, GRI 409-1.

Education and Training

Guided by Phenikaa Group's philosophy of "Unlocking human potential to shape the future", Vicostone and Phenikaa Hue recognize people as the foundation of sustainable growth and human capital development as one of the strategic priorities in corporate governance.

As the focal entity for the Group's industrial manufacturing sector, Vicostone proactively develops competency frameworks, employee development pathways and key training programs to enhance the quality of its human resources. In alignment with this overarching direction, Phenikaa Hue implements training activities flexibly to reflect its specific production characteristics and workforce structure, while ensuring consistency with the shared development strategy of the Group's ecosystem.

Beyond enhancing professional capabilities, Vicostone and Phenikaa Hue jointly foster and promote a culture of lifelong learning, in which every employee is encouraged to continuously acquire knowledge, pursue personal development and proactively adapt to changes within the organization and the working environment.

Training activities are tailored to individual development needs and aligned with career pathways, with the aim of:

- **Enhancing employees' professional competencies, occupational skills and management capabilities**
- **Developing a pipeline of managers and successors to meet long-term development requirements**
- **Strengthening employees' adaptability, capacity for innovation and proactive approach to learning**
- **Contributing to the development of a highly skilled, stable and engaged workforce aligned with the sustainable development direction of Phenikaa Group in general and Vicostone in particular**

Through training, the Company seeks to deepen employees' understanding of their work, improve their performance and prepare its workforce for future roles and responsibilities.



Education and Training

(Continued)

1. Training approach

Vicostone develops its training plans and programs based on employees’ competency development needs and the human capital development direction adopted across Phenikaa Group, including member companies such as Phenikaa Hue.

The training approach is designed based on the competency framework and competency dictionary, which are used to identify competency gaps between job requirements and employees’ actual capabilities. Based on the identified gaps, Vicostone and Phenikaa Hue implement appropriate training programs to ensure effectiveness and support long-term development.

Vicostone applies a flexible, multi-method training model designed to optimize learning effectiveness and accommodate the specific characteristics of each entity, including:



On-the-job training

Directly linked to manufacturing practices and operating processes



Classroom training and specialist workshops

Providing updates on management knowledge, emerging technologies and international standards



E-learning

Delivered through the Group's digital platform to support continuous learning and personalized learning experiences



Internal knowledge-sharing programs

Leveraging internal expertise to foster a learning culture and facilitate the transfer of knowledge and experience.

All employees undergo periodic competency assessments, providing a basis for the systematic and consistent development of training plans, employee development programs and succession plans across the Group.

Training content is not limited to professional and technical competencies but is also expanded to align with the Group’s sustainable development strategy, including ESG, digital transformation, risk management, occupational health and safety, and innovation.

Programs are designed using a blended learning model to enhance flexibility, optimize training resources and reduce travel requirements associated with in-person training.

Training activities at Vicostone are implemented consistently in accordance with Procedure QT-11, with the Human

Resources Department responsible for coordination, monitoring and effectiveness evaluation. Training indicators are integrated into the performance management system and form part of the performance assessments of both operating units and managers.

The Company’s training policy focuses on the following key priorities:



Prioritizing internal training and organizational knowledge development to enhance professional capabilities, promote innovation and facilitate the application of science and technology in manufacturing;



Establishing long-term training pathways for leaders, managers and succession candidates to ensure management continuity and workforce stability;



Standardizing core competencies and ESG competencies to help employees understand their roles in the sustainable development strategy;



Promoting lifelong learning by enabling employees to participate in training courses, scientific workshops and career development programs.

Through these policies, Vicostone seeks to create a comprehensive learning environment in which employees are empowered to develop, strengthen their ability to adapt to market changes and contribute actively to the Company’s sustainable growth objectives.

Education and Training

(Continued)

2. Training programs in 2025

In 2025, Vicostone implemented a coordinated system of training programs across the Company and Phenikaa Group's member companies, including Phenikaa Hue. The programs were designed to address human capital development needs, manufacturing and business requirements, and the Group's sustainable development direction.

Training activities were implemented consistently, contributing to enhanced professional capabilities, stronger compliance and the promotion of a learning culture across the ecosystem.

2.1. Training program categories at Vicostone

In 2025, training programs focused on the following key areas:

- Orientation and onboarding for new employees;
- ESG training under the theme “From Awareness to Action”;
- Occupational health and safety, fire prevention and firefighting, and other mandatory training required by law;
- Professional and technical training, particularly internal programs covering manufacturing technologies, system operations, ISO standards, Kaizen and 5S;
- Job-specific skills training, including international financial reporting, updates on import and export tax policies and customs procedures in 2025, and post-clearance risk management; and
- Master of Business Administration programs for leaders, key managers and high-potential employees, aimed at developing a pipeline of successors for strategic positions over the long term.

In 2025, in line with the Group's overall direction, Vicostone implemented an ESG training program under the theme of “From Awareness to Action”. The program extended beyond awareness-raising and was designed as a structured pathway for developing sustainability competencies across the workforce.

From the third quarter of 2025, the Group focused on broadening access to knowledge and establishing a “common ESG language”. Training was expanded across the ecosystem to promote a consistent understanding, approach and implementation methodology among functional divisions. ESG considerations were progressively integrated into employees' day-to-day responsibilities, establishing a consistent foundation of awareness throughout the Phenikaa ecosystem.

