



**SUSTAINABILITY
DEVELOPMENT
REPORT**

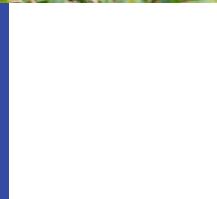
2025

25 YEARS

**ONE JOURNEY
TWO MILESTONES**



**CENTURY SYNTHETIC
FIBER CORPORATION**



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CSI 100: Recognized among the Top 100 Sustainable Businesses in Vietnam in 2025, marking **10** consecutive years in the Top 100 Sustainable Businesses in Vietnam from 2016 to 2025.



The Annual Report was ranked among the Top **20** Best Annual Reports in the non-financial sector.



Certification from The Climate Solutions Partnership Program in recognition of valuable participation and contributions to the project: "Energy Transition Towards Limiting Global Temperature Rise to **1.5** degrees Celsius"



2025 Sales revenue

VND 1,353 bil



2025 Profit After Tax

VND 49.9 bil



The number of waste water bottle indirectly recycled was

0.983 billion bottles in 2025 equivalent **98.3 million of T-shirts.**



Total number of employees

968 people



Using solar energy to reduce the carbon footprint emission.

Since 2021, solar energy has reduced an estimated **21,064 tons of CO₂** emissions, equivalent to planting approximately 2,106,447 trees.



Phase 1 of the Unitex Plant, with a capacity of commenced commercial operations in early 2026.

36,000 tons per year

SUSTAINABILITY DEVELOPMENT MESSAGE *(GRI 2-22)*

Chairman's Message

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Dear valued shareholders and investors,

The year 2025 was considered a year with many political and geopolitical changes. Competition among major countries continued to increase, together with the trend of a more fragmented global order and stronger strategic competition. Long-lasting conflicts such as the Russia-Ukraine war continued to affect international relations and created more divisions among countries. In Southeast Asia, the Cambodia-Thailand border conflict also showed political and security instability in the region. Although ceasefire agreements were discussed during ASEAN meetings, clashes later happened again. Besides that, the return of President Donald Trump created many changes in both domestic and foreign policies, especially with the "America First" strategy and broad tariff policies on many major trading partners. These developments affected global supply chains and U.S.-China relations, while also increasing the trend of geopolitically driven economics. Many international organizations expected the global economy to continue growing in 2026, but at a slower and more uneven pace due to geopolitical risks, trade policy uncertainties, and complicated financial conditions.

The year 2025 continued to be recorded as one of the hottest years in history, with many temperature records reported in different countries, in some places exceeding 48°C. One example was the long heatwave in India and Pakistan, where extremely high temperatures lasted for a long time and seriously affected people's health and agricultural production. At the same time, many heavy rainfalls, floods, and flash floods happened in different regions. In particular, severe floods and landslides in Indonesia in December 2025 caused hundreds of deaths and missing persons. Similar situations were also reported in Pakistan and the United States, causing major damage to people and property, showing the increasing impacts of extreme weather events around the world. In this context, businesses are becoming more aware of their role in reducing environmental impacts. Century Synthetic Fiber Corporation has actively implemented strategies and commitments to protect the environment and reduce greenhouse gas emissions. Specifically, the Trang Bang plant signed an SBTi commitment together with brand partners, targeting a 29.4% reduction in emissions during the period from 2023 to 2027. At the same time, the Company continued strengthening its operations, improving risk control, reinforcing internal resources, and promoting its existing advantages to maintain operational efficiency, while continuing its sustainable development direction in line with global trends.

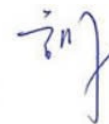


Being consistent in implementing and advancing Century's sustainable development strategy from early stage, particularly concentrating on developing and supplying high quality and environmentally friendly products to the market, which helped the Company to retain high value-added orders from high-end customers, thanks to customers' long-standing trust in the Company's manufacturing technology of high-value-added products and excellent customer service (short delivery times, pre- and post-delivery service). Century is still showing flexible adaptation, good resilience, and the ability to meet customer needs. For instance, we are attracting high-value-added recycled fiber orders from Japanese customers and continuing to expand our customer portfolio, adding 30 new customers in 2025.

In the long run, the Company will continue to maintain a sustainable development orientation in line with the common trend of Vietnam's textile and garment industry when more and more world fashion brands are strengthening their commitments against climate change, reducing greenhouse gas emissions, protecting the environment towards the United Nations' goal of zero-carbon footprint to 2050, and balancing social responsibility. Given the increasing scrutiny of regulators over sustainability claims and consumers' growing awareness regarding to the fashion industry's contribution to sustainability. Most top brands have commitments and have carried out more robust communication campaigns about their responsibility towards the environment, human rights, and society. Therefore, Vietnamese companies meeting ESG standards will have an excellent opportunity to become strategic supply partners for these brands, helping businesses to reach out to development and integration as soon as market conditions are ripe. Brands highly appreciate Century concerning ESG criteria (GRS certificate, high score in ESG assessment by independent audits, efficient production coupled with saving energy and materials, rooftop solar system, and recognition by the local business communities). With the mentioned advantages and the additional ability to supply high-quality products (including recycled yarn, dope-dyed yarn, and specialty yarn), Century will actively capture these growing opportunities to boost its sales and optimize its profit.

We hope that with the guidance of the Board of Directors and shareholders' support, the Company will reap the set objectives and bring more benefits to shareholders, employees, and the community.

CHAIRMAN OF THE BOARD



DANG TRIEU HOA

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Established in 2000 as a limited liability company, Century Synthetic Fiber Corporation has been focusing on the production of high-quality polyester filaments such as POY (Partially Oriented Yarn), DTY (Drawn Texturized Yarn), and FDY (Fully Drawn Yarn). The Company's products are the input material for the textile factories that produce the fabric to supply high-end sportswear brands. We have been doing these business activities for the past 25 years. The Company became a joint-stock company in 2005, creating a foundation for future capital raising to finance development. On September 30th, 2015, the Company was officially listed on Ho Chi Minh Stock Exchange with STK ticker. Century is one of the largest yarn manufacturers in Vietnam, with a capacity of over 99 thousand tons of yarn annually. The development strategy focuses on premium products, especially eco-friendly ones such as recycled and colored yarn. Recycled yarn (made from recycled polyester chips sourced from used plastic bottles) is Century's key growth driver, driven by the strong demand for eco-friendly yarn products. Century aims to increase the share of recycled yarn to 60%-70% of total revenue from its existing factories by 2027-2029. The company has gained the trust of demanding customers in markets such as the U.S, Japan, and South Korea... In 2025, domestic sales accounted for 71% of total revenue, while exports contributed 29%.



CENTURY SYNTHETIC FIBER CORPORATION'S EFFORTS IN THE 25 YEARS PATHWAY TOWARDS SUSTAINABLE DEVELOPMENT (2000-2025)



Reducing the use of fossil energy sources through the use of renewable energy sources (Solar) with a capacity of 7.4 MWp for two existing plants. Signing and increasing solar capacity with DPPA (Direct Power Purchase Agreement) Trang Bang project;



In 2025, the carbon footprint reduction from using grid electricity was 46% compared to 2024;



Reducing the use of clean water sources through the reuse of domestic water in production; increasing the recycling and reusing ratio of POY paper tubes in production;



Expanding capacity and creating more jobs for local people through Unitex automation factory project with the scale of phase 1 (36,000 tons/year) and phase 2 (24,000 tons/year). Increasing average income for workers and developing local education foundation.



Increasing the use of recycled materials, increasing the revenue proportion of recycled yarn up to 60-70% in the total revenue of existing factories by 2027-2029;



Developing more environmentally friendly products such as colored yarn using dope dyed technology, pushing demand for Recycled yarn by incorporating into recycled yarn with many special features;

Century has achieved and maintained international certifications, reaffirming its commitment to compliance with global standards.



**From 2012
to the present**



**From 2016
to the present**



**From 2017
to the present**



**From 2020
to the present**

THE COMPANY PROFILE

The Company's name	Century Synthetic Fiber Corporation (GRI 2-1)
Trading name	Century Corp.
Stock code:	STK (Ho Chi Minh Stock Exchange)
Business scope:	Century manufactures and trades polyester filament yarns, including DTY and FDY (GRI 2-6)
Legal form and ownership	Joint Stock Company (GRI 2-1)
Headquarter	B1-1, Northwest Cu Chi Industrial Park, Tan An Hoi Commune, Ho Chi Minh City, Vietnam (GRI 2-1)
Branch	Street No. 8, Trang Bang Industrial Park, An Tinh Ward, Tay Ninh Province, Vietnam (GRI 2-1)
Subsidiary	Unitex Corporation, Lot A17.1, C1 Street, Thanh Thanh Cong Industrial Park, Trang Bang Ward, Tay Ninh Province (GRI 2-1)
Representative office	102-104-106 Bau Cat Street, Tan Binh Ward, Ho Chi Minh City, Vietnam (GRI 2-1)
Chartered Capital	1,401,231,300,000 VND
Telephone	+ 84.028 3790 7565 / +84.276 389 9537
Fax	84.8 3790 7566 / +84.66 389 9536
Email	csf@century.vn
Website	www.thekey.vn
Tax Registration Number	0302018927 (GRI 2-1)
Ownership Equity (31/12/2025)	1,757.36 billion VND





COMPANY'S VISION AND MISSION

VISSION

To become a worldwide leading pioneer in the fiber/textile industry and develop into multi-business fields relevant to the development of our core business.

MISSION

We adopt advanced and environmentally friendly technology and a modern management system, building up a professional team and positive innovation corporate culture to contribute to our society, bringing new and green products/services to the community by saving natural resources, energy and protecting the natural environment.

COMPANY'S VALUES

SERVING CUSTOMERS

We appreciate customers and always provide reasonable and profitable solutions to satisfy customers' requirements.

UNITING OURSELVES

Each of Century Synthetic Fiber Corporation (CSF) members always cooperates and supports each other to achieve the Company's goals.

IMPROVING CONTINUOUSLY

We are never satisfied with the current achievements and longing for improvement in our performance, effectiveness and quality of life.

DEVELOPING TOGETHER

CSF's development is aligned with the prosperity of our partners, our staffs and the community.

COMMITMENTS

"We always appreciate our customers. We take responsibilities and initiatives and cooperate in carrying out the works"

Sustainability Value Statement (GRI 2-22)

The Sustainability Statement of Century Synthetic Fiber Corporation is built on three main pillars: People, Economy, and Environment. Through responsible business strategies and innovation, Century aims to create long-term value for customers, employees, the community, and the environment.



PEOPLE

Century places people at the center of its sustainable development strategy, with the goal of building a safe and fair working environment and creating development opportunities for employees. In the short and medium term, Century focuses on ensuring employee benefits through competitive salary policies, comprehensive welfare programs, and a safe working environment.

The Company strictly complies with labor laws and international standards on human rights in the supply chain. During the reporting period, Century continued to maintain occupational health check-up programs, ensure workplace safety, and improve working conditions for employees. The Company also promoted internal engagement activities and contributed to the local community.

In the coming time, Century aims to continue improving the quality of human resources, strengthen training and skill development, and build a sustainable workplace where employees are respected, developed, and willing to stay with the Company for the long term.

ECONOMIC

Century aims for sustainable economic growth through a strategy of developing high value-added products, technology innovation, and expanding international markets.

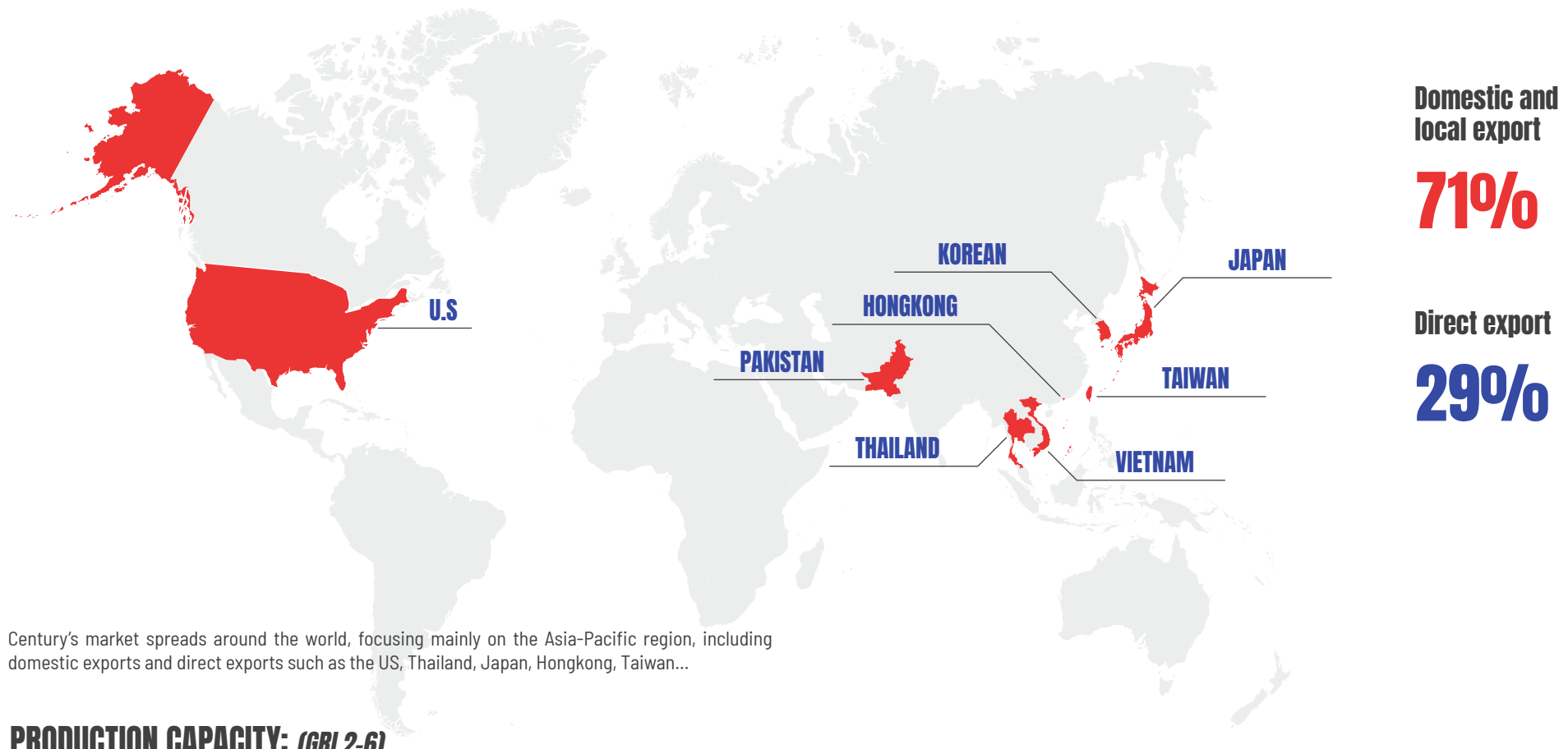
In the medium and long term, the Company focuses on developing recycled polyester yarn, dope-dyed yarn, and special functional yarn products to meet the sustainable consumption trend of the global textile industry. This strategy helps Century improve its competitiveness while also contributing to the green transformation of the textile industry.

During the reporting period, Century continued to maintain a high proportion of revenue from recycled yarn products (49.9% in 2025), confirming the Company's sustainable development direction. In the coming years, the Company aims to further increase the proportion of recycled yarn, dope-dyed yarn, and special functional yarn products, improve production efficiency, and develop sustainable material solutions for the textile industry.

ENVIRONMENT

Environmental protection is one of the key focuses in Century's sustainable development strategy. The Company is committed to minimizing environmental impacts throughout its operations and value chain. Century focuses on optimizing energy use, saving resources, and reducing greenhouse gas emissions. One of the Company's important strategies is promoting the production of recycled polyester yarn made from used plastic bottles, contributing to reducing plastic waste and supporting the circular economy. Since 2016, Century has indirectly recycled billions of plastic bottles into recycled polyester yarn, helping reduce plastic waste released into the environment and lower greenhouse gas emissions compared to using virgin materials. During the reporting period, the Company continued implementing initiatives to improve energy efficiency and strengthen water and waste management in production activities. In the coming period, Century aims to continue reducing emission intensity, expand its environmentally friendly product portfolio, and increase the proportion of recycled products in revenue structure, contributing to the sustainable development of the textile industry.

PRODUCTION CAPACITY AND MARKET PRESENCE (GRI 2-6)



PRODUCTION CAPACITY: (GRI 2-6)

- The Company has three factories, including Cu Chi Factory, Trang Bang Factory, and Unitex Factory, located at Tay Bac Cu Chi Industrial Park, Trang Bang Industrial Park, and Thanh Thanh Cong Industrial Zone, respectively. The total area is 128,000 m² and the current total number of employees is 968 people. As of December 31, 2025, the total capacity of the Company (all three factories) was 99,300 tons of DTY and FDY yarn.
- One pellet making line to recycle waste yarn into PET Chip with the capacity of 1,500 tons per year.
- Unitex Factory officially started commercial operation in early 2026. Located in Thanh Thanh Cong Industrial Park, the Unitex project is invested with modern and advanced machinery and technology, helping improve production capacity and optimize operating efficiency for the whole Company. In addition, the application of high-technology equipment helps reduce electricity and resource consumption during the production process. As a result, the project contributes to reducing greenhouse gas emissions, improving energy efficiency, and supporting the Company's sustainable development orientation. With phase 1 capacity of 36,000 tons of yarn per year, the factory will play an important role in the Company's strategy of focusing on high-quality and high value-added yarn products to meet the increasing requirements of the market.

