PART VI

Environment

Through the proactive adoption of green solutions, energy-transition initiatives, circular-economy practices and other measures, Coteccons is working to reduce GHG emissions across its construction sites and offices. The company also proactively collaborates with experts to conduct GHG inventories, continues to refine its methodology and remains committed to data transparency, with the aim of driving substantive action toward sustainable development.

Professor **ĐẶNG MẬU CHIẾN**, PhD
Consultant – Independent Member Of Coteccons' ESG Subcommittee

TAKING THE LEAD TO build an advantage

Preparing GHG inventories lays the foundation for managing GHG emissions based on data rather than commitments alone. At the same time, the 3R principle not only helps protect the environment but also delivers economic benefits directly at construction sites. Having worked alongside Coteccons on GHG inventories and the implementation of the 3R principle, Professor Dang Mau Chien, PhD, Consultant and Independent Member of the ESG Committee, shared his perspectives on this work and the next stage of Coteccons' journey.

The Infiniti (Riviera Point – Phase 1C) in Ho Chi Minh City is Vietnam's first high-rise project to use CO_2-mineralized concrete, helping reduce carbon emissions during construction.

EXAMINING THE DATA, LOOKING AT THE REALITY ON THE GROUND

While current legislation requires GHG inventories only for certain high-emitting facilities, Coteccons has proactively taken the lead in preparing GHG inventories for its projects and construction sites. This is a strategic movement that not only helps the company mitigate legal risks, but also enhances its brand reputation and optimizes operating costs.

THE LONG JOURNEY OF GHG INVENTORY PREPARATION...

Coteccons has been preparing GHG inventories since 2023. At the outset of his work with Coteccons, Professor Chien said that he made only the adjustments needed to reflect actual conditions.

Fundamentally, preparing GHG inventories for a general contractor differs markedly from doing so for a manufacturing company. A general contractor may have around a hundred construction sites spread across Vietnam, with emissions sources that are mobile and temporary, depending on project locations and construction phases. GHG inventory work therefore requires a different approach from that used by typical manufacturing companies with only a few fixed factories.

Nearly 62% of Coteccons' projects/sites conduct GHG inventories. Given the nature of the construction industry, personnel move between sites quickly and frequently, which also affects GHG inventory training and guidance. For this reason, conducting GHG inventories in the construction industry, especially for general contractors, is not simply a matter of applying a standard template.

In 2025, when he began working with Coteccons on GHG inventory, Professor Chien recommended to the ESG Committee that certain aspects of the GHG inventory software be adjusted. For example, the inventory data from each construction site showed an aggregate emissions figure. The question was: what activities had the site carried out to generate those emissions? Some small sites recorded high emissions, while some large sites recorded low emissions.

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WHY CONSTRUCTION COMPANIES MUST PREPARE GHG INVENTORIES

- Comply With Applicable Laws and Regulations
- Optimize Costs and Improve Operational Efficiency
- Provide a Basis for Reducing Emissions and Ensure Transparency for Relevant Partners
- Enhance Corporate Brand Value and Strengthen Competitiveness in Tenders, Particularly for FDI Projects

"We cannot determine whether this is right or wrong, because each project and construction site is of a different scale. To know whether emissions are low or high, we need to know which activities were carried out to generate them," Professor Chien observed.

His research found that Coteccons' civil projects have seven main construction phases, each comprising multiple detailed work activities. Therefore, in addition to entering activity data for the GHG inventory period, personnel also need to record which construction activities were carried out during that period. This provides a logical basis for interpreting each site's emissions: whether they are high or low depends on the work carried out during the period.

ACTING EARLY TO AVOID BEING CAUGHT UNPREPARED

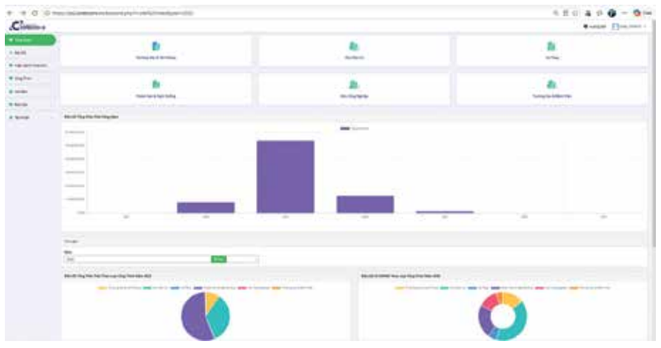
Nearly 62% of Coteccons' projects/sites conduct GHG inventories.
The Government recently issued Decision No. 42/2026/QD-TTg, dated August 10, 2026, requiring 2,441 businesses across the following sectors to conduct greenhouse gas inventories: energy; transport; construction; agriculture, forestry and land use; industrial processes; and waste.

According to international reports, the buildings and construction sector accounts for approximately 34–39% of global CO_2 emissions. A sector responsible for nearly 40% of CO_2 emissions will inevitably come under stricter government oversight. Where, then, will the Ministry of Construction obtain data to allocate allowances? Professor Chien believes that, in the near future, competent authorities will request major general contractors, particularly leading companies, to provide GHG inventory reports as a basis for allocating emissions allowances.

"Coteccons' GHG inventory preparation at this stage is therefore both necessary and strategically sound. Taking action before it becomes mandatory helps us stay in control," Professor Chien said.

If a company's emissions are lower than its allocated allowance, what does it gain? The surplus may become a tradable asset on the carbon market. If emissions exceed the allowance, the company must purchase carbon credits to make up the shortfall.

According to Professor Chien, as of the end of July 2026, the construction industry was not yet required to prepare GHG inventories. Therefore, any company taking the lead is doing so voluntarily. New initiatives require trial and error. For example, the model being implemented has shown some positive results and has been registered for intellectual property protection. Professor Chien added that, at Coteccons, emissions are measured using actual site data, and the team works out solutions as issues arise. Entering activity data also requires a method and supporting documentation to ensure accurate calculations.



Coteccons' GHG inventory system.

Modular fencing can be used for an average of four projects, with a recovery rate of approximately **85%** after each project.

For material costs alone, over a four-project cycle, the traditional fencing option costs approximately VND 3,200,000 per meter, while the modular option costs approximately VND 1,160,000 per meter, representing savings of approximately **63.75%**.

(Excerpt from the article "Applying the Circular Economy to Temporary Works in Construction...", published in the Vietnam Journal of Science, Technology and Engineering on 24 June 2026; Professor Dang Mau Chien, PhD, and Engineer Nguyen Minh Sang)

THE 3R PRINCIPLE THROUGH MODULAR, REUSABLE SITE FENCING

Many Coteccons construction sites are piloting a modular temporary site fencing system that can be dismantled, recovered and reused in line with the 3R principle, an initiative that delivers economic benefits and meets ESG standards.

The 3R hierarchy starts with reduction, followed by reuse and, only then, recycling. According to Professor Chien, it is important to reduce material use first, then reuse materials, and recycle only as the final step. Coteccons has recently completed a successful pilot involving the design and manufacture of several modular site fences that are compact, easy to assemble and reusable. This puts the 3R principle and circular-economy practices into action.

As a result of this initiative, whenever a new project is secured, the site management team no longer needs to call in a subcontractor to build a temporary fence. It simply needs to notify the company of the required number of meters of fencing and modules. The Equipment Department keeps the components in stock, transports them to the site and assembles them. This speeds up installation and reduces the workload for the site management team. More importantly, it puts the 3R principle into practice directly at the construction site. The fencing is designed and manufactured from purlins, posts and materials already in storage, without the need to purchase new materials. This is the Reduce element in practice: minimizing the need for new materials.

When a project is completed, the company dismantles and recovers the fencing, then redeploys it to the next project as a company asset. This is the Reuse element in practice. At the end of the use cycle, when the components reach the end of their useful life, they are disposed of and sent for recycling, completing the Recycle stage. In this way, the temporary fencing system puts all three elements of the 3R principle into practice at Coteccons construction sites.'

A preliminary estimate suggests that this type of fencing can be used for at least four consecutive projects. This approach saves both money and time while improving asset management.

Under this approach, Coteccons is continuing to roll out modular temporary offices for site management teams, which can be dismantled, recovered, stored and reused across multiple projects.

Energy

The construction industry is one of the most energy-intensive and GHG-emitting sectors of the economy. By proactively working with experts and scientists, Coteccons is increasing the use of green energy and implementing a range of solutions to reduce GHG emissions across its construction sites.

For Coteccons, these emissions-reduction efforts need to be backed by reliable data and measurement, rather than simply by a figure presented for appearances' sake. In FY2026, the company is therefore focusing on three priorities: Expanding GHG inventory coverage to every construction site; Standardizing calculation methodologies in line with the GHG Protocol and ISO 14064-1:2018; and Integrating inventory data directly into the SAP/ERP system to ensure that all disclosed data is traceable.

As an initial step, Coteccons is working with project owners to reduce GHG emissions throughout project delivery. Measures include installing solar panels and applying the 3R principle at its office and selected construction sites. With guidance from experts and scientists, the company is also adopting new initiatives, technologies and solutions across design, construction and the use of green materials to further reduce emissions. The company continues to refine this process so that GHG emissions reductions can be measured and tracked across the system.

We disclose both indicators that are still being refined and remaining data gaps, because Coteccons believes that transparency about what has yet to be achieved is essential to substantive improvement, rather than presenting only favorable results.

ENERGY CONSUMPTION

Indicator	Unit	FY2026
Total electricity consumption	kWh	15,195,004
Total renewable energy consumption (solar power)	kWh	122,826

1. Coteccons has installed a solar power system at its Ho Chi Minh City office, helping optimize electricity consumption and reduce emissions from its operations.

2. At the Eaton Park project in Ho Chi Minh City, Coteccons uses solar power for the site management office, helping save electricity and reduce emissions.

Greenhouse gas INVENTORY

GHG INVENTORY IN ACCORDANCE WITH THE GHG PROTOCOL AND ISO 14064-1:2018

Coteccons prepares its GHG inventory in accordance with the GHG Protocol Corporate Standard and ISO 14064-1:2018. Under the GHG Protocol, emissions are classified into three scopes. Data from each construction site is integrated into the centralized GHG inventory system. This allows the ESG Subcommittee under the Board of Directors to access data by project and construction stage, rather than relying on a single end-of-period consolidation.

FY2026 GHG INVENTORY RESULTS

Emissions Scope	Main Emission Sources	FY2025 (tCO_2e)	FY2026 (tCO_2e)
Scope 1 - Direct Emissions	Fuel combustion at construction sites, in generators and company-owned vehicles	8,187.64	9,245.69
Scope 2 - Indirect Emissions from Purchased Energy	Grid electricity consumed at construction sites and offices	16,016.66	16,579.48
Total Scope 1 + Scope 2		24,205.30	25,825.17

GHG INVENTORY COVERAGE

Indicator	Unit	FY2026
Number of construction sites reporting through Coteccons' GHG inventory system	Sites	55
Total number of active construction sites during the reporting period (1 July 2025 to 30 June 2026)	Sites	89
Number of personnel trained in GHG inventory	People	More than 350

GREEN BUILDINGS AND EMISSIONS REDUCTION COMMITMENTS

This indicator reflects Coteccons' ability to meet the requirements of FDI project owners - a client group that prioritizes contractors able to demonstrate green-building credentials from the tender stage. The number of green suppliers rose from 61 to 64 compared with the previous period, showing the growing reach of the company's green procurement policy, although the number remains modest relative to the scale of its partner network.

Indicator	Unit	FY2026
Number of projects applying green building standards (LEED, Green Mark, LOTUS)	Projects	51
Number of suppliers meeting green supplier criteria	Suppliers	64

FY2027 PRIORITIES

- Increase GHG inventory coverage from 61.79% to 100% of construction sites within the reporting scope, including newly awarded projects and those completed and handed over during the period.
- Establish a Scope 3 inventory for significant emission sources in the materials supply chain, fully distinguishing it from avoided emissions resulting from the use of green materials.
- Publish a methodology note on calculating avoided emissions, setting out the emission factors and counterfactual scenarios for each material category.
- Disclose quantified annual emissions-intensity reduction targets, using FY2026 as the base year.
- Progressively implement independent assurance for material emissions indicators.

FY2026 GHG EMISSIONS MANAGEMENT PERFORMANCE

In 2026, Coteccons continued to manage greenhouse gas emissions effectively as its operations expanded significantly. While the number of projects increased by 59%, Scope 2 emissions from electricity consumption rose by only around 3.5% compared with 2025. This result reflects the effectiveness of the expanded use of LED lighting and solar power at construction sites. Although the 80.97 tCO_2e reduction accounts for only about 0.5% of total Scope 2 emissions, these initiatives have demonstrated the effectiveness and practical feasibility of energy-saving solutions at construction sites. This provides an important foundation for Coteccons to expand their use across all projects in the coming years. The company will also continue to standardize calculation methods and data management to improve the effectiveness of its GHG inventory process, gradually strengthening the impact of its efforts to reduce emissions and advance sustainable development.