Key programs included:

- General Awareness of ESG, ESG Practice Frameworks and Sustainability Reporting;
- ESG Pioneers - Driving Sustainable Transformation, designed for specialized ESG personnel;
- Fundamentals of Tax Governance within the ESG Framework, designed for relevant professional employees; and
- General ESG Knowledge and the GRI Practice Framework, designed for professional employees.

In the fourth quarter of 2025, training focused on experiential learning and integrity in governance. The Group developed a network of internal ESG advisors by combining practical learning with knowledge and experience sharing. At the same time, the ESG e-learning system and GRI framework were standardized to reinforce the foundations for transparent, consistent and integrity-based ESG measurement, reporting and governance.

2.2. Training results at Vicostone

In 2025, Vicostone invested in human capital development through 82 training courses, recording 4,692 participants and a total of 30,768 training hours, as detailed below:

Indicators	Gender		Job Position		Total
	Male	Female	Board of Management and Managers	Employees	
Training hours	23,076	7,692	1,587	29,181	30,768
Employees receiving training	519	126	44	601	645
Average training hours per employee	45	61	36	48	48

The results demonstrate Vicostone's continued investment in human capital development, with a focus on enhancing employees' professional expertise, management capabilities and ESG awareness across the Company.

2.3. Training results at Phenikaa Hue

In 2025, Phenikaa Hue implemented training programs in alignment with the common direction of Phenikaa Group and Vicostone, focusing on occupational safety, operational capabilities, occupational skills, compliance and ESG awareness.

Training activities were implemented consistently across the entity, ensuring that employees had full access to mandatory training programs and job-specific capability development.

Indicator group	Indicator	2025 Result
Training scale	Total employees receiving training	208
	Total training courses	69
	Total training hours	477.5
Training intensity	Average training hours per employee	2.296
Mandatory training participation	Percentage of employees participating in occupational safety training	100%
	Internal training completion rate	>90%
Management training	Percentage of managers participating in management capability training	100%
ESG and compliance training	ESG training delivered under the Group's program	Yes
	Key training content	Occupational safety, operations, occupational skills and compliance
Training system	Application of e-learning	Implemented consistently across the Group
	Competency framework and training programs	Standardized across entities

Education and Training

(Continued)

3. Succession planning and Appointments

Amid an increasingly dynamic and technological change, Vicostone recognizes succession planning as a strategic priority for maintaining operational continuity and strengthening organizational adaptability.

Vicostone implements its succession development program for the 2025-2030 period through a proactive and flexible approach that integrates assessments of actual competencies, personalized training and career development pathways.

The Company periodically reviews and updates its list of successors candidates, focusing on the development of core competencies, management capabilities, innovation and sustainable development expertise.



100%

To date, succession plans have been developed for 100% management and key positions at Vicostone. For many positions, one or two potential successors have been identified and prepared to support operational continuity and the organization's ability to adapt to change.

Alongside training and competency assessments, Vicostone provides opportunities for high-potential employees to participate in strategic Group-level projects, enabling them to gain practical experience, broaden their management perspectives and strengthen their capacity to lead the organization over the long term.

Phenikaa Hue - Member Company

Phenikaa Hue undertakes succession planning and development in accordance with the common direction of Vicostone and Phenikaa Group, focusing on developing internal talent and strengthening on-site management capabilities.

Key activities include:

Developing and implementing succession plans in alignment with the Group's common framework

Developing employees through internal training, on-the-job coaching and job rotation

Prioritizing the development and appointment of internal candidates to strengthen organizational stability and management continuity

Through training and human capital development, Vicostone seeks to build a workforce with strong professional capabilities, an innovative mindset and a high degree of adaptability, thereby establishing a foundation for sustainable development and strengthening long-term competitiveness.

GRI References:

GRI 2-7, GRI 2-19, GRI 404-1, GRI 404-2 and GRI 404-3.
9, GRI 404-1, GRI 404-2 and GRI 404-3.



Responsibility to Local communities

1. Approach and Direction

Vicostone recognizes that responsibility to local communities is not merely a supplementary corporate social responsibility (CSR) activity, but a strategic component of its sustainable development model, closely integrated with the Company's manufacturing operations, value chain and long-term presence in the localities where it operates.

Recognizing that industrial manufacturing may generate certain environmental and social impacts, Vicostone adopts a proactive approach in which the management of impacts on local communities is undertaken alongside efforts to optimize production efficiency and enhance corporate value.



1. Approach and Direction (Continued)

I Guiding principles

Vicostone fulfils its responsibility to local communities based on the following core principles:

- **Proactive prevention and mitigation of impacts:**
Controlling environmental factors arising from manufacturing activities, including dust, noise and wastewater, to minimize impacts on surrounding communities;
 - **Respect for and engagement with communities:**
Maintaining two-way communication mechanisms and receiving and addressing community feedback in a transparent and timely manner;
- **Supporting local development:**
Implementing community programs aimed at improving local quality of life, education and environmental conditions; and
 - **Creating long-term sustainable value:**
Transitioning from short-term assistance to long-term programs that create sustainable and lasting positive impacts.

I Governance and Implementation framework

Vicostone implements community-related activities through the Company's internal management framework and relevant operational procedures, including:

- > 01

Environmental management and environmental impact assessment procedures at manufacturing facilities
- > 02

Procedures for receiving and addressing stakeholder feedback
- > 03

Internal regulations relating to social responsibility, community activities and corporate communications.