OVERVIEW OF 2025 SUSTAINABILITY DEVELOPMENT REPORT

CENTURY RESOURCES	BUSINESS MODEL	CREATED VALUES
• Owner's Equity: VND 1,757.36 billion • Total employees: 968 people • Training time: 132,270 hours • Training expenses: VND 694.65 million • Coning oil material: 1,075 tons • Energy consumption: 121,914 Mwh • Water consumption: 261 thousand m3 • Recycled PET chips consumed: equivalent 0.98 billion plastic bottles are	4Ms Model • Machines: investment in cutting edge machinery (saving energy consumption, ensuring the product quality). • Man: focusing on the quality of new recruitment, continuously training on the technical knowledge, perfecting the labor's policies. • Materials: purchasing high-quality raw materials from trusted suppliers to ensure product quality. • Management: applying a modern management regime, aiming to ensure product quality, customer service, and saving costs.	• Sales revenue: VND 1,353 billion • Profit after tax: VND 49.9 billion • Taxes contribution: VND 114.79 billion • The number of post-consumer used bottles that Century indirectly recycled from 2016-2025: 6.00 billion post-consumer-used bottles . • Labor accident: 0 cases. • Average salary increase/decrease rate: 0%. • Dividends for shareholders: The Company paid dividends for the 2023 and 2024 financial years with a total payout ratio of 45%, showing its commitment to maintaining a stable dividend policy and ensuring benefits for shareholders. • The greenhouse gas emission (CO2e) from EVN electricity increased by 46% compared to the same period in 2024.

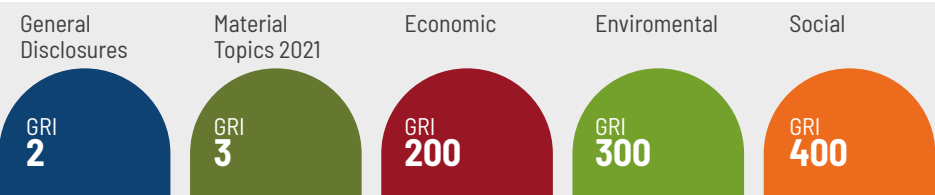
- The Sustainability Development Report of Century is compiled annually, primarily aiming to publicize and provide official information about the Company's business performance and the assessment on fulfillment of the Company's sustainable development objectives in the reported year and coming years. The Company's activities towards sustainable development are regularly shared with Century's stakeholders to identify their related concerns, which then are evaluated and considered by the Company's board of management about current business performance, the Company's sustainable development strategy, the national and global sustainable development context, to determine the critical reporting issues to be reviewed, improved as well as presented in the report. We always hope to receive constructive feedback to continuously review and improve in those matters of concern for the interested parties.
- The Company prepares a separate Sustainability Report from the Annual Report to provide an overall picture of Century Synthetic Fiber Corporation's activities in 2025, as well as the Company's goals and responsibilities toward sustainable development in 2026 and its vision for the 2027-2029 period.
- The annual Sustainability Development report is also considered good practice for the Company to review and reevaluate the effectiveness of its sustainable development activities in the year, as well as to provide advice and support to the Board of Directors and Board of Management members to fine-tune the Company's orientation and development strategies promptly.

1.SCOPE OF REPORT AND BOUNDARY:

The report was prepared in Vietnam regarding the activities of Century Synthetic Fiber Corporation in the synthetic fiber and garment-textile industry.

2. THE APPLICATION OF REPORT GRI STANDARD:

- The Company has many experienced years in making reports according to the Sustainability Reporting Standards - Global Reporting Initiative (GRI) - the latest version GRI Sustainability Reporting Standards, selection of reporting cores. This is the latest version with the highest international standards regarding to making the Sustainable Development Report. The Company applied latest standards in preparing its 2025 sustainability report.
- The GRI standards – a recognized international standard from Global Reporting Initiative Standards (GRI) under core contents. In 2019 the Company is also directly supported by The Competitive Trade Program (CSRCP)¹ , guiding preparation of sustainable development report in accordance with GRI standards and got certification that the Company's sustainable development report in the same year is in accordance with GRI standards.
- The report content is concentrated on 5 key matters: GRI 2 General Disclosures 2021; GRI 3 Material Topics 2021; GRI 200 Economic Issues; GRI 300 Environmental Issues; GRI 400 Social Issues.



¹ CSRCP is sponsored by GRI to improve the competitiveness and reporting quality of Vietnamese enterprises, helping those such as Century to strongly participate in the global value chains, enhancing the transparency and accountability of report.

3. REPORTING PERIOD:

The report is prepared based on the accounting period from 01/01/2025 to 31/12/2025 (GRI 2-3)

4. REPORT QUALITY:

Century is committed to providing accurate, certain, reliable, and up-to-date information within the report:

REPORT CONTENTS (RULES)	REPORTING QUALITY
Aligning stakeholder interests with the Company	Accurate
Sustainable development context of the Company and the world	Clearly
The impact of interested party concerns on the Company	Comparable
Integrity of report content	Trusty
Reporting figures	Updated

5. CRITERIA EVALUATED BY THE COMPANY’S INTERNAL DEPARTMENTS INCLUDE:

- Average training hours per year (GRI – 404);
- Contribution activities to the local community (GRI – 413);
- Average salary of employees and minimum regional wage scale (GRI – 401);
- Training budget in the year (GRI – 404);
- The energy consumption and emission level; (GRI – 302 and 305)
- Water consumption; (GRI – 303)

6. REPORTING CYCLE annually performing.

7. CONTACT ADDRESS (IF ANY QUESTION):

Investor Relation team – Century Synthetic Fiber Corporation

Address: Street No. 8, Trang Bang Industrial Park, An Tinh Ward, Tay Ninh Province, Vietnam.

Responsible for Edition: Ngo Dinh Bao – Business Development Executive.

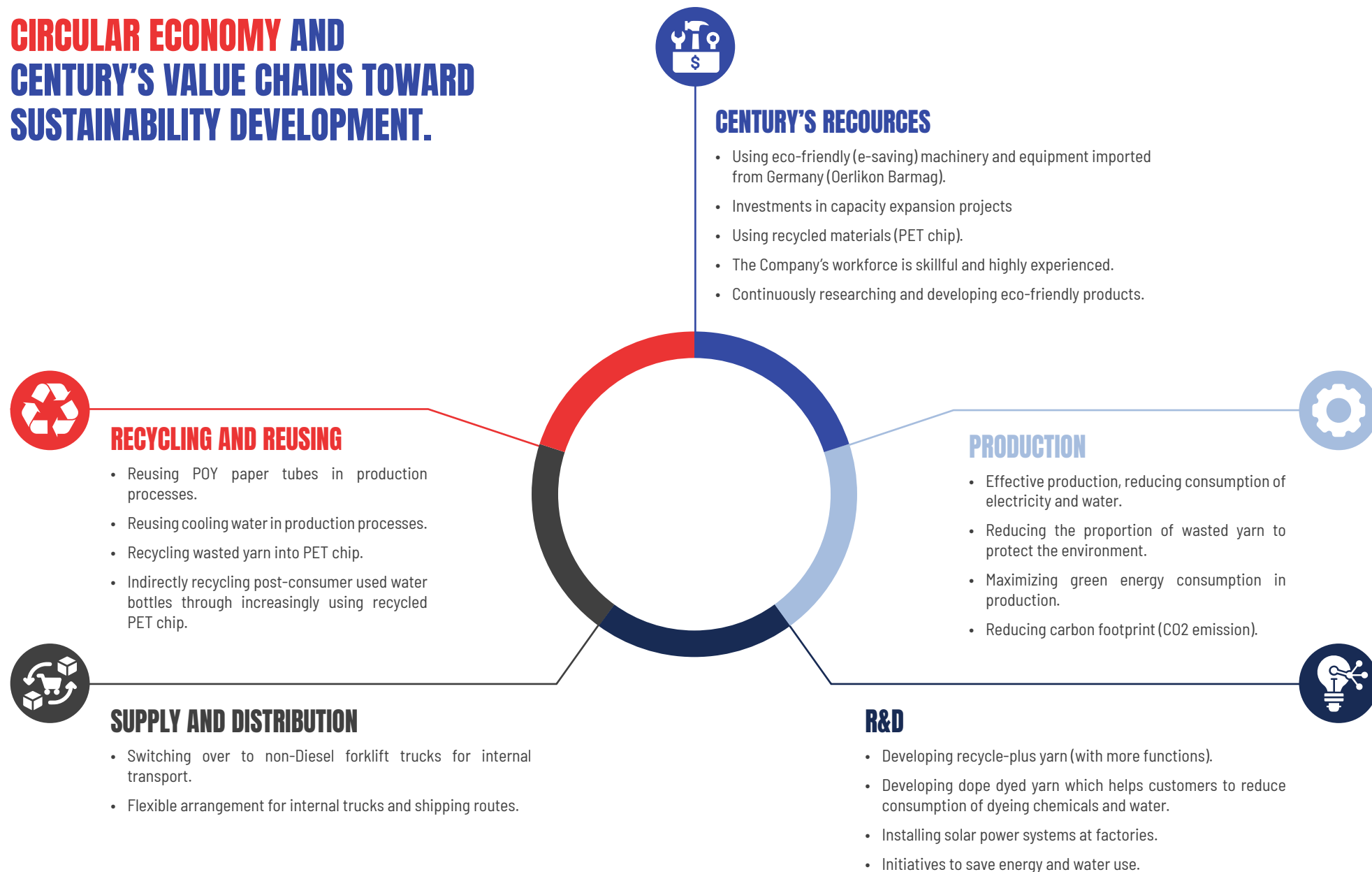
Responsible for editorial and content: Ms. Nguyen Phuong Chi – Chief Strategy Officer.

Email: ir@century.vn

Telephone: (+84.276) 388 7565 (Ext: 113)



CIRCULAR ECONOMY AND CENTURY'S VALUE CHAINS TOWARD SUSTAINABILITY DEVELOPMENT.



IMPLEMENTATION PROCESS OF THE COMPANY'S SUSTAINABLE VALUE CHAIN

01 PRODUCTION PLANNING

02 RAW MATERIALS MONITORING

03 MANUFACTURING STAGE

04 SALES AND DISTRIBUTION PRODUCTS

ENVIRONMENT PROTECTION	ECONOMIC DEVELOPMENT	DEVELOPMENT OF SOCIETY-LABORS
- Setting norms for materials and energy consumption per 1 product unit. - Planning to reuse the production materials. - Developing a saving plan for electricity, water, and fuel usage.	- Proper arrangement of equipment and machinery to ensure production efficiency. - Ensuring stable machine operation, minimize machine stoppages and changeovers, and reduce operating costs.	- Planning training courses for working skills and technical knowledge enhancement. - Providing health and safety equipment to employees. - Planning to use the local raw materials supplies.
- Auditing the material suppliers according to environmental and social responsibility standards. - Inspection of the quality and origin of materials. - Repairing and reusing tools and equipment.	- Effective price negotiation. - Arranging goods and optimizing warehouses to save costs. - Raw material checking to minimize the portion of imported low-quality materials.	- Providing professional knowledge for supplying team. - Using local transportation service.
- Saving electricity and water usage - Using effectively the energy resource. - Avoiding waste of materials and energy resources.	- Minimizing the proportion of waste yarn. - Ensuring that the machinery is periodically maintained. - Enhancing the proportion of the high-quality product. - Developing new products with high-added value.	- Proper staffing arrangement. - Offering promotion opportunities for employees. - Building a safe working environment. - Cultivating good manners. - Ensuring fairness and equality.
- Providing user instruction for the product. - Combining shipments, avoiding usage of multiple vehicles. - Reusing the shipment pallets.	- Being flexible in using different shipping lines to save shipping costs. - Negotiate prices with suppliers to optimize shipping costs.	- Providing training courses on sales and import-export practices to in-charge staff. - Developing KPI achievement incentive policies. - Raising income for local employees.

KEY MILESTONES TOWARD SUSTAINABILITY DEVELOPMENT.



- 2000

Established first factory at Cu Chi District.
Established on 01/06/2000.

Main product: DTY

Initial designed capacity: 4,800 tons of DTY per year.
- 2003

Investment of capacity expansion.

Doubled capacity to 9,600 tons of DTY per year to meet market demands.
- 2005

Converted into JSC. –A strategic reform.

Converted into a JSC. and the name was changed to Century Synthetic Fiber Corp.
- 2008

Completed fully-integrated chain.

Completed the expansion of up to 14,500 tons of POY per year & 15,000 tons of DTY per year.
- 2011

Developed new product FDY.

Raised the Company's entire capacity to 37,000 tons of DTY and FDY and 29,500 tons of POY per year.
- 2014

Caught up the fiber world's trends & opportunities.

Expanding project for Trang Bang factory-Phase 3.

IPO by issuing 3 million shares.
- 2015

Officially listed on HOSE, successfully developed "Recycled yarn".

Raising the total capacity to 52,000 tons of DTY and FDY per year.
- 2016

Began to produce Recycled yarn.

Expanding Trang Bang factory in phase 4, raising the total capacity of the company to 60,000 tons of DTY and FDY per year.
- 2017

Taking advantage of markets, harvesting success.

Raising total capacity to 63,300 tons per year.

KEY MILESTONES TOWARD SUSTAINABILITY DEVELOPMENT *(continued)*



2019

Consistently achieving targets.

Net Profit increased by 20% y-o-y.

Announcing the roadmap to raise the recycled yarn's portion.

2020

Overcoming difficulties

2020's sales revenue target.

Completing 109.9% of the 2020's profit after tax set target.

Raising the proportion of recycled yarn in total sales revenue to 44.7%.

2021

Restoring the sustainable development

Maintaining the economic development target, completing 87% of sales revenue target and 112% of target profit in 2021.

Capacity expansion through Unitex project, Yarn-Textile-Garment Alliance.

2022

Risk management overcoming adversity

Consistently with Company's economic development objective, completing 81% of sales revenue target and 80% of profit plan in 2022.

Start building Unitex factory.

2023

Challenges go hand in hand with opportunities.

With the textile industry's general difficult situation, Century also encountered many challenges in 2023. However, the company still maintains production and strengthens the management system. The Unitex factory is expected to go into operation in the third quarter of 2024, contributing to increasing output and helping the company to take advantage of new opportunities.

2024

Resilient adaptation, breakthrough growth.

In 2024, Century's business performance did not meet the set targets. However, the company demonstrated resilience amid market fluctuations, adapting flexibly to maintain stable operations. Century aims for exceptional growth through innovation and strong commitment, laying a solid foundation for the future.

2025

25 YEARS – ONE JOURNEY, TWO MILESTONES

Throughout its 25-year journey of development, Century has remained committed to sustainable development. The Company's recycled yarn products are made from recycled plastic resin, contributing to the indirect recycling of plastic bottles and helping reduce plastic waste released into the ocean. At the same time, optimizing water and energy use and minimizing environmental impacts throughout the production process allow the Company to proudly support brands on their journey toward the Net Zero 2050 goal.

REPORT IMPROVEMENTS (GRI 3-2)

Adjustments and Additions in the 2025 Sustainability Development Report Compared to the Previous Report.

- Sustainability value statement.
- Roles and responsibilities of the Board of Directors regarding sustainability topics.
- Role of the Board of Directors in implementing and executing sustainability goals.
- Supervisory role in monitoring the implementation of sustainability goals.
- Update on emissions in the global textile industry.
- Growth targets for Vietnam's textile and footwear industry by 2030.
- Analysis of climate change risks and opportunities related to financial performance.
- Century's tax responsibilities and obligations.
- Update on Vietnam's carbon credit mechanism.
- Responsible business practices with suppliers.
- Occupational health check-up services and occupational safety training for employees.
- Updates on free trade agreements (FTAs).
- Changes in Donald Trump's tariffs and impacts on environmentally friendly products.
- AI trends and their impacts on the labor market and textile market.
- Is AI really an energy-intensive sector with significant emissions?
- President Donald Trump's withdrawal from climate agreements and related impacts.
- Assess climate-related risks and opportunities and their potential impacts on the Company's financial performance.
- Sustainability Governance and Oversight of Sustainability-related Risks and Opportunities (GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-17; IFRS S1, IFRS S2 – Governance)
- Assessment of Climate-related Financial Risks and Opportunities (GRI 201-2; IFRS S1, IFRS S2 – Risks and Opportunities)
- Greenhouse Gas Emissions Reduction Performance Across the Value Chain (GRI 305-4, GRI 305-5; IFRS S1, IFRS S2 – Metrics and Targets)
- Climate Transition Plan and Greenhouse Gas Emissions Reduction Targets (IFRS S1, IFRS S2 – Transition Plan)



COMPANY'S AWARDS AND RANKING.

	CERTIFICATES AND AWARDS
2025	- Recognized as one of Vietnam's Top 100 Sustainable Enterprises in 2025 and remained in the Top 100 Sustainable Companies in Vietnam for 10 consecutive years from 2016 to 2025. - The Annual Report was ranked among the Top 20 Best Annual Reports in the non-financial sector group. - Received certification from the Climate Solutions Partnership program for valuable participation and contribution to the project: "Energy Transition toward the goal of limiting global temperature increase to 1.5°C.
2024	- Recognized as one of Vietnam's Top 100 Sustainable Enterprises in 2024, ranking in the Top 10 Sustainable Enterprises in Manufacturing, and maintaining a 9-year (2016-2024) in the Top 100. - Annual Report ranked among the Top 20 Best Annual Reports in the Non-Financial Group and won Second Prize for Best Sustainability Report 2024 in the Listed Companies Awards. - Century was honored by the Board of Directors of the Vietnam Institute of Directors (VIOD) as one of 42 enterprises included in the VNCG50 list (ASEAN Corporate Governance Scorecard). - Received an Encouragement Award for Energy Efficiency in Industry 2024, organized by the Ministry of Industry and Trade and VECEA.
2023	- Ranking in Vietnam's Top 100 Sustainable Enterprises in 2023 (ranked 19th in the nominating list) according to the CSI 100 Index. This is the 8th time in 8 consecutive years that Century has received this honorable award from 2016 to 2023. - Century won the 2023 Board of Directors award, as voted by the 6th Annual Forum on Corporate Governance (AF6), organized by the Board of Directors of the Vietnam Institute of Directors (VIOD). - Top 20 best annual reports in the non-financial group. - Century won the consolation prize for the Sustainable Development report. - Ranking in the top 10 best governance reports in the Mid-cap group.
2022	- Ranking 1st prize of the 2022 best sustainability reports in the market of mid-cap companies group organized by the Ho Chi Minh Stock Exchange. In 6 consecutive years from 2017-to 2022, the Century sustainability report has always been in the top 10 best quality reports in the market. - In addition, the annual report also ranked in the top 5 2022 best governance reports in the Midcap group organized by the Ho Chi Minh Stock Exchange. - Top 100 Sustainable Development Enterprises 2022 (CSI 100)- Awarded by the Business Council for Sustainable Development (VBCSD²), ranked 13th, this is the 7th time in 7 consecutive years, Century is honored to receive this award, a testament for Century's long-term sustainability strategy.