From waste minimization and segregation to recovering materials and resources for direct reuse on site, Coteccons is progressively embedding circular-economy thinking across its construction activities.

THE PATH TO A circular economy AT CONSTRUCTION SITES

Coteccons has made the circular economy a priority in its environmental management and part of its long-term business strategy. Keeping materials and assets in use for as long as possible reduces the resource intensity and emissions of construction activities. The company also seeks to optimize material costs, limit exposure to supply volatility and strengthen its competitiveness.

To advance its "Sustainable Construction Site" objective, Coteccons is taking this commitment a step further by setting a circular-economy goal and reshaping its sustainability management in three areas:

- **From The Site To The Value Chain**:

The scope extends across the entire project lifecycle and supply chain, from design and construction to use, dismantling, recycling and material reuse. This enables environmental impacts to be identified and managed both upstream and downstream.

- **From Compliance Management To Long-Term Value Creation**:

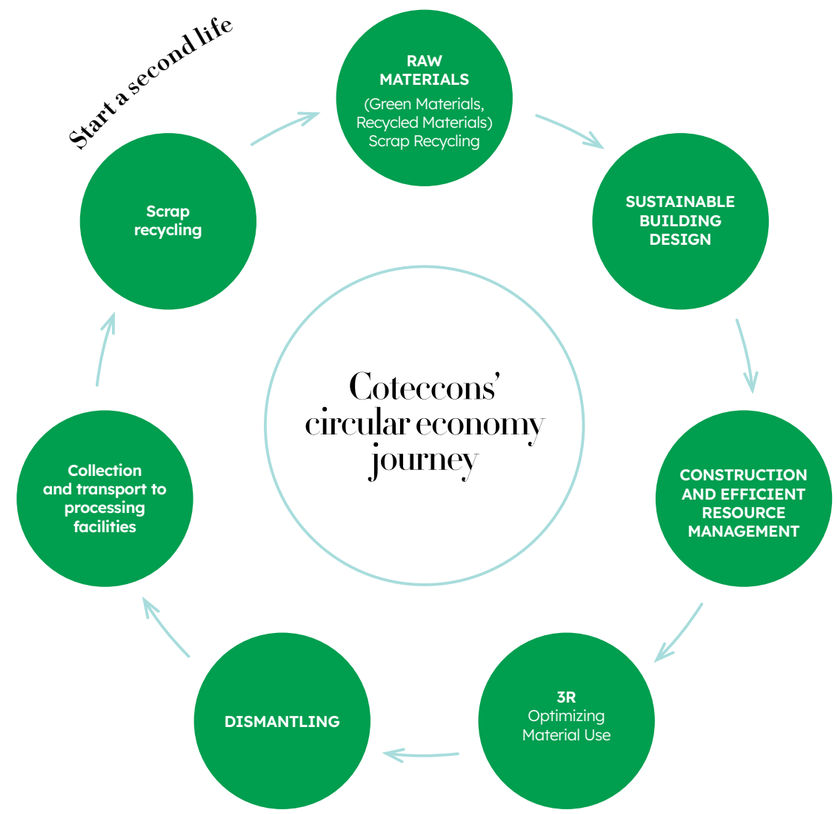
Resource and waste management goes beyond meeting legal requirements and becomes a source of business value through cost savings, recovery of value from surplus materials, expanded markets for recycled products and stronger stakeholder trust.

- **From "Reducing Impacts" To "Regeneration And Restoration"**:

This means prioritizing green and recycled materials, extending their useful life and supporting ecosystem restoration to create positive outcomes for natural resources and the environment.

CIRCULAR ECONOMY DIAGRAM AT COTECCONS

COTECCONS APPLIES THE **3R** PRINCIPLE OF REDUCE, REUSE AND RECYCLE



DON'T TURN IT INTO SCRAP JUST YET

FROM MATERIAL REUSE TO A 3R-BASED CIRCULAR SYSTEM FOR TEMPORARY WORKS

3R

The 3R mindset is reshaping how the construction industry uses materials: reducing waste, using materials more efficiently, conserving resources and creating new value from materials that might otherwise be discarded.

One area Coteccons is exploring is how circular-economy principles can be applied to temporary works. These are common across most construction sites, including site fencing, site management offices, stairs, walkways, guardrails, canopies and ancillary structures. Although needed only during construction, they recur across projects and require significant quantities of steel.

Traditionally, many of these components are fabricated separately at each site. When a project ends, they are dismantled, with some materials lost or sold as scrap, reducing the value that can be recovered.

In response, Coteccons has undertaken the research project "Applying The Circular Economy To Temporary Works In Construction: A Case Study Of Modular, Reusable Site Fencing." The solution uses available scaffolding materials such as steel tubes, purlins, clamps and bolts to create modular fencing, replacing conventional welded connections with demountable ones.

The company has also developed a lifecycle management process for these materials, covering preparation, inspection, release from storage, installation, use, dismantling, segregation, maintenance and storage, followed by redeployment to the next project and recycling at the end of their useful life.

Results show that the modular fencing system can be used across an average of four projects, with a recovery rate of approximately 85% after each project. Considering material costs alone over a four-project cycle, the modular option costs approximately VND 1.16 million per linear meter for fencing about 2.2 meters high, compared with approximately VND 3.20 million per linear meter for the conventional option. This represents savings of around VND 2.04 million per linear meter, or 63.75%. More importantly, the model reduces the need for new steel, limits losses after dismantling, improves asset control and reduces the amount of material discarded after each project.

The modular fencing system, designed for disassembly and reuse, has been deployed at the Celesta Gold project in Ho Chi Minh City.

THE RESEARCH FOCUSES ON TWO AREAS:

- **For Rented Container Offices**: Coteccons is studying how auxiliary components such as stairs, walkway flooring, guardrails, canopies, toilets and connection systems can be standardized as modular, bolted assemblies that can be dismantled, maintained, stored and transferred between projects.
- **For Temporary Panel Offices**: The research aims to develop a standardized Coteccons modular system for common sizes of approximately 250–400 m², instead of having each construction site design and fabricate its own solution.

Building on these results, Coteccons is extending the same circular principles to temporary site offices through the research project "Research On The Design And Standardization Of Reusable Prefabricated Temporary Site Offices For Coteccons Construction Sites Under The 3R Principle And Circular-Economy Principles."

Beyond the technical solutions, the study also aims to establish a lifecycle management system for these components, covering coding, records, usage logs, condition checks, maintenance and transfer planning between sites. This turns temporary components from materials consumed by individual projects into assets that can be reused across multiple project cycles. It can also shorten site preparation time, improve installation safety and create a consistent Coteccons visual identity.

Together, the two studies illustrate Coteccons' step-by-step approach to the circular economy: piloting, assessment, standardization and scaling up. From modular fencing that has already proven effective in practice to temporary site offices now being studied for standardization, Coteccons is gradually building a circular system for temporary works. The priority is to reduce demand for new materials, reuse components across multiple projects and recycle them only when further reuse is no longer possible.

This approach creates value across all three ESG dimensions. Environmentally, it conserves resources and reduces discarded materials. Socially, it improves working conditions, occupational safety and professionalism on site. From a governance perspective, it supports standardized design, lifecycle asset management, component coding and better control of material transfers between projects. In this way, the circular economy is not only an environmental approach. It also improves management effectiveness and creates long-term value in Coteccons' construction operations.

Mr. LÊ DANH DUYÊN
Deputy Manager of Construction Engineering Department

COTECCONS' SUSTAINABLE CONSTRUCTION SITES:

From unfired bricks to automation

ESG is becoming a mandatory "passport" for construction companies to access green finance and seize opportunities arising from FDI inflows. Recognizing this, Coteccons has taken the lead in reshaping its operating model, embedding green principles into management and operations at every level, from individual construction sites to the entire organization.

TECHNOLOGY AND GREEN MATERIALS

According to Mr. Lê Danh Duyên, Deputy Manager of Construction Engineering Department, a truly sustainable construction site must go beyond the traditional focus on concrete, steel and handover schedules. It must also protect workers, use resources efficiently and minimize environmental impacts.

"Before any activity begins, each task undergoes a risk assessment, while method statements are reviewed and approved to ensure workers can carry out their work safely. Rest areas, drinking water and sanitation facilities are also provided and maintained on site, improving working conditions and reducing the risk of occupational accidents," Mr. Duyên said.

Alongside its focus on people, Coteccons has invested in digital technology and technical innovation. Since 2015, the company has applied Building Information Modeling (BIM) across numerous projects nationwide. BIM enables clashes among structural, architectural and MEP systems to be detected and resolved early, reducing issues that arise on site, shortening timelines and optimizing costs.

At projects such as LEGO, Pandora, Vietnam National University Ho Chi Minh City (VNU-HCM) and Lotus Tower, Coteccons has incorporated AI-enabled surveillance cameras and automated equipment into site management. These solutions support occupational safety monitoring, identify operator activity inside tower crane cabins, and track project progress while providing near-real-time risk alerts.

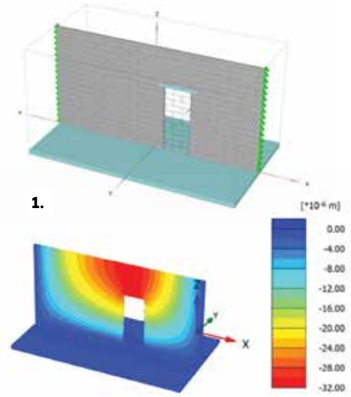
In tandem with its digital transformation, Coteccons has expanded the use of mechanized and automated equipment on site to replace manual tasks that pose safety risks. Mortar mix spraying machines, mini concrete pumps and pile-head breaking machines, for example, reduce physical strain and accident risks while improving productivity.

"Instead of workers carrying buckets of mortar up to elevated work areas, mixing and pumping systems deliver mortar directly to the point of use, making construction faster and safer," a representative of the Construction Engineering Department noted.

Beyond equipment automation, another key technical advancement is Coteccons' adoption of unfired brick wall systems across multiple projects. Coteccons is currently working with Ho Chi Minh City University of Technology (VNU-HCM) on research to further refine this solution and mitigate wall cracking, with the aim of improving finishing quality, lowering warranty costs and reducing carbon emissions compared with conventional fired bricks.

According to Mr. Duyên, end-to-end control of unfired bricks from the factory to the construction site also helps reduce construction waste while encouraging subcontractors and suppliers to gradually transition toward low-emission materials.

> "A sustainable construction site is not simply a place where a project is completed. It is a place where every technical decision is guided by the need to protect people, conserve resources and create long-term value for the environment."
>
> Mr. **Lê Danh Duyên**
> Deputy Manager of Construction Engineering Department



1. Simulation of the structural behavior of an unfired brick wall as part of research into improving unfired brick wall systems.

2. Coteccons and Ho Chi Minh City University of Technology conduct an on-site survey at Global City CT8-9 in Ho Chi Minh City as part of research into improving unfired brick wall quality.

PRACTICAL BARRIERS AND THE THREE PILLARS OF SUSTAINABLE DEVELOPMENT

The transition still faces several practical barriers, including uneven awareness across the industry, high upfront investment costs, and limited waste treatment infrastructure in Vietnam. Nevertheless, Coteccons continues to pursue this direction and has worked on numerous projects with stringent sustainability requirements. One notable example is LEGO's approximately USD 1.3 billion factory in Bình Dương. The project owner has announced that the factory meets LEED standards and aims to become LEGO's first carbon-neutral factory.

Mr. Lê Danh Duyên believes the construction industry needs to focus on three pillars to prepare for its next stage of development. The first is green materials, with priority given to low-emission and circular materials. The second is data and digital technology, with BIM as the foundation, progressing toward the use of Big Data to integrate operational data at scale and Digital Twin technology to digitally simulate buildings, supporting lifecycle management, optimizing operations and reducing risks. The third is people management: technology can only deliver its full value when teams are properly trained and a strong safety culture is maintained on site.

According to Mr. Duyên, ESG only becomes meaningful when it is translated into measurable criteria for each project rather than remaining a set of commitments on paper. Even when project owners do not place strong emphasis on ESG requirements, Coteccons still proactively applies green solutions within the limits of cost and technical feasibility.

SUSTAINABILITY IS NO LONGER A SLOGAN. IT IS BECOMING A CORE COMPETITIVE CAPABILITY FOR COTECCONS, ENABLING THE COMPANY TO MEET THE STRINGENT REQUIREMENTS OF INTERNATIONAL PROJECT OWNERS, SAFEGUARD ITS RESOURCES AND REINFORCE ITS POSITION AS AN INDUSTRY LEADER.