The scope of implementation applies across Vicostone, covering all functional departments, manufacturing units and other relevant entities involved in the Company's operations and the implementation of community activities.

I Responsibilities are assigned as follows:

- >

The Company's Board of Management provides strategic direction and approves community-related programs;
- >

Functional departments, including General Affairs, Human Resources, Communications and ESG, are responsible for implementing and monitoring relevant matters within their respective areas of responsibility;
- >

Relevant entities within the ecosystem coordinate implementation to enhance program effectiveness and broaden the scope of impact.

Integration into the ESG governance framework

Community activities at Vicostone are not managed in isolation but are integrated into the overall ESG governance framework through a three-line model comprising strategy, coordination and implementation. This approach promotes consistency across the framework, optimizes resources and enhances both the effectiveness and reach of community impacts.

In 2025, community-related activities were implemented in accordance with the following key directions:

- Managing and mitigating impacts arising from manufacturing operations;
- Responding promptly to urgent social needs, including natural disasters and social welfare needs;
- Investing in education and the development of younger generations; and
- Contributing to environmental improvement and promoting sustainable lifestyles in local communities.

Activities were implemented in close coordination with Phenikaa Group and relevant entities to optimize resources and enhance their effectiveness and scope of impact.

During 2024-2025, Vicostone progressively shifted its approach to community activities from standalone support initiatives towards long-term programs designed to create and extend sustainable value. This direction improves resource efficiency while ensuring that community initiatives provide not only short-term benefits but also contribute to the sustainable development of local communities.

Vicostone regards responsibility to local communities not only as a social obligation but also as an integral part of its sustainable development strategy, contributing to building trust, enhancing corporate value and promoting harmonious development with the localities in which the Company operates.

Responsibility to Local communities

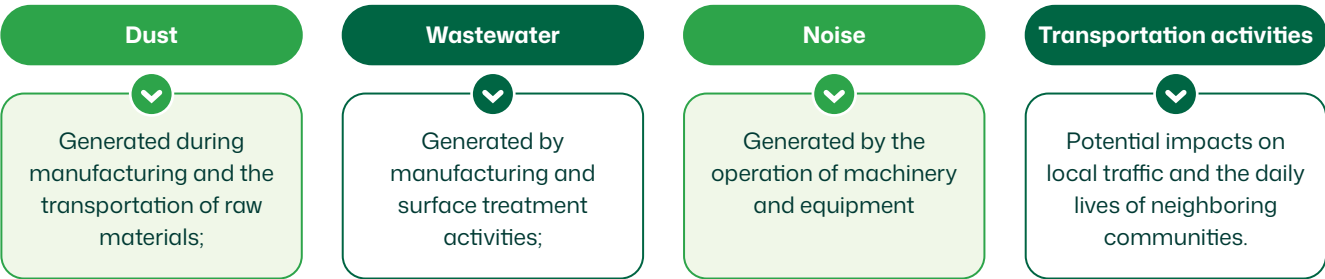
(Continued)

2. Management of community impacts and risks

Vicostone recognizes that industrial manufacturing activities, particularly in the building materials sector, may generate certain impacts on the environment and local communities. The Company therefore adopts a proactive management approach to identify, assess, control and monitor these impacts and continuously improve its management practices.

Identification of community impacts

Vicostone identifies potential impacts based on the characteristics of its manufacturing operations and value chain, including:



These factors are considered in relation to surrounding residential areas, particularly community groups that may be directly affected.

Risk assessment methodology

Impacts are reviewed and assessed against the following criteria:

- Scale and extent of impact;
- Community groups affected, particularly residents in neighbouring areas;
- Severity and frequency of occurrence; and
- Environmental monitoring results and feedback received from communities.

High-level risks are identified as those that may cause significant impacts on communities, exceed applicable environmental limits, result in incidents or give rise to significant complaints. Medium-level risks may arise during operations but remain effectively controlled, while low-level risks have a limited scope of impact and did not give rise to significant feedback during the reporting period.

Based on the assessment, risks were classified as follows:

Impact category	Description	Risk level
Dust	Generated by manufacturing and the transportation of raw materials	Medium
Wastewater	Generated by manufacturing processes	Medium
Noise	Generated by machinery operations	Low
Transportation	Impacts on local traffic	Low

Integration into the Risk management framework

Community-related impacts are not managed separately but are integrated into Vicostone's enterprise risk management framework. Accordingly:

- Environmental and social risks are included in the operational risk register;
- Risks are assessed periodically in accordance with the Company's risk management methodology;

- Corresponding control and monitoring plans are established; and
- Risks are reported to the relevant management levels through internal governance mechanisms.

This approach enables Vicostone to move from reactive responses towards proactive management and to control risks from an early stage.

Control and Mitigation measures

Based on the assessment results, the Company implements control and mitigation measures through its environmental and operational management systems at manufacturing facilities, including:

- Controlling emissions and environmental quality;
- Operating wastewater treatment systems and recirculating production water;
- Controlling dust at source and during transportation;
- Managing waste in accordance with applicable regulations;
- Conducting periodic environmental monitoring;
- Coordinating with local authorities to manage and address emerging issues.

Community feedback channels are maintained to receive and promptly address comments through direct communication, email, written correspondence and suggestion boxes located at manufacturing facilities. Feedback is received

and addressed in accordance with the Company's internal complaint receipt and resolution procedure, which applies to both employees and external stakeholders.