² VBCSD was established by VCCI Vietnam



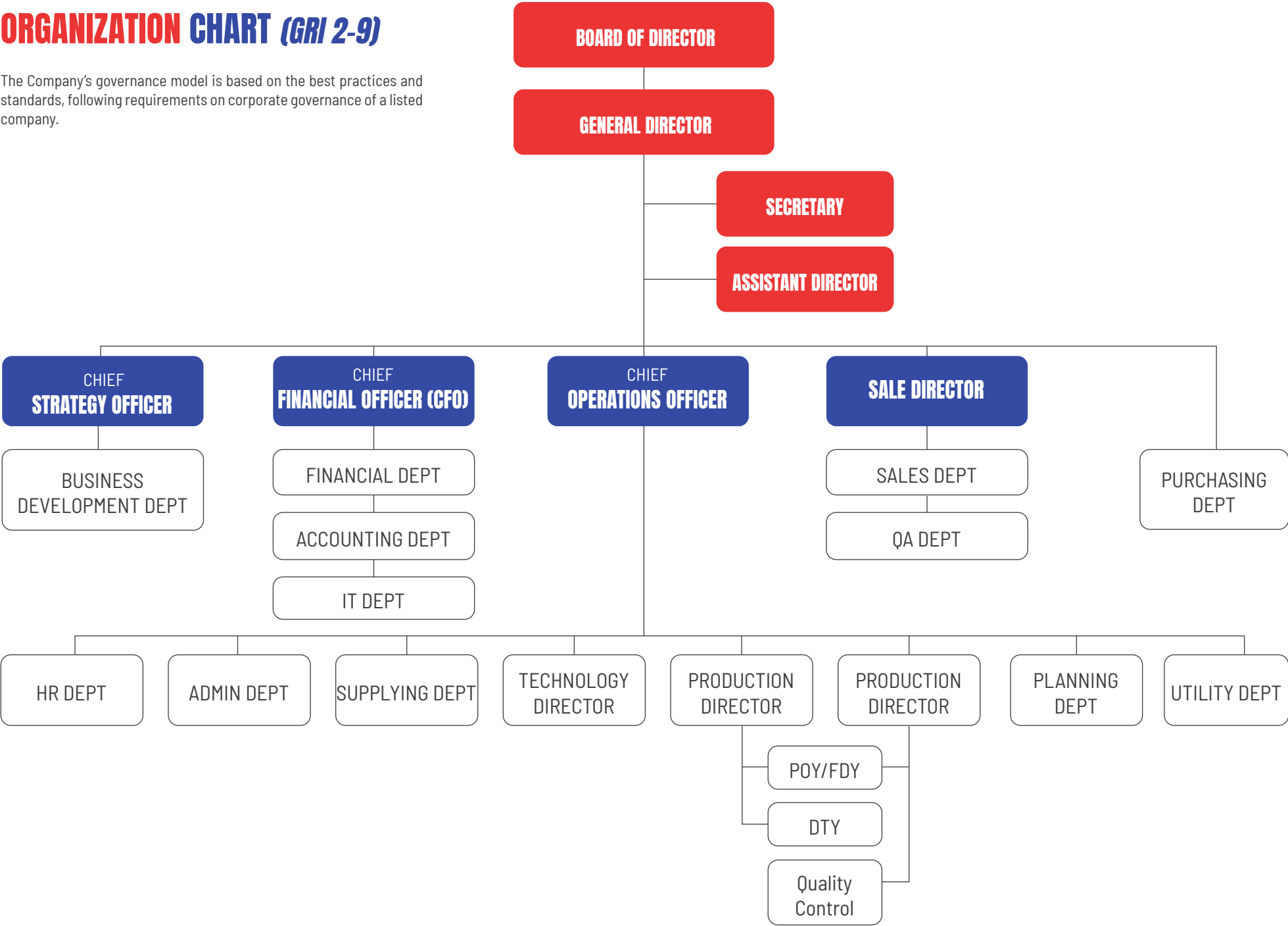
COMPANY'S AWARDS AND RANKING *(continued)*

	CERTIFICATES AND AWARDS
2021	• Second prize for the best sustainability report in the market of mid-cap companies group organized by the Ho Chi Minh Stock Exchange, 5 years in a row • Top 4 Best Annual Report 2021 in the group of Mid-cap companies organized by Ho Chi Minh Stock Exchange • Ranking top 100 Sustainable Development Enterprises 2021 (CSI 100) in 6 consecutive years. The award was presented by the Business Council for Sustainable Development (VBCSD).
2020	• Top 15 in the top 100 Sustainable Development Enterprises 2020 (CSI 100), for 5 consecutive years • Awarding organization: VCCI Vietnam • Top 3 Sustainable Development Reports -The most reliable report in the group of middle-cap companies organized by Ho Chi Minh Stock Exchange, 4 consecutive years • Top 5 Annual Reports -The best corporate governance reports in the group of mid-cap companies organized by the Ho Chi Minh Stock Exchange.
2019	• Top 100 Sustainable Enterprises 2019 (CSI100) organized by VCCI for 4 consecutive years. Top 10 Sustainable Enterprise in the manufacturing sector in 2019. • Top 10 Best Annual Reports in Vietnam Listed Company Award ("VLCA") 2019 organized by HOSE, HSX, VIR, and Dragon Capital. • Top 10 Best Sustainability Development Report in VLCA 2019.
2018	• Top 100 Sustainable Enterprises 2018 (CSI100) for 3 consecutive years. • Top 10 Sustainable Development Reports in VLCA 2018 • Top 90 Annual Reports in VLCA 2018.
2017	• Top 500 largest companies in Vietnam (VNR500): ranked 361 on the list of private enterprises in Vietnam. • Awarding Organization: Vietnam Report and Vietnam net • Top 100 Sustainable Businesses 2017 (CSI100) • IR Award 2017 - Listed companies meet information disclosure standards • Awarding Organization: VAFE and Tai Viet Joint Stock Company (Viet stock e-newspaper).



ORGANIZATION CHART (GRI 2-9)

The Company’s governance model is based on the best practices and standards, following requirements on corporate governance of a listed company.



SUSTAINABLE DEVELOPMENT GOVERNANCE (GRI-2-9)

Century consistently upholds corporate governance as the foundation for sustainable development, ensuring transparency, accountability, and efficiency in all operations. The company continuously enhances its governance system by adopting best practices to strengthen its competitive advantage and meet the expectations of shareholders and partners. At the same time, Century is committed to integrating governance with environmental and social objectives, aiming for long-term sustainable growth.



For **18 years**, Century has been a Vietnam Cotton and Spinning Association member.



For **10 years**, the company has recognized in the **CSI100** index.



For **7** consecutive years, Century has published its sustainability report by **GRI** standards.



For **9** consecutive years, Century has been recognized as one of the highest-quality sustainability reports in the market.

CENTURY RECOGNIZED AND INCLUDED IN THE VNCG50 LIST



At the AF7³ Forum held on December 5, 2024, VIOD introduced the VNCG50 initiative. This scoring framework is developed based on ACGS⁴ evaluation criteria, incorporating best practices while aligning with corporate governance realities in Vietnam. The VNCG50 evaluation panel is chaired by the Vietnam Stock Exchange (VNXX) and includes experts from HoSE, HNX, investment funds, securities firms, and independent specialists.

This index honors 50 pioneering Vietnamese enterprises committed to implementing international corporate governance standards. Century is proud to be recognized by VIOD⁵ and included in the VNCG50 list.

The VNCG50 scoring system aims to support listed companies in Vietnam in enhancing their corporate governance practices. These practices should align with the stock market development strategy toward 2030 and narrow the gap with Southeast Asia. Effective corporate governance improves transparency and accountability and is a key factor in strengthening a company's competitiveness. Closely linked to ESG, Corporate Governance (G) plays a crucial role in reinforcing market and partner trust, reflecting a company's commitment to Environmental (E) and Social (S) responsibilities. Moreover, improving governance standards at the company level creates more significant opportunities for businesses to attract investment capital. In the context of green transition and sustainable development becoming a global trend, investing in corporate governance is essential for businesses, consumers, and investors alike.

³ AF7: 7th Annual Forum (AF7) – The 7th Annual Corporate Governance Forum

⁴ VIOD: The ASEAN Corporate Governance Scorecard (ACGS) – The ASEAN Corporate Governance Scorecard Project

⁵ ACGS: The Vietnam Institute of Directors (VIOD) – The Vietnam Board of Directors Institute

MECHANISM FOR STRATEGY BUILDING, PLANNING, IMPLEMENTATION, AND REPORTING SUSTAINABLE DEVELOPMENT

BUILD SUSTAINABLE STRATEGY WITH SUSTAINABLE PRODUCTS.



ECO-FRIENDLY PRODUCTS SUCH AS RECYCLED YARN AND DOPE DYED YARN



ENVIRONMENT

- Advancing production technology to reduce material consumption.
- Using renewable energy (solar energy).
- Applying automation system in production, enhancing production efficiency, and reducing wasted product.



ECONOMY

- Ensuring achievement of sales revenue and profit targets.
- Developing further eco-friendly products.
- Market expansion.



RECYCLE

- Investment in recycling machines to recycle wasted products.
- Increasing the portion of recycled yarn in the total sales revenue.
- Increasing the reusing ratio of production materials such as POY tubes, packaging carton boxes, pallets, and circulating water in the production process.



SOCIAL

- Sharing benefits with interested parties.
- Enhancing employee working skills through training courses.
- Improving working environment, ensuring health-safety working conditions for employees.



BUILD SUSTAINABLE STRATEGY WITH SUSTAINABLE PRODUCTS *(continued)*

To ensure the balance of interests among stakeholders as well as the balance of sustainable development polars, at Century Synthetic Fiber Corporation, the focus of the sustainable development strategy is to choose eco-friendly products which are commercially and financially viable. The recycled yarn is one of the key products that help the Company to develop further on its sustainable development path with high economic value, helping to recycle plastic bottles, contributing to environmental protection (Using recycled PET chips in production helps to reduce by 79% carbon footprint as compared to virgin PET chip).

The Company is also developing colored yarn products (an alternative to the traditional dyeing process, helping customers to reduce water consumption, wastewater, and chemical emissions into the environment) and adding special features for recycled yarn products (such as hygroscopicity, high elasticity, etc.) to create added value for consumers and promote demand for recycled yarn.

We have achieved GRS (Global Recycle Standard) certification and OEKO-TEX 100 certification, which proves that the yarn ingredients do not contain harmful toxins. In addition to the list of environmentally friendly products, the Company also focuses on strategically investing in machinery using modern technology to reduce electrical energy consumption, reduce waste products as well as fostering technical improvement to reduce environmental pollution, consumption of raw materials, electricity, and water, reusing materials, recycling scrap and using renewable energy.

At the beginning of 2024, the company implemented the Smart Factory project for Trang Bang 3 factory. With this initiative, the factory can monitor the real-time flow of goods, from tracking transport carts to detecting defects occurring during production. Artificial Intelligence (AI) analyzes and learns defect patterns, enabling it to identify issues without human intervention. This predictive capability allows the factory to take timely corrective actions, reducing defective products and indirectly saving raw materials and energy. In 2025, the IT Department plans to enhance the manufacturing management system by implementing tighter controls over the POY loading process. Specifically, POC data from POY will be leveraged to synchronize and monitor the yarn-feeding process into DTY machines, ensuring the correct product codes, proper material types, and precise timing. This improvement will enhance automation, minimize errors, increase efficiency, and improve product quality.

Automated Warehouse Project: Century has implemented an automated warehouse system at its subsidiary Unitex to enhance storage efficiency and inventory management. This system utilizes automation technology to minimize human intervention. It included integrating robots, storage racks, and management software to optimize inbound and outbound logistics. The automated warehouse improves processing speed, reduces errors, lowers labor requirements, and maximizes storage space utilization. With this technology, Century can monitor inventory in real-time and enhance operational efficiency. This modern solution optimizes logistics operations and reduces labor costs, reinforcing Century's commitment to innovation and efficiency.

UNITEX has implemented an automation system in the POY production process, optimizing operations through the following key stages: (1) Automated doffing – This system efficiently transports yarn from the production area to the inspection zone quickly and precisely. (2) Automated yarn package loading— The system utilizes specialized transport vehicles and robotic arms to load yarn packages onto rail-guided carts, minimizing manual handling. (3) The advanced inspection process includes visual defect detection, weight control to ensure compliance with standards, and UV light inspection to identify and remove yarn packages exhibiting fluorescence. This automation system optimizes labor efficiency, enhances production performance, and ensures consistent product quality, meeting market's strict quality requirements

In terms of labor and society, with the motto of developing together, the Company advocates sharing benefits with employees through constantly improving the remuneration regime, enhancing the capacity of employees, and creating a safe and comfortable working environment for employees.

PLANING AND EXECUTING BY THE DEPARTMENT OF COMPANY (GRI 2-13)

THE HUMAN RESOURCES DEPARTMENT IS RESPONSIBLE FOR SOCIAL MATTERS - Proposing the human resource planning for the Company; - Implementing the attendance checking, payroll making, and ensuring the welfare policies to employees; - Providing training, promotions, and fostering workmanship for the Company's employees; - Proposing recruitment and selection of qualified candidates for the Company; - Advising the Company's Board of Directors about the Company's salary budget and the KPIs achievement of each department; - Updating and improving the Company's labor policies in accordance with prevailing laws and regulations. - Handling employees' grievances and ensuring the equality practice in the Company. - Being responsible for directly reporting to the Board of Management and the Company's BOD regarding social and labor issues;	THE ADMINISTRATION DEPARTMENT IS RESPONSIBLE FOR ENVIRONMENTAL MATTERS - Proposing and enacting policies to ensure health-safety-environment matters at the Company; - Regularly inspecting and reporting the Company's compliance with regulations on labor safety and environmental protection; - Annually implementing the health-safety-environment training to the Company's employees; - Periodically implementing the working environment inspection regarding air emission, wastewater, and solid waste parameters; - Updating and preparing environmental protection policies and procedures; health-safety-environment handbook for the Company's employees; - Being responsible for directly reporting to General Director regarding health-safety-environment matters;	THE SALES TEAM-SALES DEPARTMENT IS RESPONSIBLE FOR ECONOMIC MATTERS - Advising the Board of Management about the Company's sales plan; - Looking for potential customers and developing the Company's customer network and markets; - Boosting the Company's sales activities, optimizing the Company's sales revenue and profit after tax; - Ensuring the customer service quality and implementing the Company's marketing strategy; - Getting updated about the market situation and advising the Company's the Board of Management to have proper sales policies; - Being responsible for directly reporting to the Board of Management and BOD about the Company's sales performance;
THE FINANCIAL DEPARTMENT IS RESPONSIBLE FOR ECONOMIC MATTERS - Advising General Director and sales department to have proper sales policies and maintaining price gap; - Monitoring and tracking the Company's expenditure budget; - Reporting to Board of Management about unexpected or overspending cases; - Supporting and following up with sales team to embrace the Company's profit plan; - Managing the inventory level and reporting to General Director;	THE PRODUCTION PLANNING DEPARTMENT IS RESPONSIBLE FOR PRODUCTION SCHEDULING AND MATERIALS ALLOCATION - Arrangement of machinery, equipment, and labor force to execute the order production; - Making a schedule for production as well as monitoring the material consumption throughout production processes; - Collaborating with sales team in sales order acceptance and delivery schedule.	PURCHASING DEPARTMENT IS RESPONSIBLE FOR RAW MATERIAL MATTERS - Finding qualified suppliers for materials, equipment, machines, and services; - Ensuring reasonable prices, and reducing company costs; - Ensuring the supplier's delivery schedule on time to serve the production needs of the Company; - Developing supplier network to minimize the risk of supply shortages;
THE PRODUCTION DEPARTMENT IS RESPONSIBLE FOR PRODUCTION AND PRODUCT QUALITY CONTROL - Deploying production and assuring the quality of products; - Ensuring economical usage of the Company's resources in the production process; - Minimizing the rate of waste products; - Researching and developing new solutions to improve and stabilize product quality;	UTILITY DEPARTMENT- IN CHARGE OF MANAGING ENERGY USAGE - Operating and maintaining machinery and equipment using the correct method. - Controlling and changing solutions on how to use energy to use energy more effectively. - Researching and applying innovations to help saving energy and using energy more effectively.	BUSINESS DEVELOPMENT DEPARTMENT - Advising the Board of Directors on developing a sustainable development strategy. - Advising Corporate governance and coordinating sustainability initiatives.

SUSTAINABILITY DEVELOPMENT ACHIEVEMENTS IN 2025 (GRI 2-18)

THE ASSESSMENT PROCESS:

1. Analysis of the Company's business performance report, social-labor report, environment inspection report, and monthly KPIs achievement of each department in the Company.
2. The BOD will give comments and make evaluations on the Company's sustainable development achievements in the last period.
3. The BOD also provides new development directions for upcoming periods (refer further to Article III.6.5 of this report).

THE FREQUENCY OF EVALUATION:

Monitoring achievement of the Company's sustainable development goals through monthly and quarterly meetings, as well as making the annual evaluation of its performance.