Mr. **NGUYỄN MINH SANG**
Head of Equipment Department, Coteccons

THE JOURNEY OF OPTIMIZING ASSETS AND *protecting the environment* AT COTECCONS

Construction is widely regarded as a major pillar of the economy, yet it is also one of the most resource- and carbon-intensive sectors. In Vietnam, Coteccons aims to be a responsible force in the industry by taking the circular economy and the 3R principle beyond the ESG reports and bringing them to life at every construction site.

Traditionally, construction equipment management has often been associated with high operating costs and the burden of waste left after each project. However, Nguyễn Minh Sang - Head of Equipment Department, Coteccons - takes a different approach. At Coteccons, the 3R principle is a core tool that enables the company to conserve resources and optimize business efficiency. Discussing the implementation roadmap, Mr. Sang said that, from the outset, the company had set out to select equipment solutions aligned with modern, sustainable trends and designed to maximize service life. While many believe that complying with green standards will create significant financial pressure, Mr. Sang maintains that, when implemented systematically, this is in fact an effective cost-reduction strategy. For example, The installation of site fencing clearly illustrates this in practice. Previously, contractors typically had to purchase new materials, cut and weld them manually, and then discard them when a project was completed.

To put ESG into practice, Mr. Sang and the engineers of the Equipment Department explored ways to make use of existing construction equipment. Rather than using high-powered cutting and welding machines that generate carbon emissions and affect workers' health, the new modular, reusable site fencing is assembled entirely with pins and bolts. Installation is quicker, dismantling is easier, and the fencing can then be reused on other projects. Although the initial investment is slightly higher, the long-term economic benefits are substantial.

Addressing concerns about the logistics costs of reusing equipment, Mr. Sang explained that these standardized modules do not require costly cutting or melting processes. They can be flexibly assembled on site into fencing, guardrails or temporary canopies. This approach reduces the logistics burden and fuel consumption while still meeting demanding construction schedules.

As part of its ESG efforts, the company has also switched most of its lifting equipment to electric power to reduce GHG emissions. Mr. Sang and his colleagues continue to explore high-capacity battery technology for construction machinery.

> "Implementing the 3R principle turns equipment from a cost burden into an asset that continues to create value, while ensuring occupational safety and advancing sustainable development."
>
> Mr. **Nguyễn Minh Sang** - Head of Equipment Department, Coteccons

Beyond machinery, standardizing temporary site offices is another highlight. To avoid waste from each site management team setting up its own office, the company has introduced common specifications covering floor area, lighting systems, cooling equipment and furnishings. This brings greater consistency to tendering and procurement, secures more favorable pricing, saves teams time on preparation, and allows office components and materials to be easily dismantled and transferred to subsequent projects.
In the period ahead, Coteccons' Management Team and the Equipment Department will focus on key product lines and clearly identify technology trends so that a single investment can meet multiple construction needs.

Building a green supply chain also requires rigorous partner selection. Rather than focusing on low upfront prices, Coteccons prioritizes partnerships with manufacturers that offer solutions to minimize environmental impacts and support long-term sustainability. In an emissions-intensive industry, ending the practice of purchasing equipment for short-term use and instead investing in durable product lines is the most practical way to reduce the carbon footprint.

Initial doubts about changing construction practices have gradually faded as various departments, together with the Equipment Department, have successfully demonstrated these approaches on selected projects.

From uniforms woven from recycled fibers and the smart redeployment of tower cranes to green material standards, the circular economy is becoming a guiding principle in the operations of the modern construction industry. Experience shows that, when technology goes hand in hand with responsibility, green, clean and beautiful structures can indeed stand tall without burdening the environment.

MANY BELIEVE THAT COMPLYING WITH GREEN STANDARDS WILL CREATE SIGNIFICANT FINANCIAL PRESSURE; HOWEVER, WHEN IMPLEMENTED SYSTEMATICALLY, THIS IS IN FACT AN EFFECTIVE COST-REDUCTION STRATEGY.

EXAMPLES OF Sustainable CONSTRUCTION SITES

Coteccons' selection by LEGO as the general contractor for the LEGO Manufacturing Vietnam project in Binh Duong demonstrates the company's outstanding construction capabilities and ESG practices.

Mr. NGUYỄN VĂN PHONG
Acting Project Director, Gia Binh Airport Project, Coteccons

Gia Binh airport:

GOING GREEN STARTS WITH BALANCING INTERESTS

Gia Binh International Airport is a key national infrastructure project whose investment policy has been approved by the National Assembly. Built to international standards, it is envisioned as a new-generation, smart, green and sustainable airport meeting five-star standards. At Gia Binh, Coteccons has demonstrated its construction and site management capabilities, working alongside other contractors to overcome challenges and maintain progress through round-the-clock efforts in "three shifts and four crews", in line with the Prime Minister's direction and encouragement.

Coteccons is building the air traffic control (ATC) tower at Gia Binh International Airport (Bac Ninh) to keep the project on schedule.

BALANCING INTERESTS

Under the Ministry of Construction's 2021–2030 plan, Gia Binh Airport is expected to have an annual capacity of approximately 30 million passengers and 1.6 million tonnes of cargo. By 2050, capacity is projected to reach around 50 million passengers and 2.5 million tonnes of cargo a year. More recent updates on the investment plan indicate that the project is set to expand further in scale, with an initial capacity of 30 million passengers before increasing to 50 million in a later phase.

At the project, Coteccons is part of the general contractor consortium delivering several key work packages. The Company applies Environmental, Social and Governance (ESG) principles consistently across its work, supporting the broader vision for Gia Binh as a modern, smart and green airport built to international standards, with a focus on carbon management. The project management team sees ESG as a shared responsibility, involving teams across engineering, construction, human resources and logistics, while integrating it with established practices in HSE, site management and subcontractor control.

According to Mr. Nguyễn Văn Phong, Acting Project Director of the Gia Binh Airport Project at Coteccons, the Company implements ESG across three specific pillars. "On the Environmental side, we control dust, mud and soil, wastewater, construction waste, fuel and equipment. On the Social side, the

AT GIA BINH, THE PROJECT MANAGEMENT TEAM HAS ESTABLISHED ONE OVERRIDING PRINCIPLE: NEVER TRADE SAFETY FOR SPEED. ANY TECHNICAL SOLUTION THAT SHORTEN CONSTRUCTION TIME BUT INCREASES OCCUPATIONAL SAFETY RISKS OR THREATENS THE ENVIRONMENT MUST BE HALTED. PEOPLE'S SAFETY AND ADHERENCE TO THE RULE OF LAW REMAIN THE ULTIMATE BENCHMARKS FOR DECISION-MAKING.

1. Standing Deputy Prime Minister Pham Gia Tuc inspects progress at Gia Binh International Airport (Bac Ninh). Photo: Viet Nam Government News.

2. Coteccons serves as the general contractor for the air traffic control (ATC) tower and several other major components of Gia Binh International Airport (Bac Ninh).

> "Going green means using resources more wisely, wasting less, generating less waste and leaving less of a burden for the operational phase."
>
> Mr. Nguyễn Văn Phong
> Acting Project Director, Gia Binh Airport Project, Coteccons

focus is on safety, health, working conditions and workers' welfare. On the Governance side, the Company focuses on process control, clear lines of authority, data management and accountability."

For a key project such as Gia Binh, keeping construction on schedule while meeting its commitment to green operations is a significant challenge. The project calls for several components to target LEED Gold certification, the deployment of solar power with a capacity of more than 30 MWp, and carbon management toward Net Zero by 2050.

Asked how these competing pressures can be balanced, Mr. Phong said that "balancing interests" must come first. When the team first began working on the project and implementing ESG, some insisted that ESG would hinder progress, as traffic routing, materials handling or stopping equipment for inspection could all slow construction. For Mr. Phong, balancing interests means keeping sight of the shared long-term goal: completing the project on schedule without leaving behind risks of accidents or environmental harm.

"When faced with difficult situations, I always come back to three things: people must be safe; site data must be recorded truthfully; and the rule of law, transparency and accountability must be upheld. If an option gets us there faster but increases the risk of accidents or environmental harm, we have to rethink it," Mr. Phong said.

GREEN GOALS

At Gia Binh, several components - particularly the passenger terminal - are being designed to satisfy LEED Gold standard. Developed by the U.S. Green Building Council, LEED is a widely used green building rating system that assesses a comprehensive range of criteria, including energy, water, materials, indoor environmental quality and waste management.

Mr. Phong believes the real challenge of LEED lies not in the final documentation, but in the discipline required every day on site. If the terminal is to meet green building standards, the site must get it right from day one. During construction, contractors need the knowledge, experience, teams and systems required to manage LEED criteria effectively. Measures to reduce electricity consumption, optimize natural light and use renewable energy are all factored in as early as the design stage.

Another important part of ESG at Gia Binh is emissions management. The airport will implement the Airport Carbon Accreditation (ACA), a global carbon management accreditation programme for airports, with 663 airports across 94 countries currently participating. ACA assesses efforts to measure, manage and reduce emissions across multiple levels, with the aim of progressing toward Net Zero by 2050. Making the project's green goals a reality is a shared responsibility across the project, from engineering, occupational safety and procurement to subcontractors, human resources and logistics. As Mr. Phong puts it: "Going green means using resources more wisely, wasting less, generating less waste and leaving less of a burden for the operational phase."

TAKING CARE OF THE 'GREEN MOMENTUM KEEPERS'

According to Mr. Phong, workers who are short on sleep or come to work hungry can easily lose concentration, creating safety risks. Recognizing this, the contractor proposed going further than usual in caring for workers. Coteccons seeks to provide quality worker accommodation, clean drinking water, adequate meals and regular health checks. These measures are not simply about welfare; they are also part of site risk management. Mr. Phong describes the workforce as "the 'green momentum keepers' of the project."

In that sense, Gia Binh is more than a major infrastructure project. It is also a test of a new approach to construction: fast but never careless, green but measurable, and modern without losing sight of people. Ultimately, a sustainable construction site begins with everyday things: a clean walkway, properly operated equipment, honestly recorded data, and a worker returning home safely after a shift.

As a subcontractor responsible for reinforced concrete works on the Phu Quoc International Airport Expansion Project, a major infrastructure project for APEC Economic Leaders' Week 2027, Coteccons is not contractually required to implement ESG practices, nor does it have a dedicated budget for sustainability activities. So what keeps the project team committed to these strict standards?

The answer lies in a choice: to go beyond what is required.

Mr. HOÀNG THANH BÌNH
Project Director for the Phu Quoc Airport project at Coteccons

PHU QUOC AIRPORT PROJECT:

ESG driven by Coteccons' dedication

CREATING GREEN VALUE THROUGH EVERYDAY ACTIONS

According to Mr. Hoàng Thanh Bình, Project Director for the Phu Quoc Airport project at Coteccons, ESG implementation at the construction site is not treated as an additional task or a measure taken merely in response to inspections. Instead, it is how the Coteccons team puts professional ethics into practice and builds brand credibility through positive actions every day.

For example, at many sites, construction waste often receives attention only when an inspection is due. At the Phu Quoc Airport project, however, the Coteccons team proactively identified and segregated waste from the outset.

On site, domestic waste and construction waste are segregated at the source and handled in designated areas in accordance with project and client requirements. These seemingly simple practices help keep the site orderly and clean while demonstrating responsibility toward the environment and the surrounding community.

The Coteccons team has also applied the 3R principle throughout the project. Concrete quantities are carefully calculated to minimize surplus and waste. During construction, the project reused 645 m^3 of concrete and avoided generating an additional 1,050 m^3 of surplus concrete, saving more than VND 405 million.

For steel, the site management team proactively sorts surplus material left after fabrication for reuse in suitable work items or redistribution to other projects. This approach has put 1,218 tonnes of steel to effective use while preventing an additional 1,680 tonnes of surplus steel from going to waste, resulting in savings of approximately VND 462 million.

"Saving a single steel bar may not make much difference, but making use of thousands of tonnes of material has significantly reduced material losses and waste generated on site," Mr. Hoàng Thanh Bình said.

CREATING A BETTER WORKING ENVIRONMENT

The Phu Quoc Airport project is moving at full speed to stay on schedule for APEC 2027. For the Coteccons team, this means a heavy workload and intense schedule pressure. At certain stages, construction has continued around the clock under a three-shift, four-crew rotation to keep the project on track.

In these circumstances, the site management team has taken several measures to protect workers' health and support their morale. Centralized worker accommodation has been set up to provide stable living conditions on site. Other tangible forms of support, including drinks on hot days, the Happy Café and Happy Truck programs, and regular health check-ups organized by Coteccons, have also been a great encouragement to workers.