The feedback-handling process includes:

- Receiving and recording information;
- Classifying and referring matters to the responsible function for resolution; and
- Monitoring, responding and retaining records of outcomes.

Feedback data are consolidated periodically and integrated into the governance framework to support continuous improvement and enhance management effectiveness.

During the reporting period, environmental indicators remained within permissible limits. No environmental incidents, high-level risks or serious complaints from local communities were recorded.

During the reporting period, environmental indicators remained within permissible limits. No environmental incidents, high-level risks or serious complaints from local communities were recorded.

These results demonstrate the effectiveness of the established environmental management system and risk control mechanisms, as well as the alignment of the Company's manufacturing operations with local conditions.

Responsibility to Local communities

(Continued)

3. Community consultation and Feedback mechanisms

Vicostone considers community consultation an important component of sustainable development governance, helping to ensure that the Company's activities are appropriate to local conditions and accurately reflect stakeholders needs and expectations.

Community consultation is governed by the following principles

- **Transparency:** Providing complete and clear information on relevant activities;
- **Two-way engagement:** Ensuring that information is exchanged not only from the Company to communities but also from communities to the Company;
- **Continuity:** Maintaining engagement throughout the course of the Company's operations; and
- **Relevance:** Ensuring that consultation reflects actual circumstances and specific local conditions.

These principles are integrated into the ESG governance framework and stakeholder engagement policies to promote consistency across the system.

Forms of consultation include

- Direct engagement with local authorities and community representatives;
- Consultation during the implementation of community programs;
- Receipt of feedback through email, written correspondence and suggestion channels at manufacturing facilities; and
- Coordination with local organizations, associations and partners.

These channels facilitate the complete and timely receipt of information while enabling communities to participate in dialogue with the Company.

Consultation results during the reporting period

During the reporting period, 100% of community programs and activities involving local communities included consultation or the collection of stakeholder feedback before or during implementation.

Information gathered through the consultation process was used to adjust program content and implementation methods to better reflect actual local needs.

The Company received community feedback through channels at its manufacturing facilities and local focal points, supported by a process for recording, addressing and monitoring outcomes. In 2025, no material complaints were recorded and no significant negative impacts on local communities were identified.



Responsibility to Local communities

(Continued)

4. Performance during 2024-2025

During 2024-2025, Vicostone maintained and expanded its community activities in alignment with its sustainable development direction, focusing on the environment, education and social welfare.

Programs were implemented through coordination among Vicostone, Phenikaa Group and local partners to optimize resources and enhance both effectiveness and the scope of impact.

Summary indicators

2,000

More than 2,000 people participated directly in 2025, primarily in environmental activities;

VND 1,000,000,000

An annual contribution of VND 1 billion was maintained to support disaster relief through the Central Committee of the Vietnam Fatherland Front and other relevant coordination channels;

Environmental and educational activities were expanded over time;

Employee participation and engagement by entities across the ecosystem were strengthened.

These indicators reflect a shift from expanding the scale of implementation towards improving the quality and depth of impact generated by community programs.

Detailed results

Activity category	GRI	2024	2025
Disaster relief	GRI 203-1	VND 1 billion contributed through the Vietnam Fatherland Front, together with more than VND 400 million mobilized internally	VND 1 billion contributed through the Vietnam Fatherland Front, together with additional support provided in response to specific events
Community environment	GRI 203-1; 413-1	Approximately 4,000 bamboo plants provided to support environmentally linked livelihoods	Approximately 9 tonnes of waste and 12,000 used batteries collected; approximately 3,000 trees planted; 120 waste-sorting bins and approximately 1,700 light bulbs donated
Education	GRI 203-1	VND 20 billion committed under the Group's program; approximately 6,000 light bulbs and more than 3,000 books donated	An approximately 850 m² classroom facility constructed; the "Warm Meals for Children" program implemented
Social welfare	GRI 413-1	Approximately 500 gift packages provided; approximately VND 100 million in housing support and VND 60 million in other assistance	Periodic social welfare programs maintained

Data were compiled from programs implemented in practice and the Company's internal monitoring systems.

Based on its performance during 2024-2025, Vicostone identified the following key trends:

- Expansion in the scale and scope of community activities;
- Greater stakeholder participation, particularly among employees;
- A shift from standalone support activities towards long-term programs; and
- A gradual transition from measuring outputs to measuring impacts.

The results achieved during 2024-2025 demonstrate that Vicostone's community activities were closely aligned with its ESG strategy, specifically:

- **Environmental pillar (E):** Through programs on waste reduction, tree planting and energy efficiency;
- **Social pillar (S):** Through investment in education, social welfare and improvements in quality of life; and
- **Governance pillar (G):** Through community consultation, transparency and impact management mechanisms.

This reflects a transition from traditional CSR towards a shared-value model in which community activities generate social benefits while contributing to enhanced corporate value.

The results achieved during 2024-2025 show that Vicostone not only expanded the scale of its community activities but also progressively improved the quality and value of their impacts, moving towards a sustainable development model that closely connects business and society.

Responsibility to Local communities

(Continued)

5. Key areas of impact

Based on performance during 2024-2025, Vicostone focuses its community activities on three key areas of impact: the community environment; education and the development of younger generations; and social welfare and local development. This approach enables the Company to transition from implementing separate support activities to managing programs by impact category, thereby enhancing resource efficiency, strengthening alignment with its ESG strategy and creating clearer social value.