SUSTAINABLE ECONOMIC DEVELOPMENT

- Net revenue in 2025 reached VND 1,353 billion, completing 41% of the 2025 target.
- In 2025, the proportion of revenue from recycled yarn in the Company's total revenue reached 49.9%, increasing by 12.1% compared to 44.5% in 2024. This result shows the recovery and growth trend of recycled yarn products after a period of market fluctuations. However, the Company is still facing strong price competition from other suppliers, while demand for high-end products has not fully recovered yet. In this context, Century continues to follow its strategy of increasing the proportion of revenue from recycled yarn year by year, aiming to reach around 60%-70% in the 2027-2029 period;
- Net profit in 2025 was VND 49.9 billion, achieving 16% of the 2025 target;
- The debt-to-equity ratio slightly increased from 0.97x in 2024 to 1.12x in 2025 as of December 31, 2025, mainly due to loans for financing the Unitex project;
- Successfully developed high-value-added yarns (Dope dye, Soft package, Full dull, High CR, CD Mix, Quick Dry) for domestic and export markets such as Japan and Thailand;

SUSTAINABLE DEVELOPMENT OF LOCAL LABOR AND COMMUNITY

- In 2025, the Company implemented selective salary adjustments for certain positions instead of applying a general salary increase policy like in 2024. This decision was made as business results in 2024 did not meet expectations, and 2025 continued to be a challenging period for Century. However, the Company still prioritized income adjustments for key positions and employees with outstanding contributions in order to maintain work motivation and ensure workforce stability during this difficult period;
- Giving Tet gifts, establishing support funds, and making direct contributions to help employees with difficult circumstances;
- Periodically implementing the policy on skill assessment for promotion and creating promotion opportunities for employees;
- The company created more jobs directly for local workers and indirectly for suppliers through projects to expand production capacity (Unitex factory).
- The Company has continued to improve the complaint and feedback mechanism based on the Company's Code of Conduct;
- Periodically inspecting and maintaining machinery and equipment;
- Ensuring labor safety for employees while working at the Company.

ENVIRONMENT PROTECTION

- Development of Eco-Friendly Yarn Products: The production of recycled yarn not only contributes to environmental protection but also serves as a key growth driver for Century, driven by the increasing demand for eco-friendly yarn products. Made from recycled polyester chips sourced from plastic bottles, recycled yarn is an inevitable trend in the sustainable textile industry. Century aims to increase the proportion of recycled yarn to 60%-70% of total revenue from its existing factories by 2027-2029, reaffirming its commitment to green and sustainable development;
- The solar energy project and electricity-saving initiatives have helped Century to reduce its carbon footprint over the years, with reductions of 4,639, 4,273, and 4,024 tons of CO₂ in 2023, 2024, and 2025, respectively. The cumulative reduction from 2023 to 2025 reached 12,936 tons of CO₂, equivalent to a 10.8% decrease during this period. The company has signed a contract with a partner to purchase additional renewable energy with a total capacity of 75 MWp in the coming years;
- Recycling waste yarn into input PET chips, helping to reduce emissions to the environment; the recycling rate was more than 67.5% of waste yarn produced in the period;
- Development and commercialization of dope-dyed yarn, which helps to reduce the amount of consumed clean water, chemicals, and environmental protection;
- In 2025, the number of POY paper tubes used was 902,970. On average, each POY paper tube can be reused three times, resulting in a savings of 1,805,941 tubes. Without reuse, the required number of POY paper tubes would have been 3,611,882.
- The carbon footprint from electricity consumption in 2025 increased by 46% compared to 2024, mainly due to higher electricity usage. The main reason was that the Unitex factory conducted trial operations during 2025 and officially started commercial operation in early 2026. During the trial operation period, the factory's electricity demand was high to support testing, adjustment, and stabilization of the production lines. Accordingly, Unitex's total electricity consumption in 2025 reached 44,336,065 kWh, accounting for around 37% of the Company's total electricity consumption.
- From the beginning of the production of recycled yarns to the end of 2025, the Company has indirectly reused about 6.00 billion post-consumer-used PET plastic bottles thanks to the production of Recycled yarn, minimizing the impact on the environment.

BOARD OF DIRECTORS (GRI 2-9,2-10,2-11,2-17)

ROLE AND RESPONSIBILITIES OF THE BOD ON SUSTAINABLE DEVELOPMENT GOALS (GRI 2-13,2-14)

- The Board of Directors (BOD) of Century Synthetic Fiber Corporation plays a central role in guiding the Company's sustainable development strategy, ensuring that business goals are closely linked with economic, social, environmental, and governance (ESG) factors. The BOD identifies sustainable development as one of the important pillars in the Company's long-term strategy and provides development directions in line with the global textile industry's transition toward a circular economy and carbon reduction. Through setting sustainability goals and policies, the BOD guides the Company to focus on key areas such as increasing the proportion of recycled yarn products, improving energy and resource efficiency, reducing greenhouse gas emissions, ensuring employee rights, and enhancing transparency in corporate governance. These directions not only help Century improve its competitiveness but also meet the increasing requirements from international customers and global sustainability standards.
- The Company's BOD plays an important role in setting sustainable development goals. These goals are specified as objectives for each department. The Board of Directors will be responsible for monitoring, checking, and ensuring that the Sustainable Development Goals are implemented at the Company.
- The objectives of each department and function are translated into measurable Key Performance Indicators (KPIs), allowing the Management Team to accurately assess and monitor the effectiveness of each department's performance while ensuring alignment with the Company's overall goals.
- The Board of Directors continues to hold quarterly meetings to update and provide timely guidance for Century's operations and production activities. Each social-economic-environmental aspect will be presented directly to the Board of Directors by the Board of Management. The Company's BOD members will assess the achieved results and give directions to improve the Company's performance.
- The Board of Directors assigns the Board of Management and the Business Development Department to be responsible for implementing the sustainability report, ensuring that the report's content is built in accordance with international practices and regulations of Vietnam and reflects the Company's actual status.

ROLE OF THE BOARD OF DIRECTORS IN IMPLEMENTING AND EXECUTING SUSTAINABLE DEVELOPMENT GOALS (GRI 2-13,2-14)

- Besides providing strategic direction, the BOD also plays an important role in directing and promoting the implementation of sustainable development programs throughout the Company. The BOD clearly assigns responsibilities to the Management Board and functional departments in implementing sustainability initiatives and plans, ensuring that sustainability goals are integrated into daily business and production activities. (Refer to the section: ASSIGNMENT OF IMPLEMENTATION RESPONSIBILITIES BY DEPARTMENT (GRI 2-13) – Sustainability Report 2025).
- Key sustainable development programs have been directed and implemented by the BOD throughout the Company's development strategy. Since 2016, Century has started using recycled materials in yarn production, marking an important step toward environmentally friendly products. In 2020, the Company continued investing in rooftop solar power systems at Cu Chi and Trang Bang factories, helping to increase the use of renewable energy and reduce greenhouse gas emissions. In addition, since 2017, the Company has invested in a yarn waste recycling line to promote the circular economy model in production. The Company also changed from DO forklifts to electric forklifts from 2017 to reduce emissions and improve energy efficiency.
- Along with energy and technology solutions, Century also focuses on developing dope-dyed yarn products, helping reduce the need for dyeing processes at textile dyeing factories, which are considered one of the major sources of pollution in the textile value chain. The Company continuously researches and develops environmentally friendly products to meet increasing market demand while reducing environmental impacts. At the same time, Century also focuses on optimizing water and resource use, enhancing waste management efficiency, improving working conditions for employees, and strengthening social responsibility activities. Through these programs and initiatives, the BOD ensures that sustainable development is not only a strategic direction but is also implemented in all Company operations, contributing to long-term value for the business and stakeholders.
- Besides implementing sustainable development initiatives in production activities, the Company has also achieved many reputable international certifications such as GRS (Global Recycled Standard), ISO 9001:2015, and OEKO-TEX Standard 100. These certifications demonstrate that the Company's yarn products do not contain harmful chemicals that may affect human health and the environment. At the same time, the Company commits to complying with the REACH regulation of the European Union and does not use chemicals listed in the restricted substances list. These certifications and commitments are important evidences of the Company's efforts and sustainable development orientation.
- On the social aspect, since 2023, the Company has implemented the EWB (Employee Wellbeing & Engagement) survey to measure employee satisfaction, mental and physical health, workplace safety, and employee engagement. The survey results help the Management identify issues that need improvement in a timely manner, thereby improving the working environment and enhancing internal communication effectiveness. In addition, the Company regularly participates in social audits conducted by partner brands. Although these audits are initiated by customers, the results have been positive, partly reflecting the effectiveness of the Company's sustainable development efforts.

ROLE IN SUPERVISING AND MONITORING THE IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT GOALS (GRI 2-13,2-14)

- The BOD also plays a role in supervising and monitoring the implementation of sustainable development goals to ensure that the Company's commitments are carried out effectively and transparently. Through periodic reports from the Management Board and responsible departments, the BOD reviews the progress of sustainability goals and makes necessary adjustments to ensure the Company achieves its targets.

BRIEF INTRODUCTION OF BOD MEMBERS



MR. DANG TRIEU HOA (57 YEARS OLD)

POSITION AT CENTURY: **Chairman**
DATE OF APPOINTMENT: **Since 2025**
Qualification: **Business Administration.**

- The BOD's supervision focuses on important indicators related to economic performance, environmental management, social responsibility, and corporate governance quality, including indicators on greenhouse gas emissions, energy consumption, water usage, occupational safety, and business performance. Through this monitoring mechanism, the BOD ensures that Century's sustainable development activities are implemented consistently, transparently, and in line with international standards, strengthening the Company's position as a leading sustainable company in the yarn industry.

Mr. Dang Trieu Hoa founded Century in 2000 and has been playing the important role in the incorporation and development of Century. He has more than 20 years of experience in yarn and textile trading and manufacturing. He was the Director of Hoan A Trading & Services Co., Ltd and Viet Phu Trading & Services before setting up Century.

At the new position of Vice Chairman and General Director, Mr. Hoa played a crucial role in forming visions & missions for the Company. He received the 2007 Outstanding Businessman Award from Vietnam's Ministry of Industry and Trade.

Ms. Dang My Linh is one of the co-founders of Century. Currently, she is the General Director of Lien An Trading & Investment Joint Stock Company.
Before joining Century, she had more than 10 years of working experience at Worldtex Enterprise Co., Ltd. (Taiwan).

MDM. DANG MY LINH (54 YEARS OLD)

POSITION AT CENTURY: **Vice -Chairman CEO**
DATE OF APPOINTMENT: **Since 2025**
Qualification: **Business Administration.**





MR. DANG HUONG CUONG (51 YEARS OLD)

POSITION AT CENTURY: **Non-executive member**

DATE OF APPOINTMENT: **Since 2005**

Qualification: **Business Administration.**

Mr. Dang Huong Cuong is one of the co-founders of Century. Currently, he is the Director of P.A.N Pacific Co., Ltd which is also in the yarn sector.



Mr CHEN CHE JEN (64 YEARS OLD)

POSITION AT CENTURY: **Non-executive independent member**

DATE OF APPOINTMENT: **17/04/2018**

Education: **Technology.**

Mr. Chen Che Jen has many years of experience in the textile and yarn business.



MDM. CAO THI QUE ANH (60 YEARS OLD)

POSITION AT CENTURY: **Non-executive independent member**

DATE OF APPOINTMENT: **12/01/2015**

Currently, she is the Director of Thuc Pham Xanh Company. Before that, she has many years of experience in commerce and finance in Poland and Vietnam.



MR. NGUYEN QUOC HUONG (55 YEARS OLD)

POSITION AT CENTURY: **Non-executive independent member**

DATE OF APPOINTMENT: **17/04/2018**

Education: **Finance-Banking.**

Mr. Nguyen Quoc Huong is an expert in finance-banking and finance risk management.



MR. VO QUANG LONG (48 YEARS OLD)

POSITION AT CENTURY: **Non-executive independent member**

DATE OF APPOINTMENT: **17/04/2018**

Education level: **Business Administration.**

He is the capital representative of major shareholder Huong Viet JSC.

MANAGEMENT EXECUTIVE BOARD (GRI 2-9, 2-10,2-11,2-17)



MR. DANG TRIEU HOA
CHAIRMAN

Year of birth: 1969

Education: Business Administration

Working experience:

06/2010 to present: Chairman/General Director, CENTURY
1995 – 2000: Director, Hoan A Trading & Services Co., Ltd.
1991 – 1995: Director, Viet Phu Trading & Services Co., Ltd.



MR. PHAN NHU BICH
DEPUTY CFO/ CHIEF ACCOUNTANT

Year of birth: 1970

Education: MBA.

Working experience:

11/2010 to present: Chief Accountant, CENTURY.
03/2004 – 03/2010: Controller/ Accountant, Thanh Cong Textile Garment & Investment Trading JSC.
1997 – 03/2004: Accountant, Binh Phuoc Electricity Company.



MDM. NGUYEN PHUONG CHI
CHIEF STRATEGIC OFFICER

Year of birth: 1972

Education: Master of Applied Finance

Working experience:

01/2015 to present: CSO, CENTURY
3/2008-12/2014: Investment Advisory Manager, Tri Tin Consulting & Investment JSC.
4/2005-2/2008: Senior Project Manager, Openasia Consulting Ltd.
10/2004-2/2005: Business Development Officer, Mekong Private Sector Facility ("MPDF").
10/2002-10/2004: Senior Financial Analyst, PricewaterhouseCoopers (Vietnam) Ltd.
3/1997-3/2000: Legal Assistant, Deacons Graham & James, Hanoi Branch.



MR NGUYEN NGOC LAM
Chief Operating Officer (COO), Century

Year of birth: 1975

Education: Chemical Engineer, MBA Master's Degree.

Working experience:

11/2024 to present : Chief Operating Officer (COO), Century.
11/2023 -06/2024 : Production Director, GTI Vietnam.
04/2001 -06/2023 : Technical Director, Nissei Electric Vietnam.

BOARD OF SUPERVISORS *(GRI 2-9,2-10,2-11,2-17)*



MDM. HA KIET TRAN
HEAD OF THE BOS

Year of birth: 1986, Female
Education: Master

Working experience

- 2018 to present: Head of Investment Department - Huong Viet Investment Consulting Joint Stock Company.
- 2015 - 2017: Head of IB Department, Treasury and Investment Division - Orient Commercial Joint Stock Bank.
- 2013 - 2015: Investment Specialist - Dong A Securities Joint Stock Company.



MDM. NGUYEN THI SANG
BOS MEMBER

Year of birth: 1983, Female
Education: Bachelor's Degree in Accounting

Working experience

- 2010 to present: General Accountant at Lien An Trading & Investment Joint Stock Company



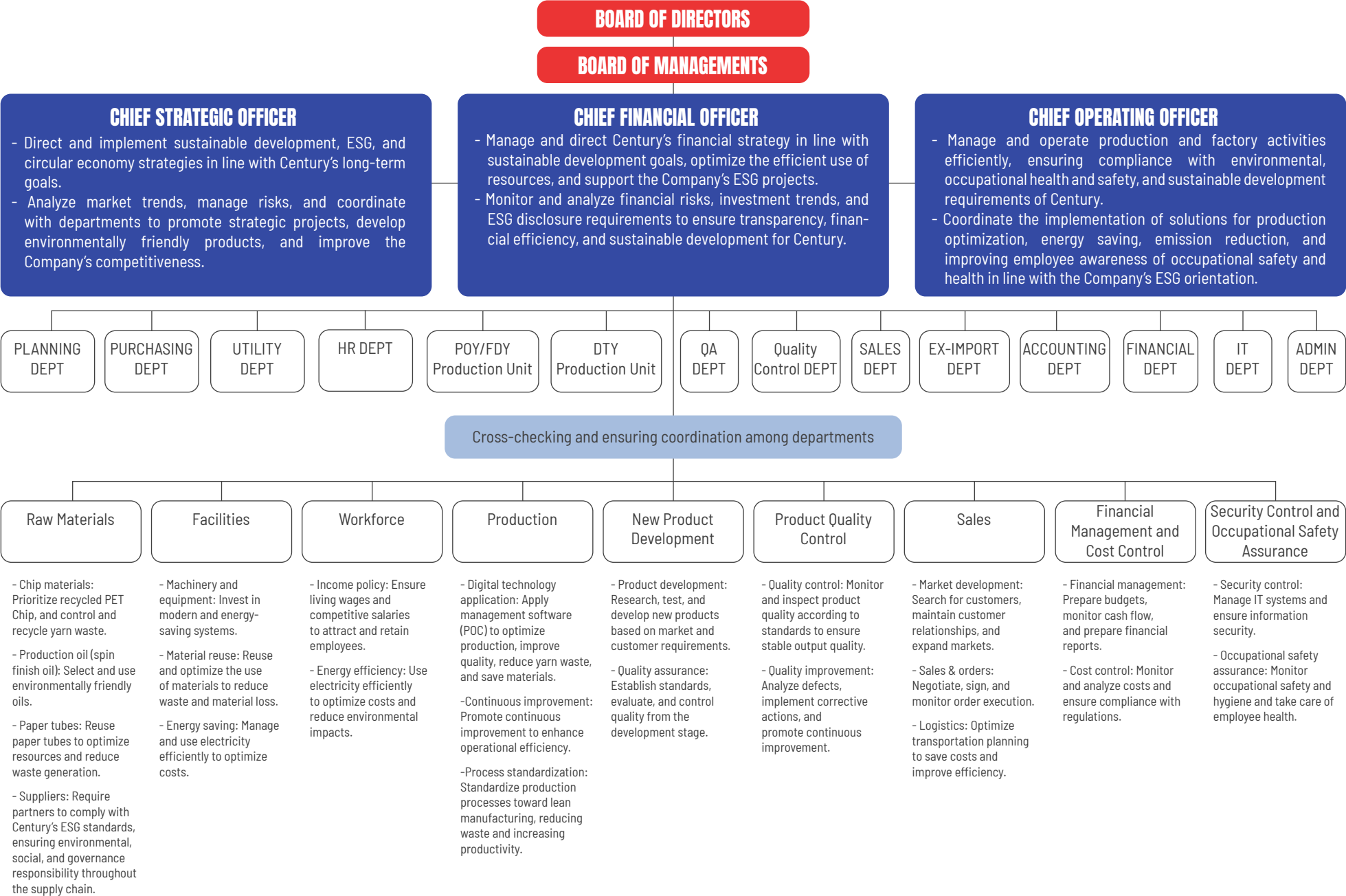
MDM. DINH NGOC HOA
BOS MEMBER

Year of birth: 1979, Female
Education: Bachelor

Working experience

- 2005 - 2024: Head of Planning-production department, Century
- 2002 - 2004: Accountant, Vi Hop Ltd,

GOVERNANCE STRUCTURE AND FUNCTIONAL RESPONSIBILITIES IN BUSINESS OPERATIONS



ESG RESPONSIBILITIES

Century integrates ESG responsibilities into the Company's governance structure and operational activities, with coordination among departments and management levels in implementing and monitoring environmental, social, and corporate governance issues. Key topics such as energy saving, recycled yarn product development, occupational health and safety, climate risk management, and sustainable supply chain development are monitored and implemented throughout the Company's business and production activities.