At the same time, a "green, clean construction site" culture is continually reinforced through internal communications, helping everyone from engineers to workers understand their role in waste segregation and in maintaining disciplined, professional working practices

THE MARK OF AN INDUSTRY LEADER

- **645m³ of concrete reused**
- **1,218 tonnes of steel put to effective use**
- **VND 867 million in total savings from material optimization.**
- **Significant reduction in construction waste generated on site**

1. Reusable modular aluminum formwork helps shorten construction time and reduce emissions and construction waste at the Phu Quoc International Airport Project (An Giang).

2. Rendering of Phu Quoc International Airport (An Giang), a major infrastructure project for APEC Economic Leaders' Week 2027.

RESULTS OF A DIFFERENT APPROACH

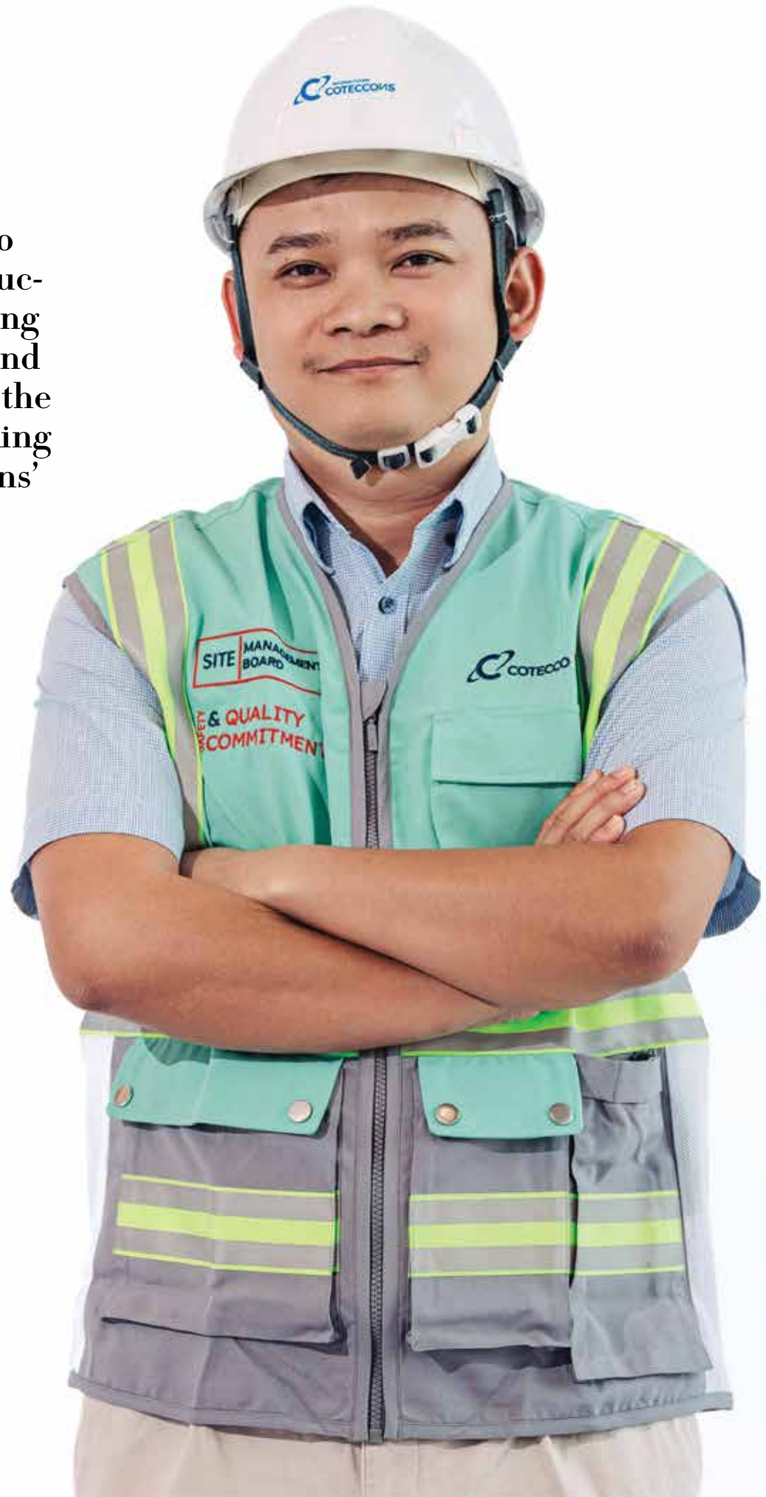
What stands out at the Phu Quoc Airport project, where Coteccons is a subcontractor, is that ESG practices are consistently maintained as part of the company's day-to-day operations. When schedule pressure is at its peak, cutting spending on environmental protection or on the welfare of staff and workers is often the easiest option. Absolutely, Coteccons has chosen not to.

Instead, the project team continues to uphold high standards for safety, hygiene and welfare even during the final push. The value of that choice is also reflected in tangible economic results: material optimization initiatives generated more than VND 867 million in savings through the efficient use of concrete and steel, while significantly reducing construction waste treatment costs. These results directly support the project's goals of resource efficiency and minimizing negative environmental impacts.

The benefits go beyond giving workers greater peace of mind and a stronger sense of connection. They also reinforce Coteccons' corporate culture and commitment to responsible conduct. That reputation is built by people who take responsibility for their work and do what is right every day, even when no one asks them to.

At Phu Quoc Airport, ESG is not a contractual obligation for Coteccons. It is a choice. This helps set Coteccons apart on projects of national significance. It is also how Coteccons helps present a professional image of Vietnam to the international community.

Putting ESG into practice at construction sites is creating a quiet yet profound transformation in the mindset and working habits of Coteccons' workforce.



Mr. NGUYỄN PHI LONG
Site Manager, The OpusK (Metropole 1.14), Coteccons

ESG ON THE CONSTRUCTION SITE:

From strategy to practical implementation

SMALL CHANGES, GREATER PEACE OF MIND

At Coteccons construction sites such as The OpusK (Metropole 1.14), which is aiming to meet stringent LEED Gold standards, ESG practices have moved beyond a box-ticking exercise to become a guiding principle in the day-to-day work of every engineer and construction worker.

Mr. Nguyễn Phi Long, Site Manager of The OpusK (Metropole 1.14) Project, noted that more than 800 workers and engineers are working on site. Seeing how hard hundreds of workers worked each day, with some even having to economize on meals and drinking water, the site management team introduced several small improvements: setting up temporary worker accommodation, providing drinking water, and installing toilets in separate areas. These small steps brought ESG into everyday life. Together, these improvements in worker accommodation and daily living conditions on site have had a positive impact on productivity, engagement and occupational safety across the entire construction workforce.

At The OpusK (Metropole 1.14), thoughtfully arranged rest areas are available across different work zones. All workers need is a simple hammock to have a cool, well-ventilated place to rest, complete with fans and free Wi-Fi - amenities that even some low-cost rental rooms may not offer.

Improving living conditions and standardizing temporary site offices and rest areas help workers feel respected and more connected to their work. When workers feel well cared for, they are also more proactive in following safety requirements and the contractor's general rules.

Mr. Long said these improvements also have a direct impact on productivity: "When basic living needs are adequately met, workers can stay focused on their

WHEN WORKERS FEEL WELL CARED FOR, THEY ARE ALSO MORE PROACTIVE IN FOLLOWING SAFETY REQUIREMENTS AND THE CONTRACTOR'S GENERAL RULES. AS A RESULT, LABOR PRODUCTIVITY INCREASES SIGNIFICANTLY.

> "ESG practices have moved beyond a box-ticking exercise to become a guiding principle for day-to-day operations, shaping even the smallest actions of every engineer and construction worker."
>
> Mr. **Nguyễn Phi Long**
> Site Manager, The OpusK (Metropole 1.14), Coteccons

work without having to leave the site unnecessarily. As a result, labor productivity increases significantly, particularly during evening overtime shifts."

He added that Coteccons' leadership has shaped and implemented its ESG strategy over the years. Extending Environmental, Social and Governance values from the executive level to every department and construction site is a continuous process, reinforced and strengthened over time.

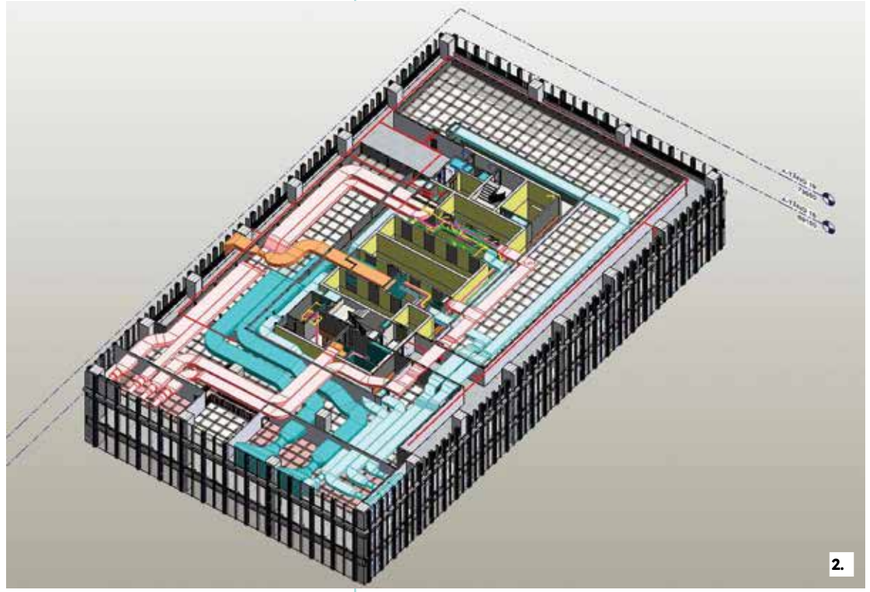
STAYING THE COURSE ON STANDARDIZATION

From the bidding stage, the developer set very high requirements for sustainability and emissions reduction at The OpusK (Metropole 1.14), with the project targeting LEED Gold and Green Mark.

To meet these goals, the project management team worked closely with the ESG team and the cost estimating team to develop a comprehensive control process and assign dedicated personnel for close monitoring. The aim was to achieve the best possible score against the applicable criteria.

From an environmental perspective, green building assessment criteria clearly set stringent requirements throughout the project lifecycle assessment, including design, material selection, on-site construction and future building operations.

At The OpusK (Metropole 1.14), ESG requirements are applied from the design stage through the selection of materials and suppliers, ensuring that all incoming materials, including concrete, aluminum, glass, steel, and stone, meet GHG emissions criteria and have green certifications from independent verifications.



1. Coteccons engineers work with Vietnam National University Ho Chi Minh City (VNU-HCM) to survey and assess test walls at The OpusK (Metropole 1.14) as part of research into improving unfired brick wall quality.

2. Coteccons works with project partners to apply BIM, providing clearer, more detailed information for more efficient review and coordination.

During the construction phase, environmental controls are rigorously implemented. Waste generated on site is segregated at source into three categories: solid waste, domestic waste, and hazardous waste.

To treat construction and domestic wastewater, the project has installed sedimentation and filtration tanks as well as biological treatment tanks. Quarterly environmental monitoring is also conducted to ensure that the wastewater meets applicable standards before being discharged into the municipal wastewater system.

In addition, practical energy-saving measures, such as using air-conditioning condensate to water plants and solar power to light temporary site offices, are tracked and quantified.

In terms of governance, the site maintains daily construction oversight and stays up to date with legal requirements. Risk analysis is carried out at crew level, helping workers move away from subjective judgment, carry out proactive safety checks, and follow procedures on their own initiative.

Through consistent site standardization focused on safety, sustainability and human-centered practices, ESG rules and requirements have gradually become more practical and easier to integrate into day-to-day work. In turn, they have had a positive impact on workers, partners and contractors, making a practical contribution to the sustainable development of the construction industry.

Rather than focusing solely on waste treatment at construction sites, Coteccons has redesigned the entire process, from collection and segregation to sale and value creation, while embedding ESG into decisions made on site.

For this very reason, site security managers have sometimes found themselves reluctantly cast as "the enforcers," as site scrap had previously provided a significant source of income for a small number of people.

Waste collection and segregation area at a Coteccons construction site, supporting effective waste management at source.

Mr. VƯƠNG DŨNG TRÍ
Security Manager, Coteccons

"The recycling enforcer"

GIVING SITE SCRAP A SECOND LIFE

TURNING SITE SCRAP INTO A VALUABLE RESOURCE

In 2025, Coteccons generated more than VND 9 billion from surplus site scrap for the first time. At the same time, Coteccons has continued to standardize and strengthen practices in occupational safety, emissions reduction and community responsibility. This clearly shows that ESG is not merely a complex theory; it can deliver direct financial benefits.