Vicostone's community activities are not limited to addressing immediate needs but are progressively oriented towards creating long-term value for local communities, in line with the Company's sustainable development philosophy and corporate social responsibility.



Vicostone supported reforestation initiatives by contributing a total of 3,000 trees through the “Joining Hands for Reforestation” program and directly participating in tree planting at Cuc Phuong National Park.

5.1. Community environment - Promoting green lifestyles

During 2024-2025, Vicostone expanded its environmental activities through an approach combining ecological improvement, changes in community behaviour and greater internal awareness of sustainable development.

Key activities included:

2024

In 2024, planting approximately **4,000** bamboo plants in Hoa Binh, contributing to improved livelihoods linked to environmental protection

2025

In 2025, collecting approximately **9 tonnes** of waste and **12,000** used batteries, implementing waste sorting at source and coordinating the planting of approximately **3,000** trees in Cuc Phuong National Park;

Coordinating the implementation of energy-saving solutions in internal operations and community activities.

In response to World Environment Day on June 5, 2025, Vicostone and other entities within Phenikaa Group organized an “Action for the Environment” Week at 10 locations nationwide, attracting nearly 2,000 employees, school pupils and university students.

The program focused on practical actions such as waste collection, the proper treatment of used batteries, and the donation of waste-sorting bins and energy-efficient lighting equipment. Outcomes included approximately 9 tonnes of waste processed, 12,000 used batteries collected, and 120 waste-sorting bins and 1,700 LED light bulbs donated.

Alongside community activities, Vicostone continued to support reforestation initiatives by contributing a total of 3,000 trees through the “Joining Hands for Reforestation” program and directly participating in tree planting at Cuc Phuong National Park.

These activities not only contributed to mitigating environmental impacts but also progressively encouraged greener lifestyles among employees and local communities.

5. Key areas of impact (Continued)

5.2. Education and the development of younger generations - Investing in a sustainable future

Education is one of Vicostone's long-term investment priorities within its sustainable development strategy, with a focus on improving school facilities and supporting access to education in disadvantaged areas.

During the reporting period:

2024



In 2024, the Company committed VND **20 billion** to a school infrastructure reinforcement program and implemented activities supporting school libraries and lighting;

2025



In 2025, construction commenced on an approximately **850 m²** classroom facility at Gang Thiep High School in Thai Nguyen, while procedures were completed for the construction of additional classrooms at Tram Tau High School in Lao Cai;



Programs supporting students in disadvantaged areas, such as “Warm Meals for Children”, were implemented.



The fulfilment of the VND 20 billion commitment under the school infrastructure reinforcement program launched by the Ministry of Education and Training contributed to improving learning conditions in several localities, enhancing educational infrastructure and creating safer learning environments for students and teachers.

In addition, a volunteer delegation from Phenikaa Group, Phenikaa University and Vicostone directly implemented support activities at Pa Vay Su Kindergarten in Lai Chau, providing meals, essential supplies, books, school materials and other necessities to students in the border area.

On the occasion of Vietnamese Teachers' Day on November 20, 2025, delegations also visited and expressed appreciation to teachers working at schools in disadvantaged areas, acknowledging the important role of educators in local educational development.



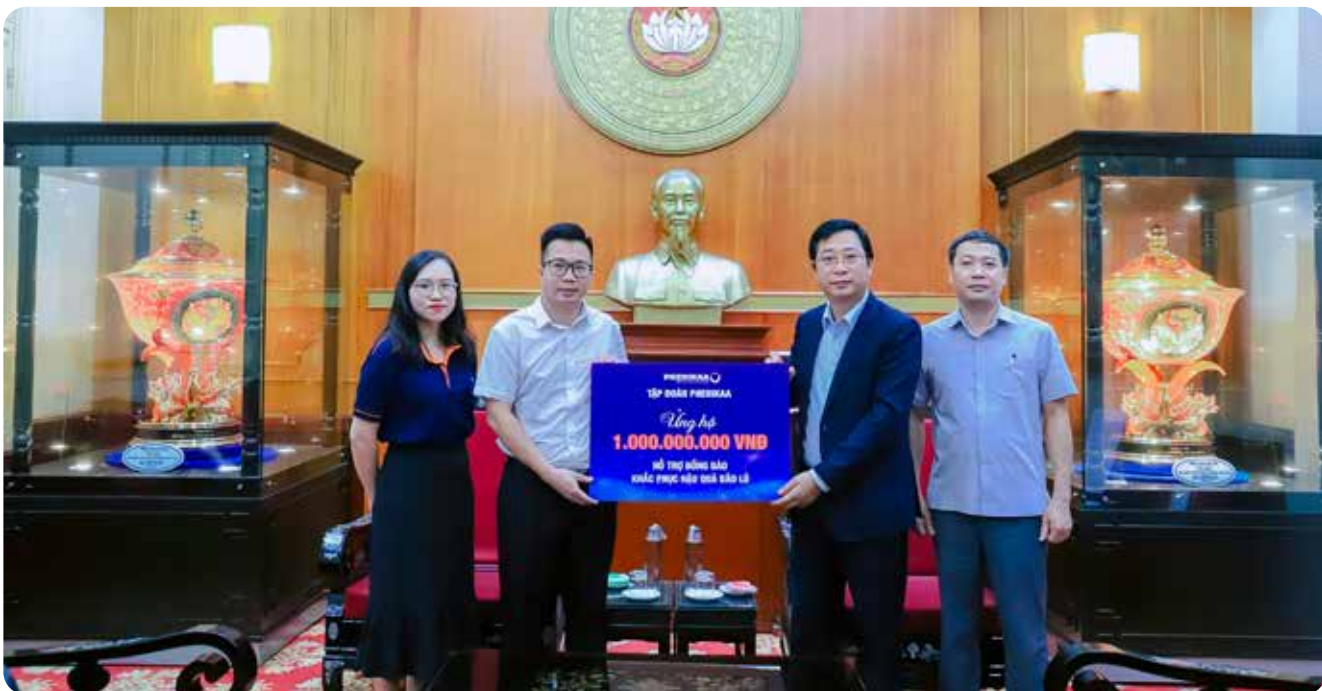
5. Key areas of impact (Continued)