MONITORING SUSTAINABLE RISKS AND OPPORTUNITIES

The Board of Directors of Century considers sustainability-related risks and opportunities as part of the Company's strategic supervision, investment activities, and risk management. Issues related to climate change, energy use, recycled product development, environmentally friendly products, occupational health and safety, and sustainable supply chains are integrated into the Company's strategic planning and operations.

Relevant departments and management levels coordinate to support the Management Board and the Board of Directors in implementing, monitoring, and evaluating Century's sustainable development goals. In 2025, Century continued focusing on promoting energy-saving activities, increasing the proportion of recycled yarn products, developing the circular economy, and strengthening the control of environmental and occupational safety risks.

CONTENT	DESCRIPTION
Strategy	Century's sustainable development strategy is periodically reviewed and updated to ensure alignment with the Company's long-term development direction. Key topics such as recycled yarn product development, optimization of energy efficiency, reduction of greenhouse gas emissions, and expansion of circular economy solutions are integrated into Century's business and investment strategies.
Key decisions and trade-offs in the decision-making process	Century's major investment decisions and projects are considered based on financial efficiency, operational efficiency, and related environmental and social impacts. The Company prioritizes investments in modern and energy-saving technologies and supports the development of environmentally friendly products to improve production efficiency and reduce long-term environmental impacts.
Risk management	Century manages sustainability-related risks through coordination among functional departments and internal control activities. Risks related to environment, climate change, occupational health and safety, energy, and supply chain are periodically monitored and assessed to ensure stable business operations and alignment with the Company's ESG orientation.



COMPANY GOVERNANCE REPORT

Corporate Governance (G) plays a pivotal role in Century's ESG strategy, serving as the foundation for meeting modern governance standards. Recognizing this importance, Century continuously updates, improves, and applies the latest regulations/best practices to enhance transparency, accountability, and sustainable management. In the coming years, the company aims to implement ESG governance criteria based on the following objectives:

- Integrate ESG into the business strategy with specific annual targets, ensuring these matters are discussed and monitored in Board of Directors (BoD) meetings.
- Appoint a dedicated BoD member to oversee ESG implementation.
- Incorporate corporate governance and ESG factors into the regular meeting agenda of the BoD and Executive Board.
- Develop a governance structure that ensures transparency and accountability.
- Establish a rigorous risk measurement and management process across different management levels.

These efforts aim to build a modern governance system, accelerate sustainable development, and enhance the company's long-term value.

(Refer to *GOVERNANCE REPORT OF THE COMPANY - Annual Report 2025*)

PREVENTION OF INTEREST CONFLICT OF INTEREST AND TRANSACTIONS WITH INTERESTED PARTIES (GRI 2-15)

CODE OF CONDUCT DEVELOPMENT (GRI 2-23, GRI 2-24, GRI 2-25)

In 2016, the Company issued a Code of Conduct to establish ethical standards and principles for all business activities. This code not only reinforces core values but also guides employees and partners on professional, transparent, and responsible behavior. Strict adherence to these principles enhances corporate reputation and lays a solid foundation for the Company's sustainable development.

The Code of Conduct is established as a core standard applicable to all members of the Company, including the Board of Directors, Supervisory Board, Executive Board, and all Century employees. Every member is responsible for strictly adhering to these principles while also committing to promoting and encouraging partners, including suppliers, customers, and third parties, to respect and follow the spirit of the Code.

Century has established conduct principles for shareholders, customers, employees, suppliers, competitors, government agencies, and the media to set ethical and professional behavior standards in all business activities. These principles ensure transparency, fairness, and accountability in relationships with stakeholders while strengthening the company's trust and reputation in the market.



This Code of Conduct reflects Century's commitment to maintaining business ethics, complying with the law, and fostering a fair, respectful, and collaborative work environment. Its core values—responsibility, transparency, and sustainability—aim for long-term development and a balanced alignment of interests between the company and its stakeholders. Implementing the Code of Conduct enhances Century's corporate governance quality and ensures it aligns with best practices, particularly in strengthening transparency, accountability, and risk management. This ensures compliance with advanced governance standards and helps building a strong corporate culture, attracting trust from investors, customers, and partners.

(Refer further to *1PREVENTION OF INTEREST CONFLICT OF INTEREST AND TRANSACTIONS WITH INTERESTED PARTIES - 2025 ANNUAL REPORT*)

2025 SUSTAINABILITY REPORT

38	GLOBAL SUSTAINABLE DEVELOPMENT CONTEXT
48	SUSTAINABLE DEVELOPMENT OF THE WORLD'S TEXTILE AND GARMENT INDUSTRY
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77	THE ADVISORY AND GRIEVANCE MANAGEMENT FRAMEWORK ABOUT THE CODE OF CONDUCT AT THE COMPANY (GRI 2-26)
77	ENGAGING INTERESTED PARTIES IN COMPILING SUSTAINABILITY DEVELOPMENT REPORT

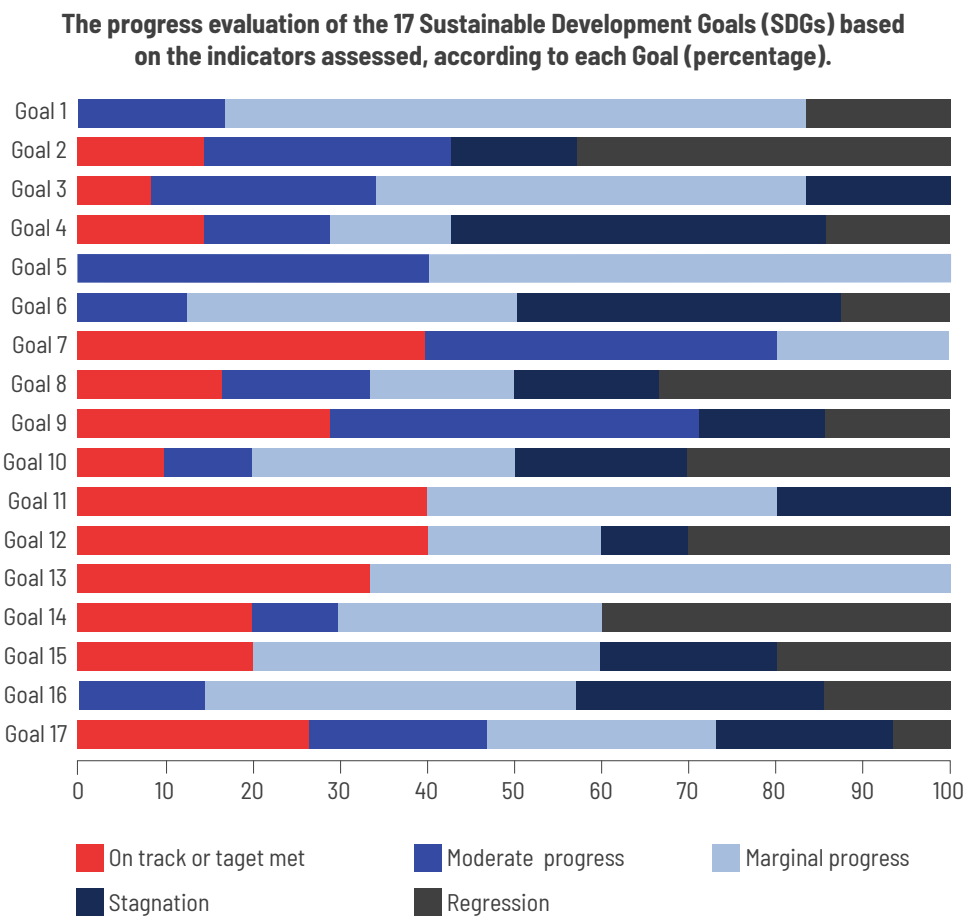
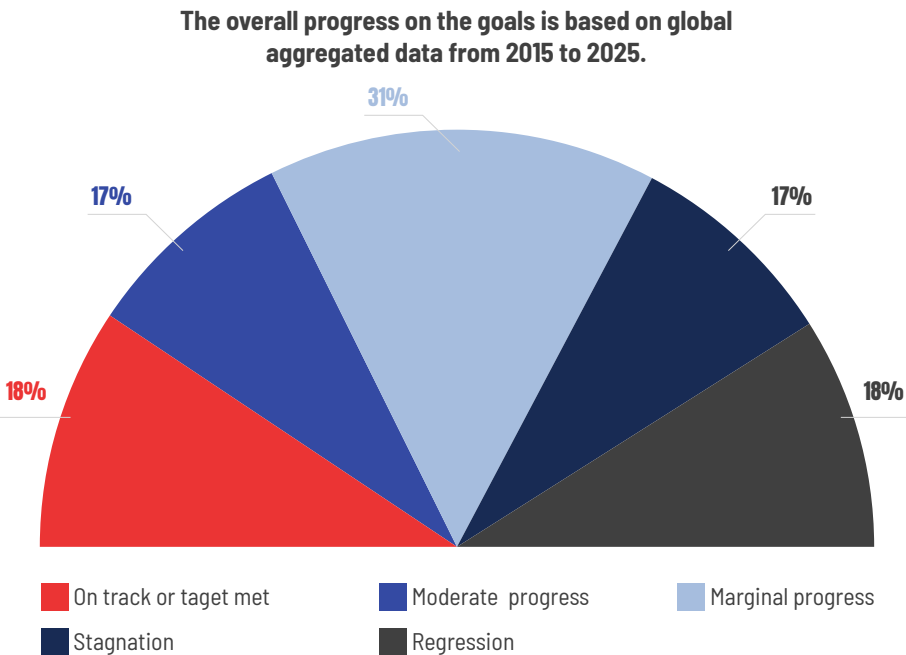


GLOBAL SUSTAINABLE DEVELOPMENT CONTEXT

The COP30 Conference (Conference of the Parties to the United Nations Framework Convention on Climate Change) was held from November 10 to 21, 2025, at the Hangar Convention Center in Belém, Brazil. As the first COP held near the Amazon rainforest region, COP30 carried important symbolic and political significance for global climate action efforts. Many parties referred to it as the “COP of Action,” highlighting expectations that the conference would help turn the commitments of the Paris Agreement and the results of the 2023 Global Stocktake into more specific and practical actions.

Ahead of COP30, countries were expected to announce or update their Nationally Determined Contributions (NDCs), showing their commitments and emission reduction roadmaps to keep global temperature rise well below 2°C and pursue efforts to limit it to 1.5°C compared to pre-industrial levels. In general, the new commitments have helped moving the world closer to the pathway aligned with the goals of the Paris Agreement, although stronger efforts are still needed to achieve long-term targets.

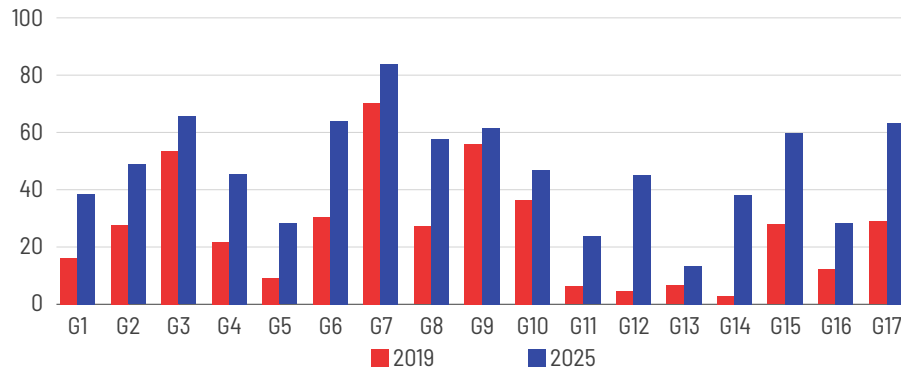
The 2025 progress assessment shows that the world is still far from achieving the 2030 Agenda. Out of 169 targets, 139 targets could be assessed based on global trend data from 2015 up to now. Among them, only 35% of the targets are progressing at an acceptable level, including 18% that are on track and 17% showing moderate progress. Meanwhile, 48% of the targets show insufficient progress, including 31% with only limited improvement and 17% with no progress at all. More concerning, 18% of the targets have moved backward compared to the 2015 baseline.



Source: The Sustainable Development Goals Report 2025-United Nations

This comprehensive evaluation highlights the urgent need to intensify efforts to bring the Sustainable Development Goals (SDGs) back on track.

The percentage of countries or regions with trend data, comparing the 2019 and 2025 databases, by Goal (percentage).



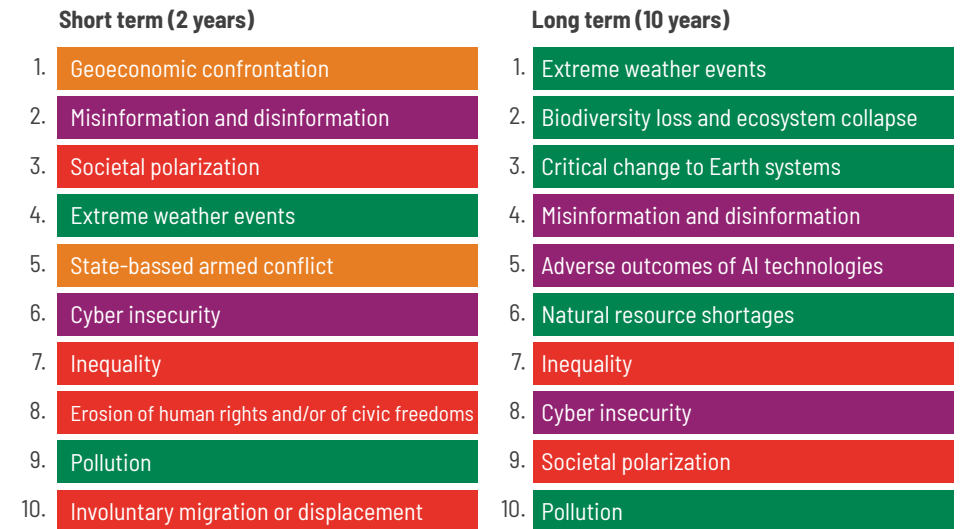
When the Sustainable Development Goals (SDGs) monitoring framework was first established in 2016, only around one-third of the indicators had sufficient data coverage, while 39% did not yet have internationally agreed methodologies. Up to now, the situation has improved significantly: nearly 70% of the indicators now have good data coverage, and all 234 SDG indicators have established methodologies.

The 2019–2025 period recorded positive progress in improving the ability to collect and provide SDG data, although significant gaps still remain in some important areas. SDG 3 (Good Health and Well-being), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), and SDG 17 (Partnerships for the Goals) showed significant improvement, with SDG 7 having the highest trend data coverage, exceeding 80%. However, some goals still show slow progress, especially SDG 5 (Gender Equality), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action), and SDG 16 (Peace, Justice and Strong Institutions), where data coverage remains below 30%.

According to the World Economic Forum (WEF), in 2025, the world continues to face many uncertainties due to increasing geopolitical competition, unstable global supply chains, and prolonged conflicts that may spread to neighboring regions. These tensions could create systemic and wide-ranging impacts on a global scale and increase the vulnerability of many countries. At the same time, the international multilateral system is also facing growing pressure as trust declines, transparency and respect for the rule of law show signs of weakening, while increasing protectionism is threatening long-term international relations as well as global trade and investment activities. In this context, geoeconomic confrontation has been identified as one of the most significant risks. According to the Global Risks Report survey, 18% of respondents considered it the risk most likely to cause a major global crisis in 2026, reflecting growing concerns over international economic and political tensions.

The World Economic Forum's Global Risks Perception Survey 2026 collected opinions from experts and leaders around the world on future risks. The risks considered most urgent include extreme weather, geopolitical conflicts, and environmental crises. Data from the survey highlights the importance of urgent action to address increasing global risks.

Global risks ranked by severity in the short term and long term.

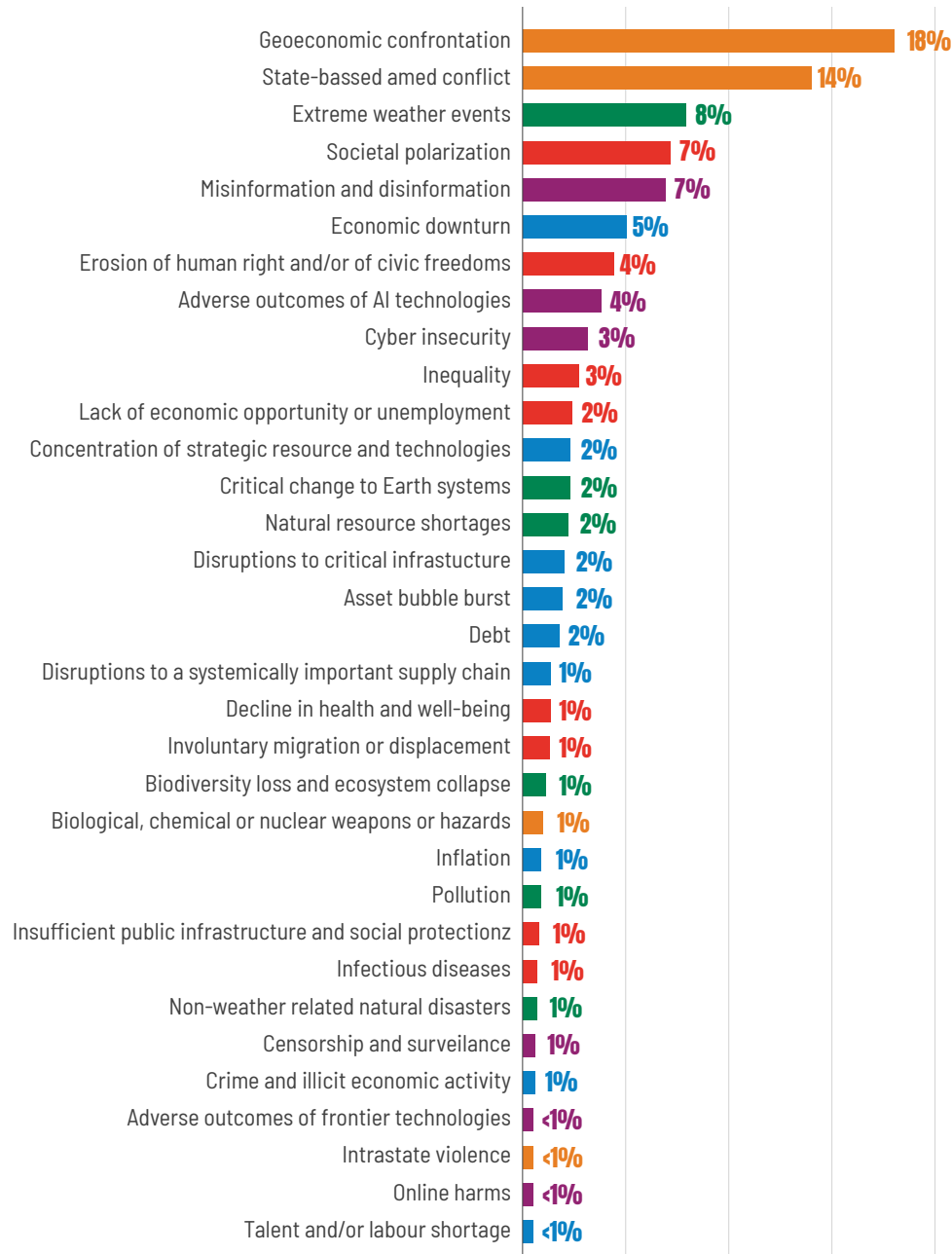


Source: Global Risks Report 2026.