Mr. Vương Dũng Trí, Security Manager at Coteccons, modestly notes that members of the Security team are still learning by doing and addressing challenges step by step. Most importantly, throughout this journey, he has had the support of Coteccons' leadership through timely encouragement, clear guidance and a strong commitment to effective ESG implementation.

"At first, when I heard the leadership team talk about ESG, the 3R principle and the circular economy, it all felt quite unfamiliar. But when we got into practical issues like recycling materials, giving site scrap a second life and ensuring occupational safety, I realized that we were already doing

many of these things on our construction sites," Mr. Trí says. However, it takes time for everyone to develop a shared understanding and change established habits.

Mr. Trí says that applying the 3R principle (Reduce, Reuse and Recycle) and circular-economy practices as part of ESG implementation makes construction sites cleaner, safer and more professionally run. It also creates economic value by lowering waste treatment costs, generating revenue and improving the efficiency of material use, while reducing greenhouse gas (GHG) emissions. However, he acknowledges that ESG implementation also poses many challenges for his team.

One practical challenge arose when the company searched for iron and steel recycling plants that met environmental criteria, including the use of renewable energy and modern processing technology. The required recycling volumes did not align with the amount of scrap Coteccons could recover.

"Recycling plants in Ho Chi Minh City need thousands of tonnes of scrap each month to secure sufficient feedstock, while Coteccons recovers only around 1,000–1,200 tonnes in the area each year. This mismatch in scale and volume is one of the challenges we face in implementing the circular economy," Mr. Trí says.

Faced with this challenge, his team took the initiative to propose that the company work with intermediary collection partners closely linked to recycling plants and meeting stringent environmental standards.

BUILDING AN ESG CULTURE STARTING WITH WORKERS

In addition to the tens of billions of VND in revenue generated from scrap, a clear waste segregation process has transformed once-cluttered construction sites into cleaner, more orderly workplaces. Disputes that disrupted site security and order have also become noticeably less frequent, creating a safer working environment.

The Security team's biggest challenge, however, is persuading workers to change their mindsets and earning their trust through discipline and understanding.

"Implementing ESG is like giving workers more work and responsibility. If they do not understand the benefits, they will not do it," Mr. Trí says.

To set up new habits, the company holds regular training sessions, and its safety guidelines are grounded in hard-won practical experience on construction sites. Mr. Trí recalls one memorable moment. After noticing that small pits on a construction site could endanger workers, he submitted three written proposals to the BOD over three consecutive weeks, recommending that the pits be covered with metal grates made from scrap. The recommendation was approved and gradually became a mandatory safety requirement across Coteccons construction sites.

He says the company's ESG efforts all stem from a desire to provide workers with a safe, modern working environment and help them build better lives over time.

"When more people share the same perspective, it helps me improve and gives me more motivation to keep innovating," Mr. Trí says.

In practice, for ESG to become an advantage, businesses need well-coordinated processes and everyone's active participation. On sun- and wind-swept construction sites, Mr. Trí and the workers are making gradual changes and contributing wholeheartedly to Coteccons' sustainability journey.

The 3R principle in practice at Coteccons construction sites.

> "In the past, site scrap was a source of income for a small number of people, so when we shifted to the 3R approach, the Security team faced quite a few threats. We had to monitor the situation, persuade people and follow the company's rules and regulations. Over time, people began to understand and change their behavior. The sites became cleaner and safer, and productivity improved as well."
>
> Mr. **Vương Dũng Trí**
> Security Manager, Coteccons

Coteccons signs an MOU to launch circular-economy collaboration in the construction industry.

Financial

BENEFITS FROM SUSTAINABLE CONSTRUCTION SITES

Sustainable construction sites are increasingly seen as investments that can generate financial value while strengthening brand reputation. Material reuse, energy optimization, water recirculation and other ESG initiatives can reduce environmental impacts while delivering measurable financial benefits.

Coteccons approaches sustainable construction sites as measurable investments rather than compliance costs. At each project, the costs of on-site solutions, from material reuse and high-efficiency lighting to construction water recirculation, are broken down and the resulting savings quantified. This allows the financial benefits of on-site ESG practices to be measured alongside their environmental benefits.

- **Surplus material liquidation:**
FY2026 liquidation records show 233 transactions across 67 projects/construction sites, involving **1,871,879 kg** of materials and **VND 12,735,606,850** in realized proceeds.

- **Reuse of surplus materials:**
Project teams proactively reuse steel to make guardrails, steps and protective frames for fire extinguishers, helping ensure site safety for engineers and workers.

- **Modular, reusable site fencing:**
The fencing system can be used across an average of four projects, with a recovery rate of approximately 85% after each project and savings of approximately **VND 2.04 million per linear meter**.

- **Energy efficiency:**
Measures include solar power, solar-powered outdoor lighting and inverter LED lighting in temporary site offices and worker accommodation. Together, they reduce annual grid electricity consumption by **122,826 kWh, save more than VND 345 million** in electricity costs and reduce Scope 2 CO_2 emissions by **80,97 tonnes**.

- **Construction water recirculation:**
Treated water is being assessed for reuse in wheel washing, cleaning construction equipment and dust suppression on site.

Sustainable construction sites not only reduce environmental impacts but also generate long-term financial benefits. They also strengthen the company's reputation among shareholders, customers and partners, demonstrating that sustainability can be a worthwhile investment with future returns. Going forward, Coteccons will continue refining its cost-breakdown methodology and financial impact analysis to ensure the approach remains practical and effective.

Ms. ĐINH MINH ĐOAN TRINH
Coteccons Supply Chain Director

BUILDING ON ESG: CREATING AN ECOSYSTEM FOR SHARED GROWTH

By developing "Green Profiles" for supply chain partners, digitizing supply chain data, and creating tools to measure actual emissions, Coteccons is embedding ESG into day-to-day management. Step by step, commitments on paper are being translated into a management system that works in practice, with performance that can be measured and verified.

THE E-PORTAL AND SC CONTROL TOWER ARE STILL BEING ESTABLISHED, AND THEY WILL PROVIDE THE FOUNDATION FOR TURNING ESG FROM COMMITMENTS ON PAPER INTO A PRACTICAL, VERIFIABLE OPERATIONAL CAPABILITY.

"GREEN PROFILE": LIVING DATA, NOT PAPERWORK

Ms. Đinh Minh Đoan Trinh, Coteccons Supply Chain Director, said that when the company first began applying Environmental, Social and Governance (ESG) standards across its supply chain, ESG was never treated as an added cost or a box-ticking exercise. For Coteccons, it is a strategic investment in long-term competitiveness, one that also carries a broader mission to promote safety and social responsibility across the industry ecosystem and its partner network.

That is why "Green Profiles" of our partners are not designed simply to look good on paper. They are meant to function as a living data system, continuously updated as conditions change, giving an accurate picture of each supply chain partner's compliance. This requires the procurement team to continuously assess whether partners meet requirements on emissions, material origin, and occupational safety.

Faced with the challenge of reducing GHG emissions while maintaining cost efficiency, Coteccons has successfully reconciled the two through a clear two-stage supplier selection process. The first serves as the "entry ticket," comprising a set of non-negotiable requirements on occupational safety, environmental compliance, material origin, and minimum emissions standards. Only suppliers that clear this rigorous screening move to the second stage, where price and construction schedule come into play.

This comprehensive approach allows Coteccons to fully address cost pressure without compromising ESG standards. A low price only becomes meaningful once a supplier has fully met the fundamental sustainability requirements.

Ms. Trinh stressed that this principle stands firm even when steel, cement and fuel prices or exchange rates fluctuate sharply.

According to Ms. Trinh, as a general contractor, Coteccons consistently applies two sets of criteria when evaluating suppliers. The first comprises non-negotiable baseline requirements, such as occupational safety, environmental protection, and the prohibition of illegal labor practices. The second consists of additional scoring criteria, including carbon-related certifications, recycled material content, and sustainable sourcing. Depending on the stage, Coteccons can flexibly adjust the priority given to these additional criteria to maintain a balance between schedule, cost, and practical needs.

Even so, Ms. Trinh said the biggest challenge remains measuring suppliers' indirect GHG emissions, particularly among small and medium-sized enterprises, which often do not have internal carbon audit systems. To verify information self-reported by suppliers, Coteccons must invest in spot checks, cross-checks against supporting documents, and on-site assessments. Such verification is essential to making ESG a genuine management capability.

CRITICAL LINKS IN THE ESG CHAIN

In that broader picture, one area has proved unexpectedly powerful: logistics. It has become both a clear ESG lever and the most effective tool for managing GHG emissions. Since Coteccons cannot fully control production operations at its partners' factories, it focuses on the part it can manage directly: maintaining strict control over how goods move from manufacturing to destination.

Recognizing that transport-related emissions can be measured directly, Ms. Trinh said Coteccons is developing the a GHG emissions management system within its Supply Chain Control Tower (SC Control Tower). It quantifies carbon emissions in real time, while creating a single, consistent data source across the organization and removing subjective judgment from the process. This marks an important shift from "talking about ESG" to "measuring ESG."

Ms. Trinh also noted that, alongside managing emissions across the logistics chain, ESG practices help Coteccons proactively control risks and reduce supply costs through flexible sourcing strategies. By diversifying its sources of supply, Coteccons avoids dependence on any single market and can tap a broader range of suppliers, while remaining resilient to disruptions and material-price volatility, backed by pre-negotiated contracts.

At the same time, localizing material sourcing to shorten transport distances helps Coteccons reduce GHG emissions, lower logistics costs, and improve delivery times. Combined with circular-economy practices - recovering, reusing, and recycling materials across projects - this approach further reduces both the need to purchase new materials and the volume of construction waste released into the environment.

Taken together, these efforts deliver operational benefits and serve as a "passport" to high-value projects commissioned by FDI clients such as LEGO and Pandora, which both treat ESG as a mandatory prequalification requirement. The same trend is beginning to reshape domestic business thinking, as raising international capital and accessing green finance increasingly require general contractors to maintain transparent ESG data systems.

THE INDUSTRY LEADER MINDSET: EMPOWERING THE ECOSYSTEM

Aspiring to become the Industry Leader, Coteccons takes a partnership-led approach so that the entire ecosystem can grow together. Rather than treating ESG as a barrier or immediately excluding partners that have not yet met the standards, Coteccons follows a structured ESG roadmap with distinct tiers.

Large strategic partners will have opportunities to pilot advanced solutions, while small and medium-sized enterprises will receive training support, access to technical standards, and basic assessment templates and methods. The E-Portal will be a key enabler of this process, providing a digital platform for two-way data exchange between Coteccons and its partners and helping the green transition unfold organically and effectively. Although the E-Portal and SC Control Tower are still being established, they will provide a solid foundation for ESG to become a real, day-to-day operational capability.

For Coteccons, becoming an Industry Leader is not simply about meeting ESG standards. It is about moving forward with partners so the wider ecosystem can grow together. The most important goal on that journey is to turn ESG compliance requirements into a catalyst for building an ecosystem for shared growth.

Over the long term, Ms. Trinh highlighted three priorities: standardizing ESG criteria under a unified scoring system, deepening dialogue with suppliers, and bringing procurement and ESG data together on a single digital platform.

> "Sustainable procurement is not about paying more for green materials. At its core, it means buying the right product, of the right quality, from the right source, and at the right time so that waste is minimized throughout the project lifecycle."
>
> Ms. **Đinh Minh Đoan Trinh**
> Coteccons Supply Chain Director

Overview of the Pandora Production Vietnam and LEGO factory projects in Binh Duong.

United to rise

Coteccons is extending its ESG approach from construction sites to the entire supply chain, encouraging suppliers and partners to jointly raise environmental, safety and sustainability standards.

BY CENTRALIZING PROCUREMENT, COTECCONS CAN SHORTEN LEAD TIMES, KEEP PROJECTS ON SCHEDULE AND PLAN MATERIAL DELIVERIES MORE EFFICIENTLY, REDUCING GHG EMISSIONS FROM LOGISTICS. PRIORITIZING LOCAL SUPPLIERS ALSO BRINGS ECONOMIC BENEFITS TO THE COMMUNITIES WHERE PROJECTS ARE DELIVERED.

Given the nature of the construction industry, most of Coteccons' emissions fall outside its Scope 1 operational boundary. They arise primarily from the materials, equipment and services supplied by its supplier and subcontractor network. The company therefore identifies the supply chain as its most important lever for reducing emissions and extending ESG practices across its entire partner ecosystem. Coteccons' approach goes beyond supplier screening: it works alongside partners through measurement, feedback, support for improvement and recognition.

CENTRALIZED PROCUREMENT STRATEGY

Amid continued volatility in material prices, logistics and supply conditions, Coteccons is strengthening its centralized procurement model. It leverages economies of scale, diversifies supply sources and builds a network of strategic suppliers to jointly develop a green supply chain.

Coteccons also proactively enters into **6-12-month** framework agreements for selected key material categories, secures supply early, and stages materials at construction sites in line with construction schedules.