5.3. Social welfare and Local development - Timely Support and Stronger Community Connections

Vicostone maintains social welfare activities designed to respond promptly to urgent community needs while coordinating with local authorities and Phenikaa Group on long-term support programs.

Key activities include:

- **Supporting communities in recovering from natural disasters;**
- **Providing housing assistance, gifts and healthcare support to vulnerable groups;**
- **Visiting and expressing appreciation to policy beneficiaries in the localities where the Company operates.**



In 2025, Vicostone and Phenikaa Group donated VND1 billion through the Central Committee of the Vietnam Fatherland Front to support localities affected by storms and floods. In addition, internal fundraising and assistance programs were implemented through mass organizations, with a total value of hundreds of millions of Vietnamese dong.

In addition to financial support, employees across the Group directly participated in relief activities, delivering essential supplies and necessities to affected areas and helping residents overcome difficulties following natural disasters.

Internally, the Vicostone Trade Union coordinated with the Group Trade Union to review, visit and support the families of affected employees, helping them stabilize their lives following natural disasters.

The Company also continued to implement housing support programs for disadvantaged households, including the family of Mr. Ly A Sua, a member of the H'Mong ethnic group in Thai Nguyen, and coordinated free health examination programs and activities honouring policy beneficiaries.

These activities help promote a spirit of mutual support and demonstrate the Company's commitment to supporting local communities.

Vicostone's key areas of impact demonstrate that its responsibility to communities is increasingly being implemented in a strategic, focused and data-driven manner, with the aim of creating lasting sustainable value for local communities.



Responsibility to Local communities

(Continued)

6. Evaluation and Improvement

During 2024-2025, Vicostone progressively refined its approach to community activities, moving from the implementation of individual programs towards strategic management supported by performance monitoring and evaluation.

Based on the activities undertaken, Vicostone recorded the following key outcomes:

- Expanded the scale and scope of community activities, particularly in the areas of environment and education;

- Strengthened stakeholder participation, including employees, entities within the ecosystem and local authorities;
- Ensured alignment with actual community needs through consultation mechanisms; and
- Recorded no significant negative impacts or material complaints during the reporting period.



These results demonstrate that Vicostone's community activities were implemented effectively and aligned with both its sustainable development direction and actual local conditions.

Alongside these achievements, Vicostone identified several areas requiring further improvement:

- The current indicator system primarily reflects the scale of implementation;

- Long-term social impact measurement has not yet been fully standardized;
- Community-related data remain fragmented and have not yet been fully integrated into the governance system; and
- The linkage between community activities and business strategy has not yet been clearly quantified.

In the coming period, Vicostone intends to enhance the effectiveness of community activity management through the following measures:

Standardizing the measurement system	Strengthening data management	Enhancing implementation effectiveness	Expanding and integrating the approach
Developing a set of social impact indicators, standardizing data to enable comparison and monitoring over time, and integrating relevant indicators into the Company's KPI system;	Progressively digitizing data to support comparison and monitoring over time, while improving data quality to ensure the completeness, consistency	Focusing resources on areas capable of generating significant impacts and strengthening post-implementation effectiveness assessments;	Gradually expanding the scope of application across the Company and Phenikaa Group's member companies to promote consistency in ESG management and practices.

Responsibility to Local communities

(Continued)

7. Alignment with the Sustainable Development Goals

Vicostone's community activities are implemented not only to address actual local needs but also to contribute to the United Nations Sustainable Development Goals (SDGs), thereby promoting alignment between corporate strategy and global development standards.

Vicostone's community activities contribute to the following goals:



By aligning its community activities with the SDGs, Vicostone not only contributes to local development but also participates in global efforts to build a sustainable and inclusive society.

8. Conclusion

In 2025, Vicostone continued to maintain and develop its community activities in close alignment with actual local needs and the Company's sustainable development direction. Programs were implemented with clear priorities and the participation of multiple stakeholders, while progressively improving both their scale and the quality of their impacts.

The results demonstrate that Vicostone not only fulfils its social responsibility but is also progressively adopting a more strategic approach under which community activities are integrated into its ESG governance model and aligned with long-term development goals.

2026

Short-Term Targets for 2026

In 2026, Vicostone aims to maintain and improve the effectiveness of its community programs, with a focus on:

- Implementing at least five key community projects each year;
- Maintaining key programs, including:
 - "Green Action - Sowing Happiness";
 - School infrastructure reinforcement and educational support;
 - Disaster relief and social welfare funds;
- Ensuring that community consultation is conducted for 100% of programs;
- Increasing the participation of employees and entities across the ecosystem.