According to the survey results, geoeconomic confrontation was identified as the biggest risk in 2028. This was followed by misinformation and disinformation, relating to the spread of inaccurate or manipulated information that misleads the public and reduces social trust. Extreme weather events ranked fourth, reflecting the increasing frequency and severity of storms, heatwaves, floods, and droughts caused by climate change, leading to economic damage and supply chain disruptions. Meanwhile, state-based armed conflict ranked fifth, showing the growing risk of geopolitical instability, negatively affecting security, trade, and global economic stability.

The survey shows that most respondents (54%) predict a moderate level of global instability and disaster risk, 27% are concerned about greater instability, and 3% believe that a disaster will occur in the short term. Only 16% of respondents expect a stable future in the next two years. The outlook becomes more negative in the next ten years, with 63% predicting that the situation will become more complex and worse.

THE CURRENT RISKS IN 2026



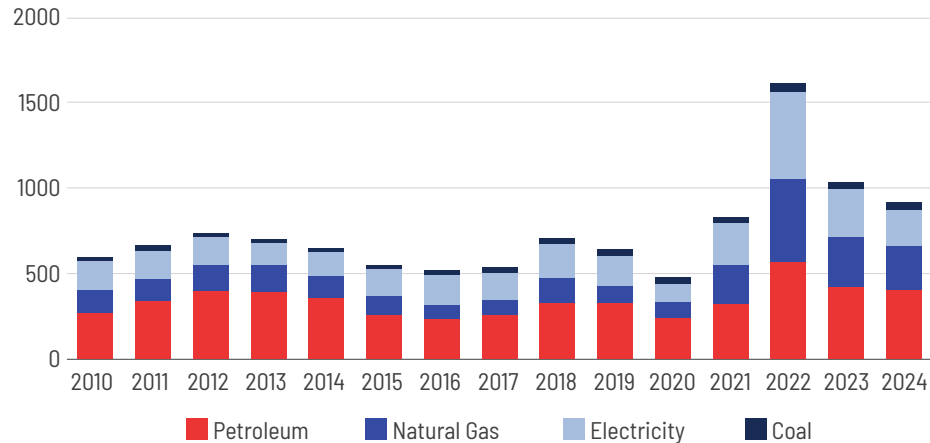
Source: Global Risks Report 2026.

According to the survey results, 18% of respondents identified geoeconomic confrontation as the risk most likely to cause a global crisis. This risk reflects the growing trend of countries using economic tools such as tariffs, sanctions, technology controls, and trade restrictions as part of strategic competition. As a result, it may disrupt global supply chains, increase economic instability, and weaken the international trading system. State-based armed conflict ranked second with 14% of responses, showing that geopolitical tensions and power competition among countries continue to increase. These conflicts not only threaten regional security and stability but also negatively affect trade, investment, and the stability of the global economy.

According to the United Nations Sustainable Development Goals Report 2025, climate change is becoming increasingly serious, with 2024 recorded as the hottest year in history, as the global average temperature was around 1.55°C higher than the pre-industrial period. Extreme weather events are increasing in both frequency and intensity, causing many impacts such as food insecurity, economic damage, and social instability. Although exceeding the 1.5°C threshold in a single year does not mean the Paris Agreement has been violated, it is a clear warning that climate action needs to accelerate during this critical decade, especially through increased investment in adaptation, resilience, and emission reduction efforts, in order to keep the goal of limiting global temperature rise to 1.5°C within reach. The world is now at an important turning point, requiring all countries to accelerate the transition toward a low-carbon economy to reduce increasingly serious economic and social impacts.

According to the UN report, the energy sector, which accounts for 86% of global CO2 emissions, remains the largest source of emissions, primarily due to the expansion of coal and gas power plants. The current trajectory of the energy sector is alarming, especially given its significant role in global CO2 emissions. Dependence on coal and gas power plants highlights the challenge of balancing energy demand with climate commitments. The fact that governments plan to produce 110% more fossil fuels than what is needed to limit global warming to 1.5°C reveals a concerning gap between climate goals and actual policy implementation. To keep global warming below 1.5°C, greenhouse gas emissions must decrease by 42% by 2030, requiring an average annual reduction of 8.7%. If the target is 2°C, the necessary reduction is 28% by 2030 or 5.3% annually, the most significant recorded decline in emissions was only 4.7% during the COVID-19 pandemic from 2019 to 2020.

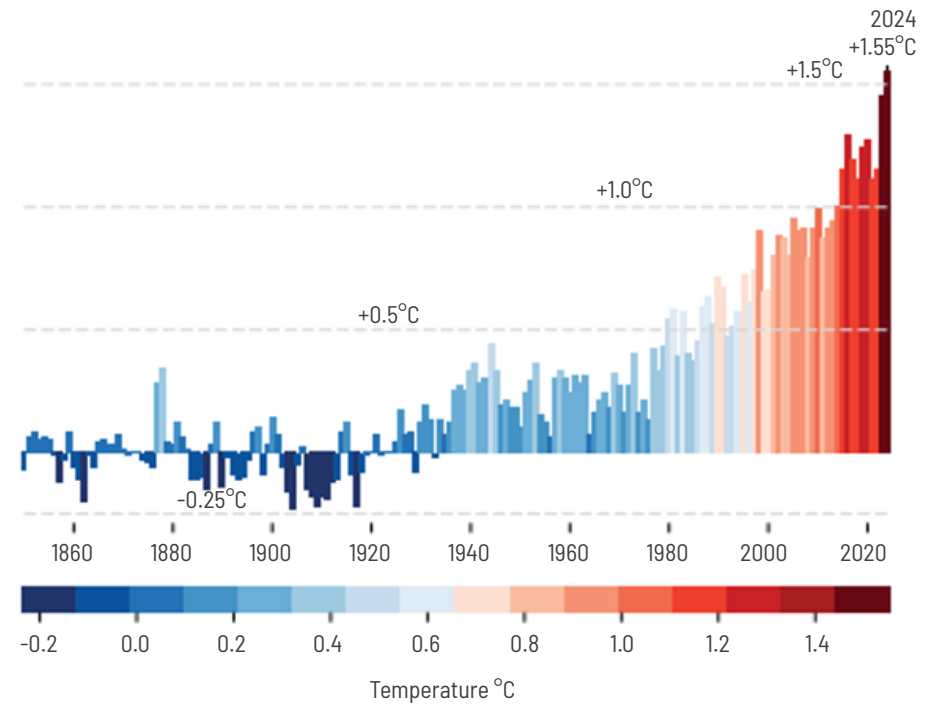
Global estimates of fossil fuel subsidies, 2010–2024 (billion USD).



Source: OECD-IEA

Budget spending on fossil fuel subsidies continuously decreased in 2023 and 2024 compared to the peak level reached in 2022.

According to the “State of the Climate 2025” report by the WMO (World Meteorological Organization), based on global temperature data, the global average surface temperature in 2025 was $1.43^{\circ}\text{C} \pm 0.13^{\circ}\text{C}$ higher than the average level during the 1850–1900 period. The year 2025 was recorded as the second hottest year in the 176-year observation record. The hottest year remains 2024, with a temperature increase of $1.55^{\circ}\text{C} \pm 0.13^{\circ}\text{C}$. In addition, the period from 2015–2025 is considered the 11 hottest years ever recorded, while 2023–2025 were the three hottest years in the dataset.



Source: WMO-World Meteorological Organization

The chart shows the increasing trend of global average temperature from 1860 to 2024, with the rise becoming more significant, especially after 1980. While temperatures in the past fluctuated around lower levels (blue color), recent decades have shown a strong warming trend (red color). Notably, in 2024, the global temperature increase reached around $+1.55^{\circ}\text{C}$ compared to the pre-industrial period, officially exceeding the 1.5°C threshold – an important limit mentioned in the Paris Agreement.

Therefore, the global temperature exceeding the 1.5°C threshold is not only an environmental warning but also creates an urgent need for countries and businesses to reduce greenhouse gas emissions and shift toward sustainable development models. In the context of global efforts to respond to climate change, Donald Trump’s policies created many concerns when the United States no longer pursued and withdrew from international climate commitments. This is especially important because the United States and China are the world’s two largest emitters and usually play key roles in global climate negotiations. While the United States reduced its level of participation and even questioned the urgency of climate change, China was also not ready to implement strong changes due to concerns about impacts on economic growth. As a result, international cooperation efforts have weakened, which was clearly reflected in conferences such as COP30, considered by many as largely formal and not creating significant commitments to control global warming. In particular, the progress of reducing dependence on fossil fuels remains slow, showing a large gap between targets and actual actions.

UPDATING OF THE 17 SUSTAINABLE DEVELOPMENT GOALS BY 2025



At the current pace, **575 million** people will still be living **in extreme** poverty **by 2030**

Only **1/3** of countries are **on track to halve** their poverty rates.



Global poverty conditions showed signs of improvement in 2024, with **8.2%** of **the population** experiencing undernourishment, **down** from **8.5%** in 2023.



While working poverty has declined, it still affects **241 million workers**.



Although there have been improvements, **7** out of **10** children worldwide still **do not benefit from social protection**.



In 2024, approximately **638 million** people **faced hunger**, and **2.3 billion** experienced moderate to severe **food insecurity**.



In 2023, around **150 million** under the age of 5 still suffer from stunting. If current trends continue, **1 in 5 children under 5** will be affected by this condition by 2030.



In 2023, **nearly 50% of countries worldwide** experienced moderately to abnormally high food prices.



From 2015 to 2023, **aid for agriculture** in developing countries increased by **50%**, from USD 12.3 billion to USD 18.5 billion.



The child mortality rate remains high, **more than three times** the target set for 2030.



The number of deaths among children under 5 reached a record low in 2022. Without more substantial reduction efforts, an estimated **35 million children** will not live to see their fifth birthday **by 2030**.



Global efforts to combat malaria have helped preventing an estimated **2.2 billion** cases and **12.7 million deaths** worldwide since 2000. As of the end of 2024, **44** countries and one territory had been certified malaria-free, while many others were making significant progress toward eliminating the disease.

4 QUALITY EDUCATION



The primary school completion rate increased from **85% (2015) to 88% (2023)**. However, **only two of three children** in sub-Saharan Africa complete primary school on time.



1.4 million children must enter pre-primary education annually to meet national education targets by 2030.



90% of countries reported having integrated sustainable development topics into their national education systems, but evidence shows that **implementation remains fragmented and uneven**.

5 GENDER EQUALITY



The world remains **off track** in achieving gender equality by **2030**.

Harmful practices are declining, but not fast enough to keep pace with population growth.



1 in 5 girls is still married **before the age of 18**. An estimated **640 million** girls and women worldwide were married as children.

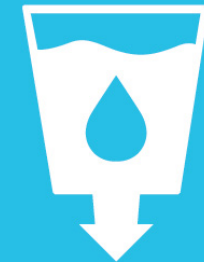


At the current rate, it will take an additional **176 years** to achieve gender parity in managerial positions.



From 2019 to 2023, **56** positive legal reforms eliminated discriminatory laws. Of these, **22** focused on equal rights in employment and economic benefits, and **18** addressed ending violence against women.

6 CLEAN WATER AND SANITATION



At the current pace, by **2030**, **2 billion** people will still lack access to safe drinking water, **3 billion** will lack access to safe sanitation, and **1.4 billion** will not have basic sanitation services.



As of 2022, **2.2 billion people** still lacked **safe drinking water**, **3.5 billion** lacked access to safe sanitation, and **2 billion people** were without complete basic sanitation services.



In **2024**, **56%** of global domestic wastewater, equivalent to approximately **332 billion cubic meters**, **was safely treated**. This result is based on data collected from **130** Member States and **12** territories, covering **84%** of the world's population.



7 AFFORDABLE AND CLEAN ENERGY



The number of people without access to electricity decreased from **958** million in 2015 to **685** million in 2022. During the same period, the number of people without access to clean cooking fuels dropped from **2.8** billion to **2.1** billion.

Although the global electricity access rate remained at **91%** in 2022, **685** million people still lacked access to electricity—an increase of 10 million compared to 2021 due to population growth.



By 2030, around **660** million people will still be without access to electricity and approximately **1.8** billion people will not have access to clean cooking fuels and technologies.



Over the past decade, technology trends have shifted investments from hydropower to solar and other renewable energy sources. Solar energy accounted for **35%**, wind energy 11%, and hydropower 7%.

8 DECENT WORK AND ECONOMIC GROWTH



In 2023, the global unemployment rate fell to a record low of **5.0%**, the lowest level since 2000. This rate remained stable at **5.0%** in 2024. However, although the youth unemployment rate improved to **12.9%** in 2024, it remained more than three times higher than the adult unemployment rate of **3.7%**.



Women and youth continue to face higher unemployment rates globally and across regions. The youth unemployment rate is more than three times higher than that of adults, standing, standing at **13.0%** and **3.7%** respectively.



Globally, over **2 billion** people worked in the informal sector in 2023, accounting for **58.0%** of the global workforce. This figure is expected to slightly decrease to **57.8%** in 2024.



From 2015 to 2023, the global average compliance with national labor rights declined by **7%**, with the average score worsening from **4.54** to **4.6**.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



In 2024, global CO₂ emissions from energy combustion and industrial processes reached a record high of **37.6** billion tons, representing an increase of **8.3%** compared to 2015. Coal remained the primary driver of emissions growth, accounting for more than **65%** of the increase in 2024. While clean energy technologies helped moderating the rise in emissions, global emissions continued to increase due to growing energy demand.



Between 2019 and 2024, the expansion of solar power, wind power, nuclear energy, electric vehicles, and heat pumps helped avoiding approximately **2.6** billion tons of CO₂ emissions annually. Without these technologies, the increase in global emissions since 2019 would have been **three times greater**.



Developing countries comprise **74%** of the United Nations General Assembly membership but have limited voice and participation in international economic decision-making.



At the World Bank, developing countries hold only **39%** of voting power, significantly lower than their **75%** membership share. At the International Finance Corporation, they have just over **32%** of voting rights.

By the mid of 2024, **37.8 million** refugees had been forcibly displaced from their countries due to war and conflict, with **8,177 deaths** reported. There were **461 refugees per 100,000 people** globally in 2023, more than double the figure of 213 per 100,000 in 2015.



In 2025, approximately 1 billion people lived in areas exposed to severe river flooding, with half of them residing in urban areas. Since 1975, exposure to flooding in urban areas has **increased 3.5 times** faster than in rural areas, exacerbating the risks associated with climate change.



By 2040, more than **2 billion** urban residents could face an additional temperature increase of **at least 0.5°C**, while **36%** of the global urban population may experience average annual temperatures of 29°C or higher. Flood risks are also increasing, further intensifying the challenges posed by climate change.

Air pollution is no longer just an urban problem—towns in East Asia and Southeast Asia now experience air quality that is even worse than in many major cities.



Globally, **3 out of 4 cities** allocate less than **20%** of their land to public spaces and streets, **far below the target of 45–50%**



One in two urban residents has convenient access to public transport.



High-income countries leave a significantly larger carbon footprint than low-income countries.

The average per capita carbon footprint in high-income countries is **10 times** higher than that of low-income countries.



On average, each person **wastes 120 kilograms** of food per year.



From 2019 to 2022, **62 countries** plus the EU adopted **485 policies** to shift towards more sustainable consumption and production.



Despite calls to **eliminate fossil fuel subsidies**, they have returned and nearly doubled due to global crises.



 The world is on track to exceed 1.5°C of warming by 2035 and could face a temperature rise of 2.5°C by 2100. Substantial, rapid, and sustained reductions in greenhouse gas emissions are urgently needed. The goal is to cut emissions by **43% by 2030** and reach net zero by 2050.

 The rise in sea level has **doubled** over the past decade.

 Global climate finance reached an average of **USD 803 billion** during 2019–2020, however, developing countries will need nearly USD 6 trillion by 2030 to meet their climate goals.

 Highly vulnerable regions face disaster-related mortality rates that are **15 times** higher than those in areas with very low vulnerability.



 **Ocean Acidification:** The current level of acidification is more than **30%** higher than in pre-industrial times.

 **Ocean Warming:** Contributes to sea level rise and threatens marine ecosystems by 2040.

 **Overfishing:** Over **one-third** the world's fish stocks are being overexploited.

 **Plastic Pollution:** **17** million tons of plastic entered the ocean in 2021, a figure that could **double or triple in the coming years.**

 Illegal, Unreported, and Unregulated Fishing **Accounts for approximately 1/5** of the global fish catch.