As of June 30, 2026, the system recorded approximately **29,738 suppliers and partners**, including **26,473 domestic partners and 320 overseas partners**. Coteccons added 1,685 new suppliers, comprising 1,648 domestic suppliers and 37 overseas suppliers. The number of **green suppliers increased from 61 to 64**, indicating a trend toward broader collaboration with partners that meet environmental standards.

In locations with specific supply conditions, such as Phu Quoc, where a key national project is being delivered on a demanding schedule, Coteccons explores long-term partnerships with local suppliers to secure a more reliable supply while reducing transport-related risks and emissions. This also puts the spirit of "United To Rise" into practice, bringing the construction value chain together to create positive value for workers and communities while supporting the industry's sustainable development.

AVOIDED EMISSIONS FROM GREEN MATERIALS

Coteccons identifies material selection as the most significant lever for reducing Scope 3 emissions and separately tracks the avoided emissions resulting from these procurement decisions.

Avoided emissions are neither added to nor deducted from the Scope 1, Scope 2 and Scope 3 inventory results. This metric is reported separately in accordance with GHG Protocol principles, as a measure of the wider impact of the green procurement policy across the supply chain, rather than as an emissions offset.

In FY2026, the company's core materials portfolio shifted significantly toward lower-emission materials. All steel received during the year came from manufacturers holding ISO 14001:2015 certification and providing documentation required for LEED; 87.7% of this volume met the recycled-content criterion. For cement and concrete, 42.4% of purchased cement volume had third-party green credentials (an SGBC Green Label, an EPD, or a green label issued by the Vietnam Institute for Building Materials). As a result, 28.3% of ready-mixed concrete output qualified as low-emission concrete.

For bricks used in perimeter wall construction, total usage during the period was 189.9 million units, of which 28.7 million, or 14%, were unfired bricks. Coteccons also used 45,742 m^3 of AAC/ALC blocks. The remainder consisted of conventional fired bricks, indicating considerable room for further transition as Coteccons continues to increase its use of low-emission materials.

Thanks to its green procurement strategy, Coteccons avoided 334,845.43 tCO_2e of emissions in FY2026. Green steel accounted for the largest share at 252,043.85 tCO_2e, followed by green concrete at 52,298.50 tCO_2e, green cement at 18,074.30 tCO_2e, and unfired bricks at 12,428.78 tCO_2e.

The company is focusing on two priorities: increasing the share of green-certified cement and concrete in its procurement portfolio, and publishing a methodology note setting out the emission factors and counterfactual scenarios for each material category, allowing avoided emissions to be compared across reporting periods and verified by a third party.

SHARE OF GREEN MATERIALS IN COTECCONS' KEY MATERIALS PORTFOLIO (FY2026)

Material Category	FY2026 Qualifying Volume	Total Purchased	Share
Steel (recycled content)	310,782 tonnes	354,278 tonnes	87.7%
Low-emission ready-mixed concrete	608,122m^3	2,146,245m^3	28.3%
Cement with third-party green credentials	47,476 tonnes	112,009 tonnes	42.4%
Unfired Bricks (Concrete masonry units and AAC/ALC)	88,765m^3	282,362m^3	31.4%

What our partners SAY ABOUT COTECCONS

SUPPLIER ASSESSMENT USING THE ESG SCORECARD

The ESG Scorecard is a supplier assessment tool covering environmental, social and governance criteria and is integrated into the initial partner selection and assessment process. Scores are shared directly with each supplier, together with recommendations for improvement, rather than being used as grounds for exclusion. The rollout is still in its early stages, with 347 suppliers assessed to date. In addition, the supply chain team has conducted periodic assessments of 2,055 subcontractors and suppliers, incorporating ESG criteria into the assessment process.

At the same time, Coteccons is steadily expanding its network of local suppliers around each construction site. Shorter material transport routes help reduce fuel consumption and carbon emissions from logistics, while supporting local economic development. This also helps ensure a reliable supply of materials to construction sites, keeping projects on schedule.

Expanding this network increases the proportion of low-emission materials, recycled materials and materials with traceable origins used in projects delivered by Coteccons.

Fifteen partners were honored at the Coteccons Partner Excellence Awards ceremony.

IMPRESSED BY THE GREEN SUPPLY CHAIN

"Throughout our collaboration, Dulux Professional has been particularly impressed by the tangible ways Coteccons has put ESG into practice. Among the most notable are Coteccons' material supplier assessment scorecard, which shows how ESG is being integrated into its supply chain and partner selection and evaluation, and its green building projects, which demonstrate how sustainability standards are being put into practice.
We look forward to continuing our work with Coteccons and deepening the partnership. In particular, we hope to share solutions, data and experience on sustainable materials and green buildings, while helping improve ESG performance across projects."

Ms. **Nguyễn Thị Cẩm Vân**
Brand Manager, Dulux Professional

TOGETHER IN SERVICE TO SOCIETY

"We have worked with Coteccons on many challenging projects across Vietnam, from north to south. I remember that during difficult times, Coteccons' leadership would tell me: 'If a project is difficult, that's exactly why we have to make it happen, and when we manage to deliver a landmark project, that's when we truly have something to be proud of.' Those words of encouragement have inspired me throughout my years with Coteccons. I hope to continue working alongside Coteccons as we take on new projects, grow and serve society."

Mr. **Hồ Phi Sơn**
Representative, Truong Phong Construction Co., Ltd.

WE HOPE TO CONTINUE WORKING WITH COTECCONS

"We deeply value the work we have done with Coteccons to contribute to society - from giving schools a fresh coat of paint and bringing thoughtful gifts to workers through "Xây Tết", to recognizing long-standing partners who have supported Coteccons over the years. We hope to continue partnering with Coteccons on the development of the Zero Carbon program, under which Jotun has set future targets for its products. At the same time, we look forward to continuing our joint efforts on initiatives that create a positive impact on society."

Ms. **Trương Ngọc Liên**
Sales Manager/Key Accounts, Decorative Paints, Jotun Paints Vietnam Co., Ltd.

EXPANDING THE GREEN SUPPLIER NETWORK

To mark its 21st anniversary, Coteccons held its first series of Coteccons Day events, with the Gala Appreciation Night themed "Coteccons 20+1: Serve To Lead" as the highlight. The event brought together more than 200 Coteccons leaders and over 220 partners, providing an opportunity for the company to thank and honor the suppliers and subcontractors that have worked alongside Coteccons, while spreading the spirit of service and jointly raising standards in Vietnam's construction industry.

As part of the event, Coteccons held the "Coteccons Partner Excellence Awards" (CPEA) for the first time. The awards are intended to strengthen partnerships, build collective strength and create new milestones together. With that in mind, Coteccons plans to make CPEA an annual awards program, carrying forward the "United To Rise" spirit and connecting the construction value chain to create positive value for workers and communities while supporting the industry's sustainable development.

ADVANCING green PRACTICES IN OPERATIONS

From transportation and uniforms to protective clothing, Coteccons is incorporating green standards into everyday operational choices. These small changes are gradually fostering green habits among employees and partners.

GREEN TAXIS

Coteccons has updated its business travel policy, with employees now using Green SM electric taxis for work-related travel. This helps reduce emissions associated with employee travel.

ELECTRIC TAXI USAGE STATISTICS AT COTECCONS

Indicator	Quantity	Unit
Travel Distance	65,393.84	km
Number of Vehicle Trips	8,513	trips
CO_2e Emissions Avoided Compared with Conventional Petrol/Diesel Taxis	4.93 ((Approximately 56% lower emissions than conventional taxis)	tCO_2e

GREEN UNIFORMS

The company prioritizes recycled fibers derived from materials such as pineapple and coffee grounds for employee uniforms and protective clothing at construction sites, turning agricultural by-products into useful new materials. Compared with conventional fabrics, this solution reduces water consumption by approximately 30% and CO_2 emissions by 33%, while cutting energy use by up to 70%.

During the FY2026, more than **23,487 sets of uniforms** made from recycled fabric were put into use. The recycled material used was equivalent to **96,661 plastic bottles** or **the coffee grounds from 58,775 cups of coffee**. More than a change in material, this is a tangible way to make green standards part of everyday life, reinforce the professional image of Coteccons people, and extend these practices to partners working alongside Coteccons.

In the coming period, Coteccons has set the following priorities: expanding the ESG Scorecard to subcontractors, digitizing assessment data to support the Scope 3 GHG emissions inventory, and setting annual targets for the share of procurement spend with green suppliers. Coteccons' ultimate goal is not merely a list of criteria, but a like-minded supply chain that advances together to help set standards for the construction industry.

1, 2. Coteccons uses uniforms made from environmentally friendly pineapple-fiber fabric, demonstrating its ESG commitment through even the smallest actions.

Environmental monitoring and inspection of the wastewater collection and treatment system at the APEC Convention Center project in An Giang.

> To reduce pressure on the environment, Coteccons strictly follows wastewater treatment procedures that meet applicable standards at both its offices and construction sites, as part of its efforts to build a sustainable circular value chain.

OPTIMIZING Wastewater MANAGEMENT

As a general principle, Coteccons requires all wastewater to be collected and treated to applicable standards before discharge into receiving waters. Treatment is carried out in accordance with each project's approved Environmental Impact Assessment report and environmental permit issued by the competent authorities.

Construction activities generate wastewater from multiple sources dispersed across sites with varying geographical conditions and wastewater receiving infrastructure. As a result, wastewater management cannot rely on a single technical solution and must be tailored to the actual conditions of each project.

Alongside its compliance efforts, the company promotes water recirculation and reuse at construction sites to reduce pressure on local water resources and the volume of wastewater requiring treatment.

WATER USE AND RECIRCULATION

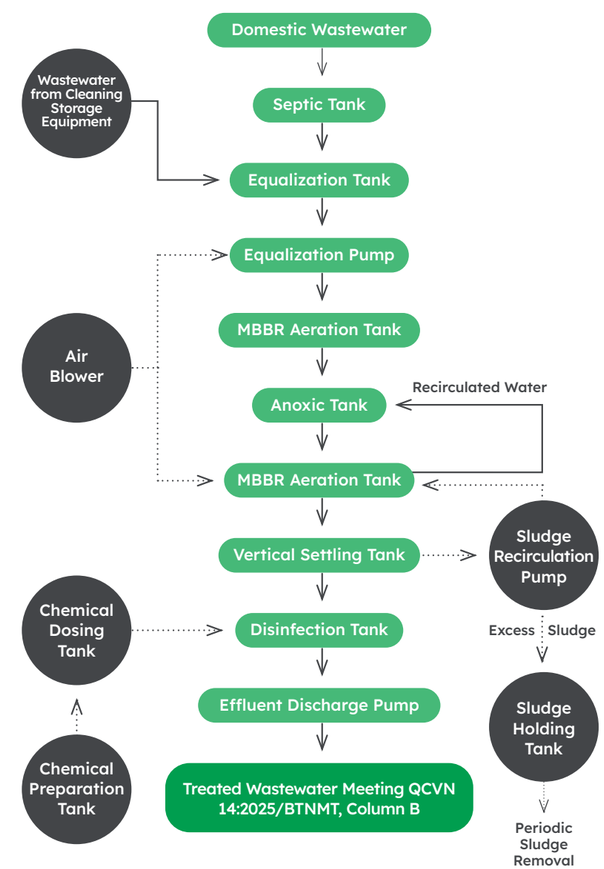
Indicator	Unit	FY2026
Total water consumption	m^3	280,251
Construction sites conducting periodic wastewater monitoring	Construction sites	100%

WASTEWATER TREATMENT PROCEDURE

Coteccons applies its wastewater treatment procedure at two levels: at company level for office operations and at project level for construction activities.

COMPANY LEVEL - HEAD OFFICE BUILDING

Coteccons' head office building is equipped with a system for collecting and treating rainwater and domestic wastewater, with a capacity of **32 m³/day/night**. Treated wastewater meets the requirements of QCVN 14:2025/BTNMT, Column B, before being discharged into receiving waters.



Wastewater Treatment Process Flow Diagram for the Office Building

Wastewater treatment system at the Cao Xa La project in Hanoi.

PROJECT LEVEL

Wastewater treatment at each construction site is based on the project's approved EIA report and environmental permit issued by the competent authorities. This ensures that wastewater sources and the corresponding mitigation measures are accurately identified.

Under Coteccons' Wastewater Treatment Procedure, the appropriate treatment method depends on the type and flow rate of wastewater generated and must comply with the project's environmental documentation and local legal requirements. At projects undertaken by Coteccons, wastewater falls mainly into two categories.

CONSTRUCTION WASTEWATER TREATMENT MEASURES
Washing vehicles before they leave the site, cleaning construction materials, and curing concrete elements after completion.