The Company will progressively establish mechanisms for monitoring and evaluating program effectiveness as a basis for measurement and continuous improvement in subsequent periods.

2030

Three-to-Five-Year Strategy for 2026-2030

Over the medium and long term, Vicostone intends to develop its community activities around the following pillars:

- Transitioning from activity-based implementation to impact-based management;
- Completing the data and reporting system and integrating it with business strategy;
- Expanding cooperation with stakeholders and local communities;
- Developing long-term programs that create sustainable value for communities;
- Establishing long-term KPIs, including at least five community projects per year, consultation with 100% of material stakeholders on ESG matters, and enhanced social awareness and engagement.

For Vicostone, community engagement is not only a social responsibility but also an inseparable component of its sustainable development strategy, contributing to the creation of long-term value for society, strengthening stakeholder trust and enhancing the Company's long-term competitiveness.



Statement of Use

Vicostone Joint Stock Company has prepared this Sustainability Report for the reporting period from 1 January 2025 to 31 December 2025 in accordance with the GRI Standards 2021. The Report includes consolidated indicators for its subsidiary, Phenikaa Hue.

GRI has not yet issued a GRI Sector Standard applicable to the operations of Vicostone and Phenikaa Hue (engineered surface materials). Accordingly, no GRI Sector Standard was applicable during the reporting period.

GRI Standards	Disclosure	Page reference
GRI 2: General Disclosures 2021	The organization and its reporting practices	
	2-1 Organizational details	12-15
	2-2 Entities included in the organization's sustainability reporting	22-23, 26-29
	2-3 Reporting period, frequency and contact point	18-23
	2-4 Restatements of information	23
	2-5 External assurance	8-9
	Activities and workers	
	2-6 Activities, value chain and other business relationships	12-15, 52-65
	2-7 Employees	208-215
	2-8 Workers who are not employees	216
	Governance	
	2-9 Governance structure and composition	92-99
	2-10 Nomination and selection of the highest governance body	99
	2-11 Chair of the highest governance body	94, 98
	2-12 Role of the highest governance body in overseeing the management of impacts	99, 108-109
	2-13 Delegation of responsibility for managing impacts	108-109
	2-14 Role of the highest governance body in sustainability reporting	99
	2-15 Conflicts of interest	170-171, 440
	2-16 Communication of critical concerns	110
	2-17 Collective knowledge of the highest governance body	94-99
	2-18 Evaluation of the performance of the highest governance body	99
	2-19 Remuneration policies	106-107
	2-20 Process to determine remuneration	106-107
	2-21 Annual total compensation ratio	106-107

GRI 2: General Disclosures 2021	Strategy, policies and practices	
	2-22	Statement on sustainable development strategy6-7, 32-53
	2-23	Policy commitments110, 432-440
	2-24	Embedding policy commitments108-110, 438-440
	2-25	Processes to remediate negative impacts110, 421, 439
	2-26	Mechanisms for seeking advice and raising concerns110, 439
	2-27	Compliance with laws and regulations110, 314-315, 427, 448, 451
	2-28	Membership associations84-87
	Stakeholder engagement	
	2-29	Approach to stakeholder engagement68-73
	2-30	Collective bargaining agreements457-459
GRI 3: Material Topics 2021		
GRI 3	3-1	Process to determine material topics66-73
	3-2	List of material topics73-83
GRI 201: Economic Performance 2016		
GRI 3	3-3	Management of material topics180-189
GRI 201	201-1	Direct economic value generated and distributed195
	201-2	Financial implications and other risks and opportunities due to climate change186-189
	201-3	Defined benefit plan obligations and other retirement plans197
	201-4	Financial assistance received from government197
GRI 202: Market Presence 2016		
GRI 3	3-3	Management of material topics202-207
GRI 202	202-1	Ratios of standard entry level wage by gender compared to local minimum wage222-225
	202-2	Proportion of senior management hired from the local community234-235
GRI 203 - Indirect Economic Impacts 2016		
GRI 203	203-1	Infrastructure investments and services supported477-483

GRI 205: Anti-corruption 2016				
GRI 3	3-3	Management of material topics		432-441
GRI 205	205-1	Operations assessed for risks related to corruption		440
	205-2	Communication and training about anti-corruption policies and procedures		440
	205- 3	Confirmed incidents of corruption and actions taken	No confirmed incidents of corruption	
GRI 206: Anti-competitive Behavior 2016				
GRI 3	3-3	Management of material topics		442-449
GRI 206	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		448
GRI 207: Tax 2019				
GRI 3	3-3	Management of material topics		240-249
GRI 207	207-1	Approach to tax		240-245
	207-2	Tax governance, control, and risk management		246-249
	207- 3	Stakeholder engagement and management of concerns related to tax		249
	207- 4	Country-by-country reporting		255
GRI 301: Materials 2016				
GRI 3	3-3	Management of material topics		262-271
GRI 301	301-1	Materials used by weight or volume		272-274
	301-2	Recycled input materials used		276
	301-3	Reclaimed products and their packaging materials	No products were reclaimed during the reporting period	
GRI 302: Energy 2016				
GRI 3	3-3	Management of material topics		280-289
GRI 302	302-1	Energy consumption within the organization		290-297
	302-2	Energy consumption outside of the organization		N/A
	302-3	Energy intensity		291-294, 299
	302-4	Reduction of energy consumption		293, 295, 299
	302-5	Reductions in energy requirements of products and services		358