 From 2015 to 2019, **100 million hectares** of healthy and fertile land were degraded yearly, **an area twice** the size of **Greenland.**

 The world is facing the largest mass extinction event since **the age of dinosaurs.**

 Deforestation, land degradation, and species extinction threaten people and the planet.

 **Agricultural expansion is** responsible for nearly **90%** of global deforestation; with cropland accounting for 49.6% and livestock grazing for 38.5%

16

PEACE, JUSTICE
AND STRONG
INSTITUTIONS



As of the end of 2024, 123.2 million people had been forcibly displaced worldwide. Although the global homicide rate declined by 12% between 2015 and 2023, progress remains well short of the target of achieving a 50% reduction.



Nearly 200,000 victims of human trafficking were identified globally between 2017 and 2020, though many more are likely to remain undetected.



By the end of 2022, more than 108.4 million people had been forcibly displaced worldwide, 2.5 times more than a decade earlier.



In 2024, at least one person was killed every 12 minutes as a result of armed conflict, with a total of 48,384 conflict-related deaths recorded during the year, the majority of whom were civilians. This represented a 40% increase compared to 2023 and marked the third consecutive year of rising conflict-related fatalities.

17

PARTNERSHIPS
FOR THE GOALS



Developing countries are facing a debt crisis. 37 of the 69 poorest countries in the world are experiencing debt distress or at high risk of it.



Approximately 67% of the world's population was online in 2023, an increase of 69% compared to 2015.



Developing countries face an annual investment gap of up to USD 4 trillion to achieve the Sustainable Development Goals (SDGs).



Global foreign direct investment (FDI) flows reached USD 1.33 trillion in 2023, a 2% decrease compared to 2022. FDI inflows to developing countries fell 7% to USD 867 billion and declined or remained unchanged in most regions.



SUSTAINABLE DEVELOPMENT OF THE WORLD'S TEXTILE AND GARMENT INDUSTRY

The textile industry is one of the most polluting industries. Due to its characteristics, it uses a lot of energy, fuel, and chemicals, causing high greenhouse gas emissions. Textile processing processes (yarns, fabrics, and garments) have the largest carbon footprint because of the water intensity of washing, rinsing, pre-treatment, dyeing, and post-treatment finishing.

According to UNEP (United Nations Environment Programme), the fashion and textile industry currently accounts for around 2-8% of global greenhouse gas emissions. According to WWF (World Wide Fund for Nature), the global fashion industry consumes around 1.5 billion liters of water each year, while wastewater from the industry accounts for 20% of industrial wastewater. To reduce environmental impacts, brands are actively implementing sustainable development strategies for their products, contributing to environmental protection.

In Europe, clothing is one of the most environmentally sensitive consumer categories, ranking fourth after food, housing, and transportation. According to the European Parliament, clothing demand is increasing at an unprecedented rate, from 62 million tons in 2015 to a projected 102 million tons by 2030.

The European Parliament's report highlights that textile production consumes vast amounts of water and land for growing cotton and other fibers. Producing a single cotton T-shirt requires 2,700 liters of freshwater—enough to meet one person's drinking water needs for 2.5 years. Supplying clothing and footwear for each EU citizen requires 9 cubic meters of water, 400 square meters of land, and 391 kg of raw materials.

Washing synthetic fiber products accumulates over half a million tons of microplastics at the bottom of the ocean each year. It is estimated that a single wash of polyester clothing can release 700,000 microplastic fibers. Most microplastics from textiles are released during the first few washes. Fast fashion, which relies on mass production, low prices, and high sales volumes, increases the number of initial washes.

Fast fashion produces short product lifespans, with many items discarded rather than donated. Less than half of used clothing is collected for reuse or recycling, and only 1% is recycled into new garments. This is due to clothing-to-virgin fiber recycling technologies still being developed. According to European Parliament statistics, each European uses nearly 26 kg of textiles and disposes of around 11 kilograms annually. Used clothing can be exported outside the EU, but the majority (87%) is incinerated or landfilled.

In response to this situation, the EU has introduced strategies for sustainable and circular textiles. Not only the EU, but other countries and regions such as the United States and the United Kingdom are also developing and issuing regulations related to the textile industry, with implementation roadmaps expected to take effect in the coming years, aiming to protect the environment and reduce the impact of the fashion industry on global warming.

LAWS AND REGULATIONS IN EUROPE

(Updated as of March 2026)

REGULATION	EFFECTIVE DATE	KEY PROVISIONS	IMPACT ON THE TEXTILE INDUSTRY
Corporate Sustainability Due Diligence Directive (CSDDD)	- Effective from July 25, 2024. - 2026: EU member states must transpose this directive into national law. - From 2027 onward: The regulation will start to be applied in phases for large companies.	- Supply Chain Transparency: Track the origin of raw materials and production processes to ensure compliance with human rights and environmental standards. - Compliance with Sustainability Standards: Implement measures to minimize environmental impact, such as reducing emissions and water pollution. - Enhanced Reporting: Establish monitoring and reporting mechanisms for due diligence activities. - Supply Chain Transparency: Track the origin of raw materials and production processes to ensure compliance with human rights and environmental standards. - Compliance with Sustainability Standards: Implement measures to minimize environmental impact, such as reducing emissions and water pollution. - Enhanced Reporting: Establish monitoring and reporting mechanisms for due diligence activities. - The companies subject to regulation include "large LLCs and partnerships in the EU" with more than 5,000 employees and a global revenue of 1.5 million euros. Additionally, this scope extends to large non-EU companies with a revenue of 900 million euros within the EU. - CSDDD requires companies to identify, prevent, and address adverse impacts on human rights and the environment throughout their value chain.	- Under this directive, the textile and garment industry, with its vast and often opaque supply chain, will face increased scrutiny. - Due to pressure from the Directive, European textile brands may impose stricter requirements on their entire supply chain. Suppliers that meet these stringent standards will continue to collaborate, while those that fail to comply risk having their orders reduced or terminated.
Corporate Sustainability Reporting Directive (CSRD)	Effective from January 5, 2023	- Regulation enhancing transparency and corporate accountability regarding environmental, social, and governance (ESG) issues. Listed small and medium-sized enterprises (SMEs) will be required to report sustainability-related information. - Non-EU companies will also be affected if they generate net revenue exceeding 150 million EUR in the EU market.	- Textile companies will be required to collect and report detailed data on their products' environmental and social impact, including resource usage, greenhouse gas emissions, and labor conditions. - The diversity of existing standards and regulations is creating complexity, increasing costs, and reducing efficiency in the fashion industry's supply chain reporting process.

LAWS AND REGULATIONS IN EUROPE *continued*

REGULATION	EFFECTIVE DATE	KEY PROVISIONS	IMPACT ON THE TEXTILE INDUSTRY
Ecodesign for Sustainable Products Regulation (ESPR)	Effective from July 18, 2024	- The Ecodesign for Sustainable Products Regulation (ESPR) aims to enhance the circularity, energy efficiency, and other environmental sustainability aspects of products on the EU market. - ESPR is part of a key set of measures to achieve the goals of the 2020 Circular Economy Action Plan (CEAP).	- Digital Product Passport - DPP: Under ESPR, textile products must have a DPP that provides detailed information on technical performance, material origin, repairability, recyclability, and environmental impact throughout the product's lifecycle. This enhances supply chain transparency and enables consumers to make more sustainable purchasing decisions. - Ban on the Destruction of Unsold Products: ESPR prohibits the destruction of unsold textile and footwear products, requiring large companies to disclose annual data on the quantity and weight of discarded products and the reasons for their disposal. This regulation encourages businesses to seek alternative solutions, such as donation or recycling of unsold items. - Promoting Material Innovation: ESPR encourages using sustainable materials and fosters innovation in textile production, aiming to adopt technologies that minimize resource consumption and pollution.
EU Textile Labelling Regulation Revision	In Progress	As part of the Circular Economy Action Plan (CEAP), the European Commission is planning to revise the existing EU Textile Labelling Regulation. The proposed amendments are expected to mandate the inclusion of sustainability and circular economy information while aligning the current regulatory requirements with the newly adopted Ecodesign for Sustainable Products Regulation (ESPR).	The existing Textile Labelling Regulation required importers and manufacturers of textile products in the EU to indicate the fiber composition of their products. However, in recent years, member states have introduced overlapping labeling requirements related to various issues. With the expansion of product labeling under the ESPR, the Textile Labelling Regulation needs to be revised to ensure consistency and simplify requirements for retailers.
Green Claims Directive	In Progress	- Prevent "greenwashing" and ensure transparency in corporate environmental claims. - This directive requires companies to provide scientific evidence and transparency when making claims about their products or services' sustainability or environmental benefits.	- The textile industry is often criticized for inaccurate or non-transparent environmental claims. With this directive, fashion brands and textile manufacturers must provide specific and verifiable evidence for their green claims, from sustainable materials to eco-friendly production processes. This regulation not only helps consumers to make more informed purchasing decisions but also drives the industry toward more sustainable practices.
Waste Framework Directive Revision	In Progress	- Waste Framework Directive Revision is a part of the European Union (EU) strategy to improve waste management and promote a circular economy. The primary objective of this revision is to enhance producer. - The primary objective of this revision is to enhance producer responsibility for the collection, recycling, and disposal of waste from their products, including textile products.	- With the revision of the Waste Framework Directive, textile manufacturers will bear greater responsibility for collecting and recycling products after use, encouraging them to design products that are easier to recycle and minimize waste. - This not only helps reducing environmental impact but also drives the textile industry toward more sustainable practices.

LAWS AND REGULATIONS IN THE US.

(Updated as of March 2026)

REGULATION	EFFECTIVE DATE	KEY PROVISIONS	IMPACT ON THE TEXTILE INDUSTRY
California Senate Bill 253 (SB 253) - The Climate Corporate Data Accountability Act	Effective from Oct, 2023	This bill requires large companies in California to disclose information about their greenhouse gas (GHG) emissions, including direct and indirect emissions from their supply chains. The goal is to provide consumers and investors with clear information about companies' contributions to climate change.	- The passage of SB 253 has significant implications for the textile industry. Given its complex supply chain and frequent criticism for environmental impact, the industry must disclose greenhouse gas emissions across the entire supply chain, including raw material production such as cotton, dyeing processes, and transportation. - This regulation encourages companies to adopt more sustainable production methods and reduce emissions.
New York Fashion Sustainability and Social Accountability Act,	In Progress	- Disclosure Requirements: Fashion brands with global revenues exceeding \$100 million and selling in New York must disclose information on their environmental and social impact, including greenhouse gas emissions, chemical usage, and labor conditions throughout their supply chain. - Supply Chain Monitoring: Brands must track at least 50% of their supply chain to ensure transparency and accountability.	- Textile companies must disclose detailed information on their environmental and social impact, driving the adoption of more sustainable production methods. - Monitoring and reporting on the supply chain will help companies to identify and address issues related to labor conditions and environmental impact throughout the supply chain. - Textile companies must comply with the new regulations to avoid penalties and maintain brand reputation.
California SB 707- Responsible Textile Recovery Act of 2024	In Progress	- The bill establishes an Extended Producer Responsibility (EPR) program, requiring manufacturers to implement and fund a program that promotes the reuse, repair, and recycling of clothing and textiles. - SB 707, along with the EPR program it introduces, aims to expand the recycling and reuse market for textiles, which remains underdeveloped. At the same time, the bill strengthens existing state initiatives, further encouraging the repair and reuse of textile products and contributing to a more sustainable circular economy.	- Reducing Textile Waste: The law aims to decrease the amount of textile waste sent to landfills by promoting repair, reuse, and recycling of products, thereby reducing the environmental impact of "fast fashion." - Enhancing Producer Responsibility: Manufacturers must invest in infrastructure and processes to manage post-consumer products, encouraging the design of more sustainable and recyclable items.
Other laws and regulations are in progress. - Fashion Workers Act. - Fashioning Accountability and Building Real Institutional Change Act - the "FABRIC Act" - House Bill 2068 - Washington Act Relating to Environmental Impacts of Fashion	In Progress	These laws and regulations all aim to enhance accountability and sustainability in the fashion industry by focusing on: - Workers' rights in the fashion industry. - Corporate accountability. - Reducing the environmental impact of the textile sector.	- Companies will need to disclose data on environmental impact and working conditions, which will significantly pressure the supply chain. - The textile industry must transition to environmentally friendly processes, use recycled materials, and minimize waste. - These regulations will help reshaping the fashion industry towards greater fairness for workers and sustainability for the environment, but they also pose significant compliance challenges.

OVERVIEW OF POLICIES THAT MAY IMPACT THE TEXTILE INDUSTRY TRENDS IN THE COMING YEARS

EU CIRCULAR ECONOMY

The EU Circular Economy strategy aims to transition from a linear economic model of “produce – consume – dispose” to a circular model where resources are used more efficiently, waste is minimized, and recycling is promoted. The goal of this strategy is that by 2030, all textiles on the EU market must be sustainable, recyclable, and made from recycled materials as much as possible.

The EU’s circular economy strategy presents challenges and opportunities for the textile industry. New regulations require businesses to design durable, easy-to-repair, and recyclable products while also increasing producer responsibility for collecting and treating textile waste. This necessitates investment in new technologies and production processes but also creates opportunities to access the EU market with products that meet sustainability standards.

One significant impact of this strategy is the increased recycling of plastic bottles in the beverage industry. The EU has set a target for beverage bottles to contain at least 25% recycled plastic (rPET) by 2025, rising to 30% by 2030. This has led to a shortage of recycled plastic pellets from used bottles, as beverage brands require more rPET for their products.

To address this shortage, textile brands are shifting toward recycling old garments into new raw materials, a process known as textile-to-textile recycling. This approach reduces reliance on recycled plastic from PET bottles and promotes using recycled fibers from old clothing, aligning with the EU’s sustainability and circularity requirements.

Source: environment.ec.europa.eu

CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

The Carbon Border Adjustment Mechanism (CBAM) is a key component of the European Union (EU)’s strategy to achieve carbon neutrality by 2050. As the EU strives to become a carbon-neutral continent, concerns over “carbon leakage” have driven the implementation of CBAM. This mechanism prevents EU businesses from relocating high-carbon-intensity production activities to regions with less stringent environmental standards.

CBAM imposes a carbon tax on all goods imported into the EU market, calculated based on the intensity of greenhouse gas emissions during production in the exporting country. Importers operating under CBAM must register with national authorities and purchase CBAM certificates, with prices determined by the EU Emissions Trading System (EU ETS). These certificates enable importers to declare and offset the carbon emissions of imported goods.

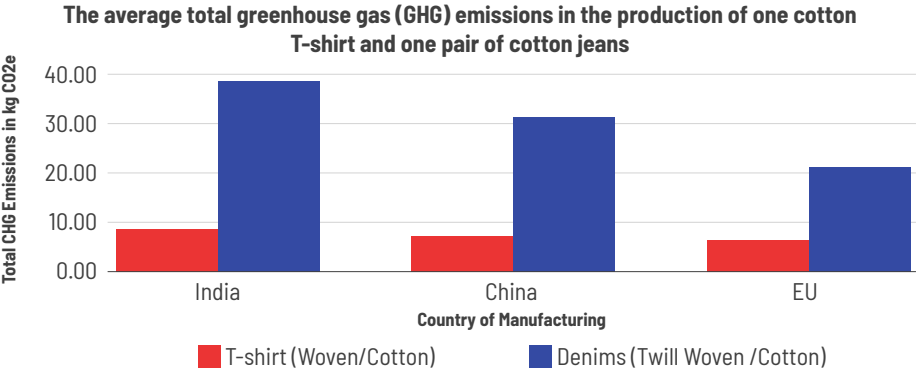
CBAM is reshaping international trade by applying a carbon tax to specific products. It focuses on key industries such as cement, iron and steel, aluminum, fertilizers, electricity, and hydrogen. Notably, CBAM’s emission calculations are not limited to direct emissions but include “indirect emissions,” such as the electricity consumed during production.



CBAM IMPLEMENTATION TIMELINE:



According to a report from GreenStitch, during the transition phase (2023-2026), the textile industry is not yet included in the scope of this tax mechanism. However, due to the high emissions generated in textile production, the industry may be subject to regulation in the years following the official implementation phase (2026-2034). In developing countries such as India and China, the embedded carbon emissions in textile production processes are significantly higher compared to the European Union.



Source: The GreenStitch

As one of the industries contributing the most to carbon emissions, the fashion and textile industry and governments are taking concrete actions to combat climate change. The fashion industry, in particular, is progressing toward achieving its carbon reduction goals. Below are some specific actions taken by fashion brands to address global warming and meet the 2030 Agenda targets.

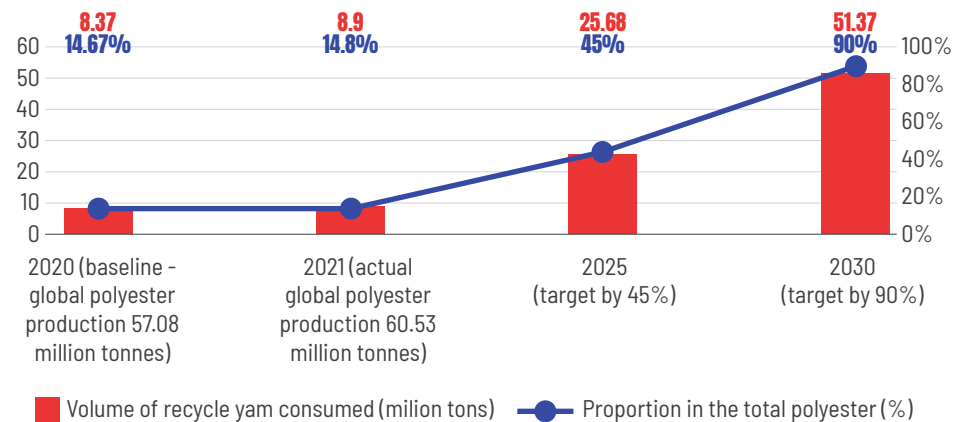
BRANDS ARE STRIVING TO IMPLEMENT PRACTICAL ACTIONS TO REALIZE THE SUSTAINABLE DEVELOPMENT GOALS THEY HAVE COMMITTED TO:

The 2018 Intergovernmental Panel on Climate Change (IPCC) special report on global warming of 1.5°C emphasized the urgency and actions needed to keep the planet safe. On the dangerous brink of climate change, the fashion industry needs to take immediate action to achieve the goals of the Paris Agreement on climate change and aim for net zero emissions by the year 2050. The UN Climate Change has initiated a broader climate action plan, bringing together fashion stakeholders to develop a unified, coherent position about climate. Under that initiative, the Fashion Industry Charter for Climate Action, or Fashion Charter for short, was born. The charter’s primary goal is to drive the fashion industry to net-zero Greenhouse Gas emissions no later than 2050. In addition, the charter program is an opportunity to connect stakeholders in the fashion industry, including raw materials manufacturers, textile manufacturers, apparel manufacturers, and brands, to identify new areas of action and expand existing initiatives to connect each other’s value chains.