▼

COLLECTION
Wastewater is directed to on-site settling tanks.

▼

TREATMENT
Sedimentation, oil and grease separation, and water-quality control before discharge.

▼

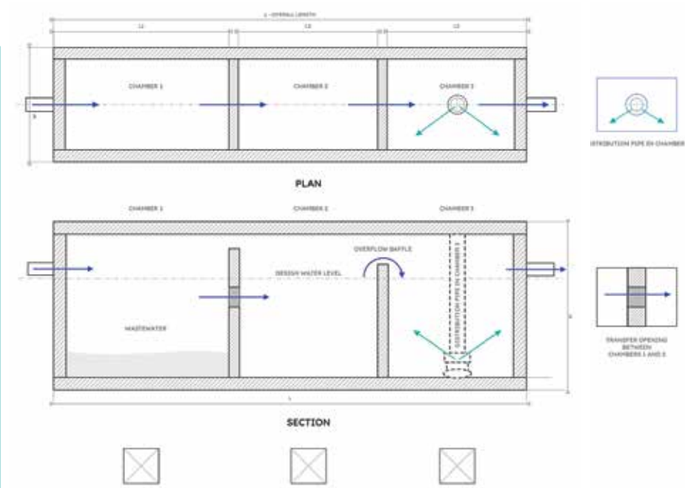
Treated Wastewater Meets Environmental Standards
Meets applicable standards before being discharged into receiving waters.

Sediment Is Collected And Treated In Compliance With Regulations
Soil, sand, and sediment are collected, transported, and treated by an authorized service provider.

▶ GROUP 1:
CONSTRUCTION WASTEWATER

Construction wastewater mainly comes from washing vehicles before they leave the site, cleaning construction materials, and curing concrete elements after completion. This wastewater mainly contains soil, sand and sediment from construction activities and is low in toxicity. Vehicle wash water may contain small amounts of oil and grease, so it must be collected, settled and filtered, then treated as appropriate before discharge.

THREE-CHAMBER WASTEWATER TREATMENT SYSTEM



▶ GROUP 2:
DOMESTIC WASTEWATER AT CONSTRUCTION SITES

Domestic wastewater and related waste from portable toilets at construction sites are collected and stored in dedicated tanks and containers. Coteccons engages licensed service providers for collection, transport and treatment in accordance with legal requirements, and retains the relevant handover records.

▶ GROUP 3:
SPECIAL CASE (PROJECTS IN INDUSTRIAL PARKS AND INDUSTRIAL CLUSTERS)

For projects in industrial parks or industrial clusters, Coteccons completes the procedures required to connect to the local wastewater system. Wastewater is then sent to the area's centralized wastewater treatment facility under a contract between Coteccons and the relevant industrial park or cluster Management Board.

COLLABORATING WITH GAMUDA LAND - A DEVELOPER THAT APPLIES STRINGENT INTERNATIONAL SUSTAINABILITY STANDARDS - COTECCONS DEMONSTRATES THAT MANAGING AND RECYCLING WASTE AT SOURCE CAN BOTH OPTIMIZE COSTS AND REFLECT RESPONSIBLE BUSINESS PRACTICES.

Mr. HUỲNH LỰC
Eaton Park Site Manager, Coteccons

"Green discipline"

AT EATON PARK: TURNING WASTE INTO RESOURCES

Eaton Park is a project developed by Gamuda Land, with stringent construction standards. It is also a site where Coteccons has gone beyond legal compliance in waste management, embedding it in the way ESG is practiced every day.

RECYCLING STARTS AT SOURCE

At Eaton Park, where Coteccons serves as the general contractor for towers A5 and A6, the Company has established a rigorous waste management process spanning waste segregation at source, storage and recycling through to transfer to waste treatment providers. The entire process follows Coteccons' ESG standards and is subject to strict oversight by Gamuda Land.

According to Coteccons, the early results have been impressive: up to 80% of scrap steel is collected and recycled; around 75% of leftover timber is retained and repurposed for on-site construction needs; and excess concrete is reused wherever possible to cast small components or reinforce internal infrastructure. This approach not only reduces the volume of solid waste requiring disposal, but also delivers direct economic benefits to the business.

A look around the site shows how waste management has been standardized into a tightly controlled, end-to-end process, from segregation and storage through to transfer. For hazardous waste, the site management team has set up a dedicated, isolated storage area with a management system that rigorously tracks incoming and outgoing waste and maintains transparent, fully traceable records for reporting.

1.

"Although the developer's stringent requirements initially put us under pressure, our engineers and workers quickly adapted once they saw how much cleaner and safer the site became. Effective ESG implementation strengthens our competitive advantage and opens up more opportunities for us to participate in the global economy."

Mr. Huỳnh Lực
Eaton Park Site Manager, Coteccons

At the same time, consumption of other resources such as electricity, water and fossil fuel at the site office and across the construction site is tracked and reported using digital tools to monitor CO_2 emissions.

To share how this works in practice, Mr. Huỳnh Lực, Eaton Park Site Manager, said: "On a construction site, raising awareness is critical so that everyone understands the different types of waste and agrees on how each should be handled. Training and knowledge-sharing sessions are the starting point for building a common understanding and putting ESG into practice together."

CHANGING WORKER MINDSETS THROUGH ENGAGEMENT

One of the biggest challenges at Eaton Park is getting around 1,000 workers to follow the process consistently. They come from different parts of the country, with widely varying education levels, cultural backgrounds and daily habits.

Given these differences, the site management team chose to engage with workers through dialogue, open conversations, sharing and ongoing support, rather than relying on punitive measures alone. The aim was to gradually change the way they worked.

Mr. Trịnh Thúc Mạnh, Safety Supervisor at Eaton Park project, said: "When we introduced the waste management process in line with ESG standards, some people still did not follow it because of old habits. We have to treat people on site with understanding and fairness, so they can see the reasoning behind the requirements and genuinely accept them. Once that happens, their habits begin to change and they start following the process properly."

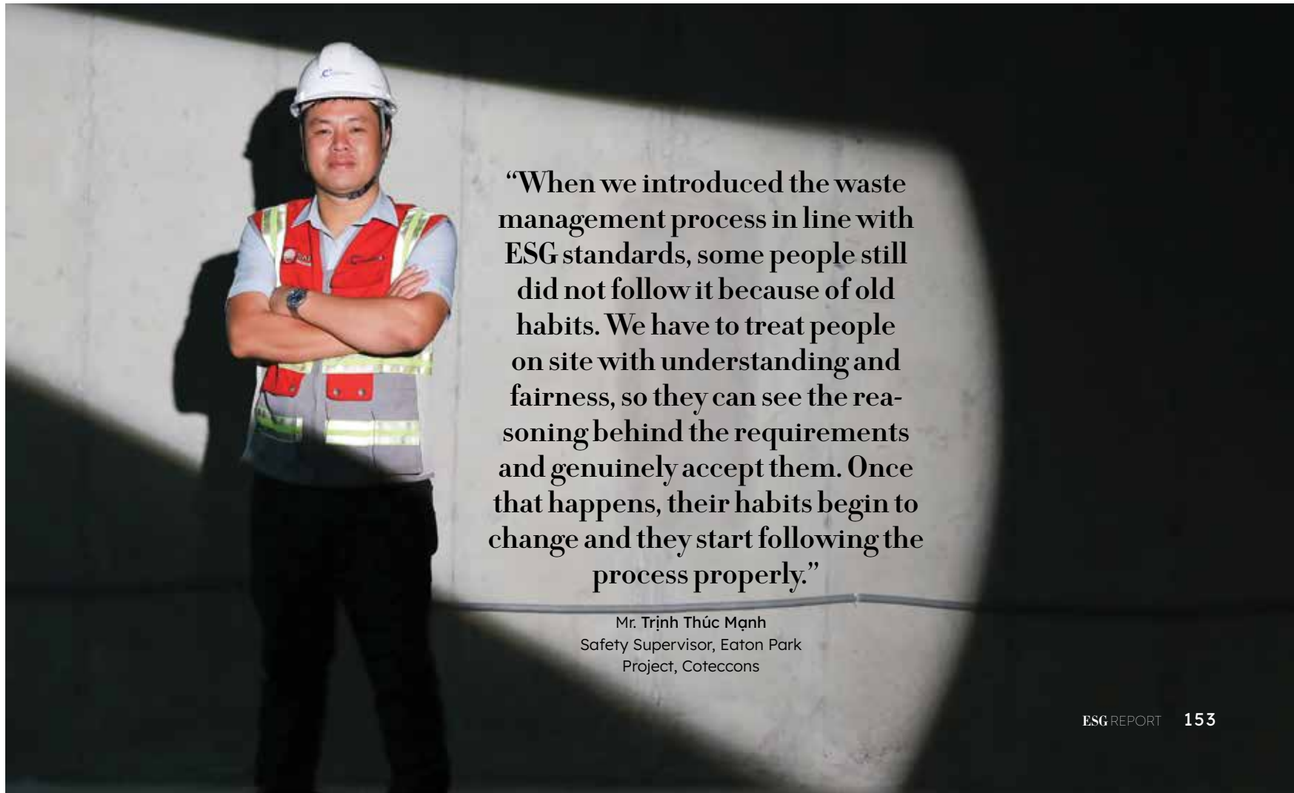
REGULATORY GAPS AND THE NEED FOR POLICY SUPPORT

Despite proactively standardizing its internal processes to meet ESG standards, Coteccons still faces external bottlenecks in the waste management chain. As the general contractor, the Company is ultimately responsible for the final destination of this waste. If external treatment providers fail to honor their commitments, Coteccons' reputation may still be affected, leaving the company exposed to risks beyond its direct control. Working directly on site and putting ESG into practice, Mr. Huỳnh Lực sees firsthand the sheer volume of waste generated every day. He says current guidance on construction waste control remains unclear. Therefore, he hopes the government will soon issue detailed circulars and regulations, while bringing environmental criteria into closer alignment with Vietnamese and international standards. This would provide a stronger policy foundation for organizations that are serious about ESG implementation and are leading the way. Businesses would then no longer have to go it alone on the green transition journey, and together could help build a greener, more sustainable Vietnam each day.

2.

1. Overview of the Eaton Park site in Ho Chi Minh City during construction.

2. Hazardous chemical identification and response drill for chemical storage personnel and cleaning staff at Eaton Park in Ho Chi Minh City.



"When we introduced the waste management process in line with ESG standards, some people still did not follow it because of old habits. We have to treat people on site with understanding and fairness, so they can see the reasoning behind the requirements and genuinely accept them. Once that happens, their habits begin to change and they start following the process properly."

Mr. Trịnh Thúc Mạnh
Safety Supervisor, Eaton Park Project, Coteccons

Construction waste is one of the largest waste streams in the economy, and one that contractors can influence most directly. For Coteccons, waste management is not just about compliant collection and treatment. The company is shifting from end-of-process waste treatment toward a circular value chain that begins with construction-method planning and materials procurement.

The 3R principle, Reduce, Reuse and Recycle, is embedded in mandatory processes across all construction sites rather than treated as a voluntary initiative.

3R IN WASTE MANAGEMENT

At Coteccons, waste management goes beyond collecting and treating waste in compliance with legal requirements; it means applying the 3R principle throughout the entire process.

Waste segregation at Coteccons' projects

Waste collection and segregation signage at Coteccons construction sites.

WASTE SEGREGATION AT SOURCE

Waste is segregated at source into three streams: construction waste, domestic waste and hazardous waste. This first step is critical, as mixing waste streams can make recycling almost impossible.

ON-SITE STORAGE

- Each type of waste has a dedicated, covered storage area with clear classification signage.
- Hazardous waste storage areas must be impermeable and designed to contain spills, and must comply with applicable safety requirements.
- Each project maintains a waste management flowchart and tracking system to record the quantities of waste generated.

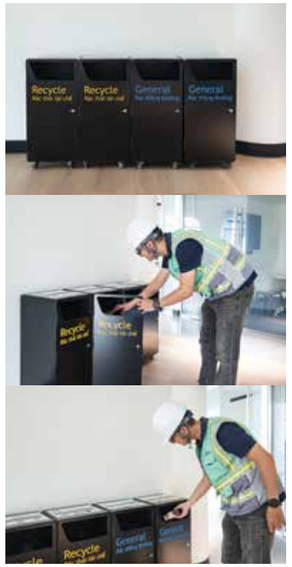
TRANSPORTATION AND TREATMENT

Coteccons engages licensed providers for waste collection, transport and treatment, with their capabilities assessed by the relevant internal teams in accordance with legal requirements. For hazardous waste, documentation is retained for each batch to ensure traceability from the construction site to the final treatment destination.

During the reporting period, 100% of waste transport providers working with Coteccons held valid licenses. This is a prerequisite when selecting environmental service providers, as legal responsibility for waste does not end at the point of handover.