GRI 303: Water and Effluents 2018				
GRI 3	3-3	Management of material topics		302-305
GRI 303	303-1	Interactions with water as a shared resource		304-305
	303-2	Management of water discharge-related impacts		308-310
	303-3	Water withdrawal		304-306
	303-4	Water discharge		308-309
	303-5	Water consumption		306-307
GRI 305: Emissions 2016				
GRI 3	3-3	Management of material topics		342-349
GRI 305	305-1	Direct (Scope 1) GHG emissions		350-351
	305-2	Energy indirect (Scope 2) GHG emissions		352-355
	305-3	Other indirect (Scope 3) GHG emissions		356-359
	305-4	GHG emissions intensity		360-363
	305-5	Reduction of GHG emissions		350-351, 362-367
	305-6	Emissions of ozone-depleting substances (ODS)		351
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		326-329
GRI 306: Waste 2020				
GRI 3	3-3	Management of material topics		316-319, 332-333
GRI 306	306-1	Waste generation and significant waste-related impacts		332-333
	306-2	Management of significant waste-related impacts		332-337
	306-3	Waste generated		334-336
	306-4	Waste diverted from disposal		334
	306-5	Waste directed to disposal		334-336
GRI 308: Supplier Environmental Assessment 2016				
GRI 3	3-3	Management of material topics		372-377
GRI 308	308-1	New suppliers that were screened using environmental criteria		379
	308-2	Negative environmental impacts in the supply chain and actions taken		380, 384-385
GRI 401: Employment 2016				
GRI 3	3-3	Management of material topics		202-207
GRI 401	401-1	New employee hires and employee turnover		218-220
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		226-233
	401-3	Parental leave		221

GRI 403: Occupational Health and Safety 2018			
GRI 3	3-3	Management of material topics	392-399
GRI 403	403-1	Occupational health and safety management system	392-395
	403-2	Hazard identification, risk assessment, and incident investigation	395-400
	403-3	Occupational health services	402-403
	403-4	Worker participation, consultation, and communication on occupational health and safety	396, 404
	403-5	4Worker training on occupational health and safety	405
	403-6	Promotion of worker health	402-403
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	394-395
	403-8	Workers covered by an occupational health and safety management system	394, 406-407
	403-9	Work-related injuries	406-407
	403-10	Work-related ill health	403, 406
GRI 404: Training and Education 2016			
GRI 3	3-3	Management of material topics	460-463
GRI 404	404-1	Average hours of training per year per employee	465
	404-2	Programs for upgrading employee skills and transition assistance programs	462-467
	404-3	Percentage of employees receiving regular performance and career development reviews	462, 466
GRI 405: Diversity and Equal Opportunity 2016			
GRI 3	3-3	Management of material topics	202-207, 454-459
GRI 405	405-1	Diversity of governance bodies and employees	94-97, 208-214
	405-2	Ratio of basic salary and remuneration of women to men	224
GRI 406: Non-discrimination 2016			
GRI 3	3-3	Management of material topics	454-459
GRI 406	406-1	Incidents of discrimination and corrective actions taken	457-459
GRI 407: Freedom of Association and Collective Bargaining 2016			
GRI 3	3-3	Management of material topics	454-459
GRI 407	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	457-459
GRI 408: Child Labor 2016			
GRI 3	3-3	Management of material topics	454-459
GRI 408	408-1	Operations and suppliers at significant risk for incidents of child labor	456, 458-459

GRI 409: Forced or Compulsory Labor 2016			
GRI 3	3-3	Management of material topics	454-459
GRI 409	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	456, 458-459
GRI 413: Local Communities 2016			
GRI 3	3-3	Management of material topics	468-475
GRI 413	413-1	Operations with local community engagement, impact assessments, and development programs	474-485
	413-2	Operations with significant actual and potential negative impacts on local communities	472-473
GRI 414: Supplier Social Assessment 2016			
GRI 3	3-3	Management of material topics	458-459
GRI 414	414-1	New suppliers that were screened using social criteria	No new suppliers were engaged in 2025
	414-2	Negative social impacts in the supply chain and actions taken	458
GRI 415: Public Policy 2016			
GRI 415	415-1	Political contributions	No political contributions were made.
GRI 416: Customer Health and Safety 2016			
GRI 3	3-3	Management of material topics	414-415, 426-427
GRI 416	416-1	Assessment of the health and safety impacts of product and service categories	426-427
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	427
GRI 417: Marketing and Labeling 2016			
GRI 3	3-3	Management of material topics	450-451
GRI 417	417-1	Requirements for product and service information and labeling	450-451
	417-2	Incidents of non-compliance concerning product and service information and labeling	451
	417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communications were recorded during the reporting period.
GRI 418: Customer Privacy 2016			
GRI 3	3-3	Management of material topics	425
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	425

Vicostone Joint Stock Company

Head Office: Hoa Lac High-Tech Park, Hoa Lac Commune, Hanoi, Vietnam

Tel: +84 24 3368 5826

Fax: +84 24 3368 6652

Email: quanhecodong@vicostone.com

Website: <https://vicostone.com>