INSPECTION AND MONITORING

Compliance is monitored regularly through each project's HSE reporting system, supported by internal safety and environmental inspections.



Waste segregation bins at the Pandora factory project in Ho Chi Minh City.

Rather than opting for easy, highly visible actions, Coteccons has chosen to work in remote headwater areas, joining forces with local authorities to plant dozens of hectares of new forest. These efforts help reduce emissions, regulate the climate, create livelihoods and protect biodiversity.

Beyond the numbers of animals protected and trees planted, project partners have come to recognize something deeper. Mr. Nguyễn Thanh Tú, Director of the Agricultural and Forestry Production and Business Cooperative, and Mr. Lê Công Nam, Director of Nam Thịnh Company, both note that through this long-term program, Coteccons is inspiring a shared commitment to a greener, more sustainable planet.

NURTURING LOVE BETWEEN PEOPLE AND NATURE

RESTORING NATIVE FOREST & CONSERVING

the hatinh langur population

Photo: Bùi Văn Tuấn (HiVOOC)

1. **1.** A mother and baby Hatinh langur, a rare primate listed in the Vietnam Red Data Book and the IUCN Red List, in the conservation area in Quảng Trị province, where Coteccons supports habitat and biodiversity conservation.

2.

AS OF JULY 2026, THE AREA OF RESTORED AND NEWLY PLANTED FOREST EXCEEDED MORE THAN 30 HECTARES. THIS INCLUDED MORE THAN 20 HECTARES PLANTED WITH NATIVE TREE SPECIES SUCH AS ERYTHROPHLEUM FORDII, CHUKRASIA TABULARIS AND NAUCLEA ORIENTALIS IN THE BUFFER ZONE, ALONGSIDE 10.06 HECTARES OF COMMUNITY FOREST IN KÈ VILLAGE, TUYÊN LÂM COMMUNE, QUẢNG TRỊ PROVINCE.

2. More Hatinh langurs are being sighted near the conservation area, indicating the population's recovery and growth.

The habitat of the Hatinh langur (Trachypithecus hatinhensis) spans a vast limestone landscape fragmented by villages, farmland, the Gianh River and major transport routes. It has long faced serious threats.

When the langurs cross open ground or move between isolated limestone formations, they are highly vulnerable to attack and face the risk of extinction. Other pressures include slash-and-burn encroachment into lower-elevation habitat, where the vines that form their main food source grow, as well as forest fires linked to honey harvesting, animal trapping and short-rotation acacia cultivation. Together, these pressures have placed the entire ecosystem under severe strain.

Recognizing these threats, Coteccons has launched a range of programs, from reforestation and langur protection to habitat restoration in order to deliver broad positive impacts across the ecosystem.

Mr. Lê Công Nam, Director of Nam Thịnh Company, noted that Coteccons' approach is highly professional, transparent and entirely grounded in practical realities and the needs of local communities. Unlike superficial or short-term funding models focused only on image-building, Coteccons has chosen a "bottom-up" approach, actively listening to local authorities, forest rangers, volunteer groups and local residents to implement practical initiatives that create genuine value for communities and the environment.

Through this partnership program, the area of restored and newly planted forest now exceeds more than 30 hectares. This includes more than 20 hectares planted with native tree species such as Erythrophleum fordii, Chukrasia tabularis and Nauclea orientalis in the buffer zone, alongside 10.06 hectares of community forest in Kè Village, Lâm Hóa Commune, Tuyên Lâm

Commune, Quảng Trị Province. To provide the langurs with natural habitat and food, Coteccons has worked with the team managing the langur conservation area to restore native forest, creating a shaded canopy that allows vines to grow naturally. This expands the langurs' safe "green home" and provides a richer food source for them and other wildlife.

The project has also played a major role in supporting local communities and creating livelihood opportunities for people living in the buffer zone. In Kè Village, home to around 1,000 members of the Mã Liềng (a sub-group of the Chứt ethnic group) who still face significant hardship, the program provided timely support in the form of rice and essential supplies to help residents stabilize their lives during the initial stage of their participation in forest protection.

Local participants have also earned additional income from paid forest planting and maintenance work. Once the native forest reaches canopy closure after two to three years, participants can receive stable payments for forest environmental services of around VND 200,000 per hectare per month, equivalent to nearly VND 50 million per year across the conservation area.

More importantly, according to Mr. Lê Công Nam, forest restoration carries profound significance by creating living space and reviving local cultural traditions for ethnic minority communities. The lush natural forest canopy has created opportunities to sustainably harvest non-timber forest products such as medicinal plants, leaves used to make conical hats and honey, helping reduce pressure on deeper forest areas. Restored forests also help foster pride and reconnect local communities with their spiritual traditions, including the long-standing worship of forest and mountain deities.

> "The project goes beyond conserving an endangered species. It has also developed a model for restoring native forests to expand living space while preserving the cultural and spiritual traditions of ethnic minority communities. This work is deeply meaningful to local people, reflecting profound human values and a deep connection with these groups."
>
> Mr. **Lê Công Nam**
> Director of Nam Thịnh Company

COTECCONS DOES NOT TAKE THE EASY PATH. INSTEAD, IT ADOPTS A "BOTTOM-UP" APPROACH, LISTENING TO LOCAL AUTHORITIES, FOREST RANGERS, VOLUNTEER GROUPS AND LOCAL RESIDENTS TO IMPLEMENT PRACTICAL REFORESTATION EFFORTS THAT CREATE GENUINE VALUE FOR COMMUNITIES AND THE ENVIRONMENT.

1. Two Hatinh langurs in the conservation area.

2. Coteccons representatives, forest rangers and members of the Chứt ethnic group revisit the reforestation site in Tuyên Lâm Commune, Quảng Trị Province.

> "The company's support has made the langurs' 'home' greener, giving this endangered species more places to shelter, forage and breed safely so that it does not become extinct in the wild."
>
> Mr. **Nguyễn Thanh Tú**
> Director of the Agricultural and Forestry Production and Business Cooperative

3. Mr. Lê Công Nam (fourth from right).

4. Mr. Nguyễn Thanh Tú (left) joins Coteccons engineers in planting trees in Quảng Trị.

Coteccons has also focused on social infrastructure by funding the renovation of all seven schools, from preschool to lower secondary level, in Thạch Hóa Commune, Tuyên Hóa District, Quảng Bình Province (now Tuyên Phú Commune, Quảng Trị Province). The company has also provided computers, desks and chairs, and awarded scholarships to nurture awareness of nature protection among younger generations.

Looking back on 14 years of steadfast forest protection, Mr. Nguyễn Thanh Tú, Director of the Agricultural and Forestry Production and Business Cooperative, emotionally share: "The company's support has made the langurs' 'home' greener, giving this endangered species more places to shelter, forage and breed safely so that it does not become extinct in the wild."

He added that understanding that the volunteer patrol force faces many dangers and hardships, Coteccons' timely support with equipment such as boots and raincoats has been a great encouragement to everyone involved in the project.

Alongside the results achieved so far, the partnership program is expected to continue addressing long-term challenges, including establishing a stable mechanism for providing patrol allowances to the volunteer conservation group, strengthening the capacity of the forest protection force, and working with local authorities to fully resolve habitat-encroachment hotspots. These efforts will help build a more sustainable model combining livelihood development with biodiversity conservation.

A reforestation site in Quảng Trị provine, where Coteccons is restoring and expanding forest cover to help conserve ecosystems and enhance environmental value in the area.

On the journey toward sustainable development, Coteccons is gradually broadening its ecosystem-restoration efforts, from planting native forests to conserving biodiversity. More than 33,000 trees have been planted in Quảng Trị, helping restore headwater forests, protect habitats and support community livelihoods.

A green mission
FROM THE FORESTS

Coteccons launched the reforestation program in 2022 in the former provinces of Quảng Trị and Quảng Bình, and it continues today. In the final days of the 2024 storm season, our people traveled hundreds of kilometers by road and trekked several dozen more through the forest to reach Kè Village. There, we began implementing a program under an agreement with the Tuyên Lâm Commune People's Committee to restore the headwater forests of the Gianh River, support community livelihoods, conserve native tree species and respond to climate change.

Kè Village, Tuyên Lâm Commune, Quảng Trị Province, has nearly 224 homes. Tuyên Lâm is a mountainous commune formed from the merger of Lâm Hóa and Thanh Hóa communes. Most residents are members of the Vân Kiều and Chứt ethnic groups, communities that have traditionally lived in relative isolation and depended heavily on nature. Degradation of the Gianh River's headwater forests has left the area vulnerable to soil erosion, riverbank erosion and flash floods during the storm season, directly affecting local residents. This is why we chose to restore the headwater forests: the community's livelihoods and safety are closely tied to the forest. These are the places where hardship is greatest and where we are needed most.

Choosing the right tree species is critically important to the local ecosystem. Rather than planting common, short-rotation species, we selected native trees that have long been part of this landscape, including Erythrophleum fordii, Prunus arborea, Michelia mediocris, Tarrietia javanica, Canarium spp. and Gironniera subaequalis. Their deep root systems help prevent soil erosion and stabilize river and stream banks, which is especially important in watersheds such as the Gianh River basin. Restoring this area not only enriches the headwater forest but also improves water infiltration, stabilizes dry-season flows and reduces flooding in the rainy season.

By 2026, we had planted a cumulative **33,063** trees across **34.5 hectares**.

We are not simply planting new forests. We choose long-lived native species and work alongside local authorities, forest rangers and residents to care for them. These trees may take time to grow, but we believe their long-term benefits for the ecosystem will be tangible and meaningful.

Working with the local community, the program combines forest restoration with sustainable livelihoods and long-term economic benefits for residents. We will continue working alongside the community to care for, protect and expand the planted forest area. Hearing local residents share their heartfelt reflections on the program reinforced our belief that choosing the harder path was the right decision. In places like this, every seedling planted can make a real difference to both nature and people's lives.

Coteccons members conduct site surveys and plant trees in headwater forests.

By joining local authorities in Hatinh langur conservation, Coteccons people are helping restore ecosystems and create sustainable livelihoods for local communities.

HATINH LANGUR CONSERVATION

Our reforestation projects go beyond increasing forest cover: they also help reduce emissions and regulate the climate. More importantly, we are restoring valuable native tree species to help preserve ecosystem diversity. These new forests will provide safe habitat for exceptionally rare species, including the Hatinh langur (Trachypithecus hatinhensis), a primate at risk of extinction found only in certain limestone areas of central Vietnam and Laos. The species is listed in Vietnam's Group IB of **endangered, precious and rare forest wildlife prioritized** for protection, and is also on the **IUCN Red List**. We are proud to have joined in efforts to nurture and conserve the Hatinh langur population, which has grown **from 65 to nearly 200 individuals** across 22 troops in the area.

WHEN BUILDERS TURN TO Hatinh langur CONSERVATION...

RESTORING SUSTAINABLE LIVELIHOODS

In Tuyên Lâm Commune, Quảng Trị Province, our reforestation work combines forest ecosystem protection with sustainable livelihoods for the local community. We carry out forest planting, maintenance and protection with Nam Thịnh Company, under the coordination and supervision of local forest rangers and with direct participation from residents.

Under this model, local residents take part in 100% of planting and maintenance activities, including planting, fertilizing, tending and mounding soil around trees, as well as forest protection. Residents work in community groups according to agreed plans and are paid by the day. This creates additional jobs and a stable source of income in Kè Village, Lâm Hóa Commune, Tuyên Lâm Commune, Quảng Trị Province, where most residents are Chứt people who live in relative isolation and depend largely on nature.

Beyond its environmental benefits, our reforestation model helps generate around VND 15 million per hectare per year in income for local residents. Each year, the program covers 20 hectares, with around VND 250 million allocated to local labor costs for planting, maintenance and forest protection. Combining forest restoration, job creation and higher incomes strengthens residents' engagement in forest protection while encouraging the community to take an active role in managing and sustaining forest resources over the long term.

FOR COTECCONS, REFORESTATION AND BIODIVERSITY CONSERVATION ARE NOT A RACE TO ACHIEVE BIGGER NUMBERS. THE COMPANY'S GREATEST ASPIRATION IS TO JOIN HANDS IN PROTECTING THE ENVIRONMENT AND CREATING REAL VALUE FOR COMMUNITIES.

Through this government-business–community partnership, we are building a sustainable model in which environmental benefits go hand in hand with the economic and social interests of local residents. This work reflects our long-term commitment to responding to climate change, restoring native ecosystems, conserving biodiversity and developing a more sustainable livelihood model for the community.

1. Coteccons works alongside members of the Chut ethnic community to care for forests and create sustainable livelihoods.

2. Children and their parents from the Chut ethnic community attend the launch ceremony for the 2025 reforestation program in Tuyen Lam Commune, Quang Tri Province. Quảng Trị.