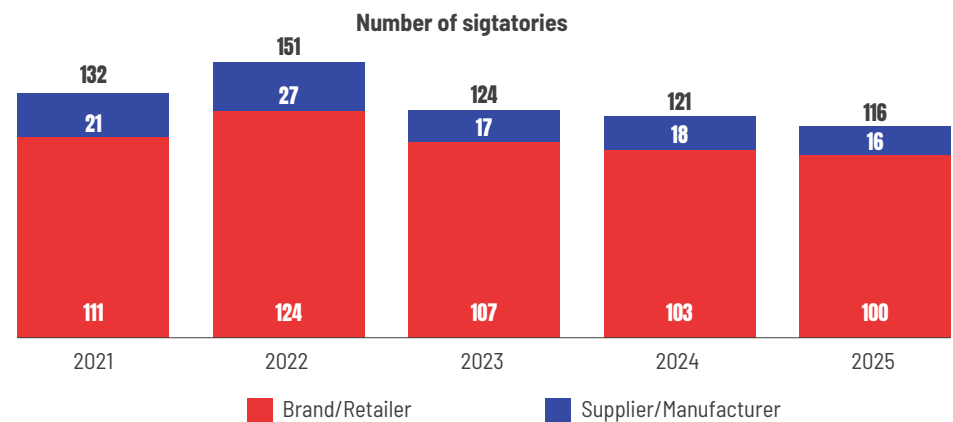
To fulfill their climate commitments, in April 2021, fashion brands pledged to increase the share of recycled polyester in total polyester usage from 14.7% (in 2020) to 45% (by 2025. As a result, the volume of recycled polyester increased from around 8.37 million tons in 2020 to approximately 25.68 million tons in 2025).

According to the “Materials Market Report 2025” by Textile Exchange, polyester continued to be the most widely produced fiber in the world, accounting for 59% of total global fiber production in 2024, up from 57% in 2023. In terms of volume, polyester fiber production increased from 71 million tons in 2023 to 78 million tons in 2024. The volume of recycled polyester fiber also increased from approximately 8.9 million tons in 2023 to around 9.3 million tons in 2024. However, due to the stronger growth in virgin polyester volume, the share of recycled polyester in total global polyester volume decreased from approximately 12.5% in 2023 to around 12.0% in 2024.

According to Textile Exchange, polyester recycling systems based on the textile-to-textile model are still under development and are estimated to account for only around 2% of total recycled polyester production. Interest in and usage of ocean-bound plastic and ocean-recovered plastic are increasing; however, their market share remains very limited, accounting for less than 0.005% of total recycled polyester production. Currently, recycled polyester is still primarily produced from plastic bottles, representing approximately 98% of total recycled polyester production.)



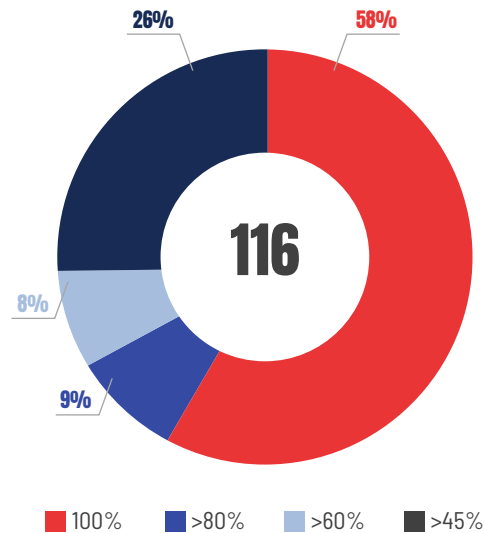
As of 2025, according to updates from Textile Exchange, 116 brands, including Adidas, Puma, Inditex, Old Navy, New Balance, H&M, Lululemon, VF Group, Decathlon, Gap, Kering, and Kmart, have committed to increasing their share of recycled fibers in their products by 2025. Additionally, these brands have pledged to limit global temperature rise to no more than 1.5°C above pre-industrial levels, reduce greenhouse gas (GHG) emissions by 50% by 2030, and aim for net-zero emissions by 2050. To achieve these goals, brands are implementing strategies such as improving energy efficiency, transitioning to 100% renewable electricity, increasing the use of recycled materials, and encouraging suppliers to align with sustainability objectives.



Source: Textile Exchange

- As of 2025, the number of brands and suppliers participating in the Recycled Polyester Challenge has decreased slightly to 116 compared to 2024, mainly due to the removal of companies that failed to report their progress.
- All signatories have committed to annual reporting on their progress toward the 2025 recycled polyester target.

Signatories' commitments (%) in sourcing recycled polyester



Source: Textile Exchange

- The signatories have pledged to use between 45% and 100% recycled polyester by 2025.
- 58% of the signatories have committed to fully transitioning to 100% recycled polyester by 2025.



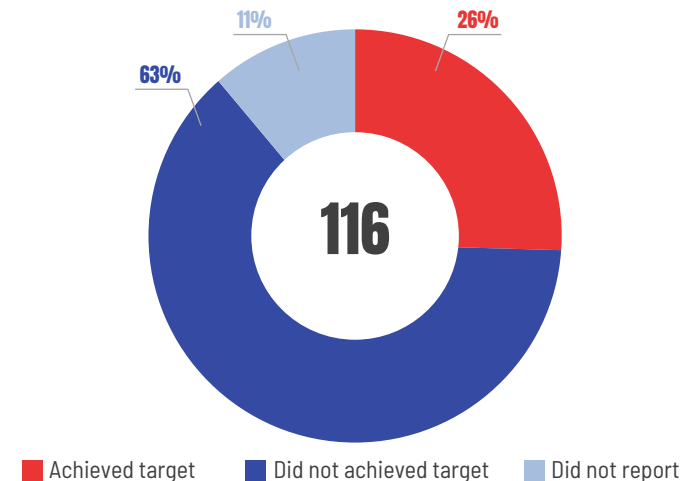
In the context of a highly volatile global market, Donald Trump's return to office in the United States has brought changes in trade and tariff policies, especially for export industries such as textiles and garments. These adjustments have increased costs across the supply chain, including raw material costs, logistics costs, and tariff expenses, creating significant pressure on companies and brands in controlling product costs.

For the textile and garment industry, where price competition is very intense, rising costs have forced many brands to optimize their product structure and production costs. In this situation, environmentally friendly products, which normally have higher production costs than conventional products, are also affected to some extent.

Although brands have not publicly announced changes in their strategies, market conditions show that the proportion of sustainable products tends to slow down or decrease, leading to lower demand for recycled materials in the yarn and textile industry. This partly reflects the challenges in shifting toward a sustainable production model and has also caused some brands' commitments to use 100% recycled materials to progress more slowly than originally planned.

Out of the total 116 committed brands, as of 2025, only 26% (equivalent to 30 brands) have achieved the target of using 45–100% recycled polyester according to their 2025 roadmap. Meanwhile, 63% (around 73 brands) have not yet fulfilled their commitments. The remaining 11% did not submit reporting data for various reasons. This shows that the completion rate for the brands' target of using 45% recycled materials by 2025 is still not high, and in order to achieve the 100% target by 2030, brands will need to make greater efforts in the coming years.

Signatories by target achievement status in 2024



Source: Textile Exchange

In addition, brands have committed to limiting the increase in global temperature to no more than 1.5°C compared to the pre-industrial period, reducing greenhouse gas emissions by 50% by 2030, and aiming for net-zero emissions by 2050. To achieve these goals, brands are implementing strategies such as improving energy efficiency, moving toward 100% renewable electricity, increasing the use of 100% recycled materials, and encouraging suppliers to work together toward common sustainable development goals.

Update on Greenhouse Gas Emissions in the Global Textile Industry.

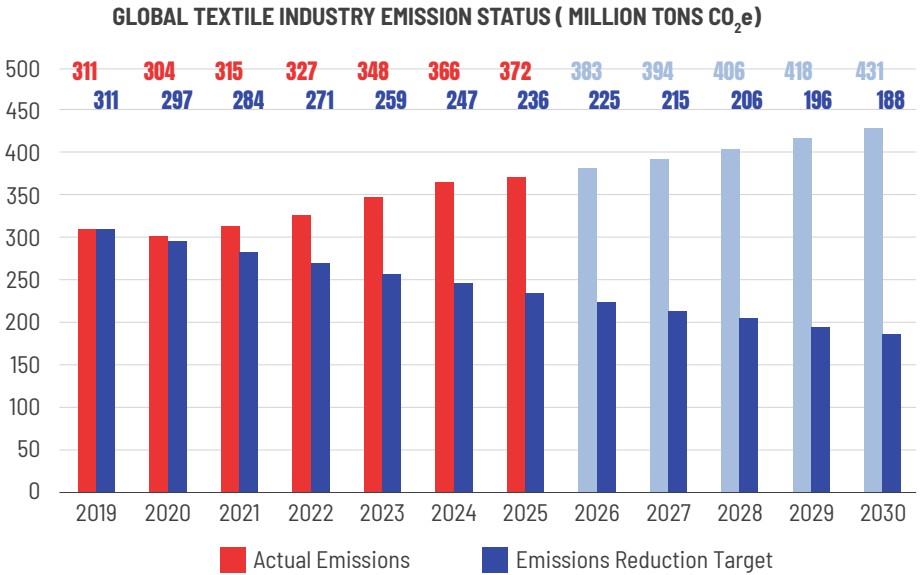
Base Year 2019 Greenhouse Gas Emissions
(million tons CO₂e):
311

Greenhouse Gas Emissions in 2024
(million tons CO₂e):
366 (Target: 247)

Yarn and Material Production Output in 2024
(million tons):
116.06

Change Compared to Previous Year:
17.74% (Target: -22.50%)

Source: Textile Exchange



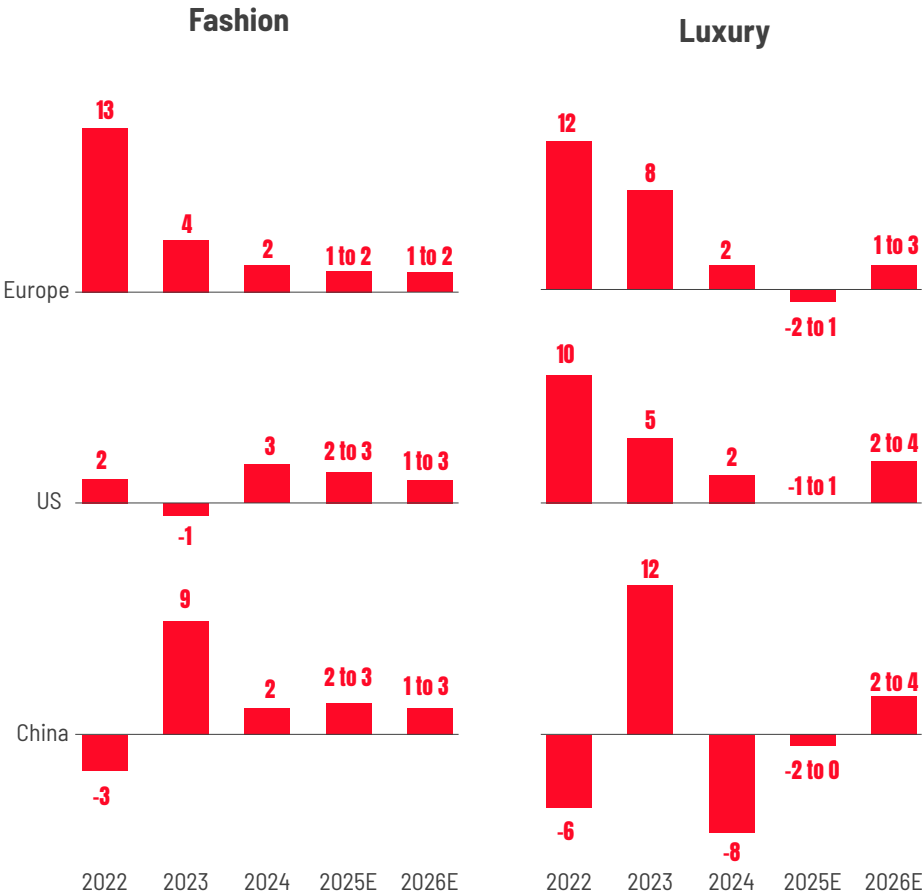
Source: Compiled by Century based on Textile Exchange data

From 2026 onward, emissions are projected under the Business-as-Usual (BAU) scenario. This indicates that without strong intervention measures, and with the current growth trend, the greenhouse gas emission reduction target by 2030 will be difficult to achieve.



According to McKinsey’s “The State of Fashion 2026” report, the global fashion industry is expected to continue recording modest single-digit growth in 2026. Increasing volatility in the macroeconomic environment is expected to continue affecting market sentiment, causing consumers to become more cautious in spending and place greater focus on value.

In the United States, consumer confidence in 2025 has faced significant pressure, with the consumer confidence index in April falling to its lowest level since May 2020 amid tariff announcements. As a result, the industry’s growth outlook in this market is expected to be lower than previously anticipated. However, the luxury segment is expected to show slight improvement across many markets after a challenging 2025, supported by innovation strategies and brand refresh efforts from major fashion houses aimed at rebuilding consumer interest and creating new growth momentum for the industry.



Source: MC Kinsey

In the EU region, McKinsey forecasts that the mass-market fashion segment will grow by 1-2% compared to 2025, supported by expectations of a slight increase in consumers’ disposable income as inflation is projected to decline from 3.3% to 2.5%. However, consumers are still expected to maintain cautious spending behavior, with more than 60% planning to shift toward more affordable spending options in Q4 2025. Meanwhile, spending at duty-free stores is expected to increase in key markets, with growth of more than 3 percentage points in France, Italy, and Spain, after spending in 2025 was affected by the weakening of the US dollar against the euro. Luxury goods are forecast to grow by 1-3% compared to the negative growth level of -2% to 0% recorded in 2025.

Meanwhile, in the US market, the mass-market fashion segment is forecast to grow by 1-3% compared to 2025. Consumer sentiment remains cautious after confidence levels declined by 3.6 percentage points in September 2025, and current uncertainties are expected to continue negatively affecting consumer sentiment in 2026. The tariff situation, which remains highly complex and changes frequently, is expected to further increase price pressure compared to 2025, while rising prices continue to be one of the biggest concerns for US consumers. Despite this, the luxury segment is forecast to grow by 2-4% in 2026 compared to 2025. Brands are also increasing investment in the US luxury market, with retail space expanding by 65% in the first half of 2025, in contrast to the decline recorded in the previous year. This reflects efforts to stimulate and restore growth in this market.

In the China market, McKinsey forecasts growth of 1-3% for the mass-market fashion segment, as GDP growth is expected to slow down in 2026, while the growth rate of disposable income is also expected to be lower than in 2024 and 2025. As the real estate market continues to negatively affect market sentiment, consumer confidence remains low and the savings rate stays high. In contrast, the luxury fashion segment is forecast to grow by 2-4%. Among ultra-high-net-worth consumers, the intention to spend on luxury fashion in China in 2026 reaches 34%, higher than the average level of 27% in other markets. In addition, fluctuations in the real estate market or stock market are still considered important factors that could affect consumption performance and outlook.

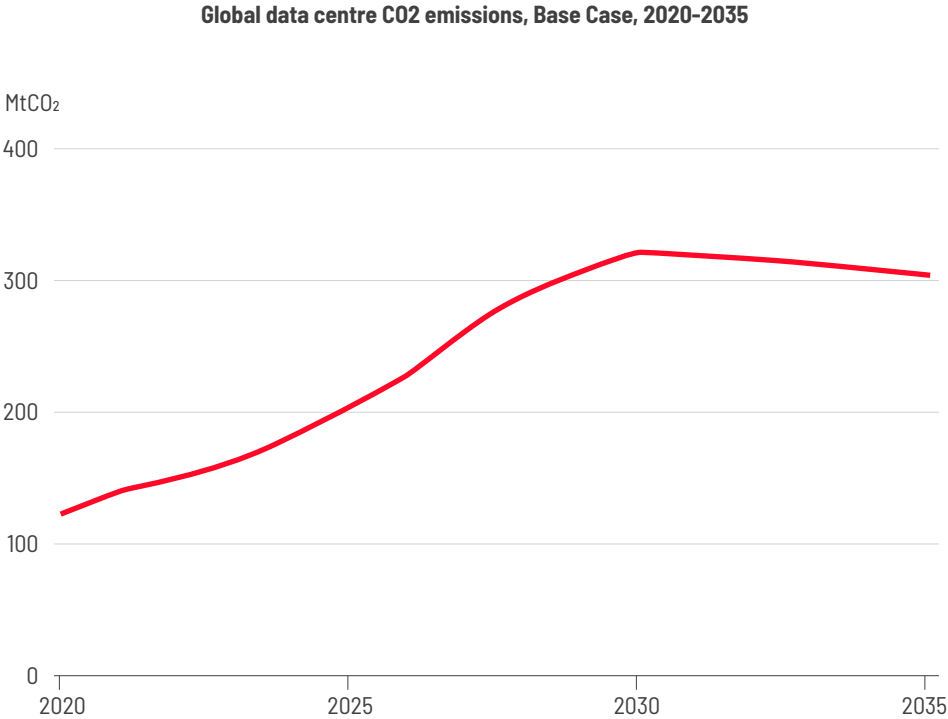
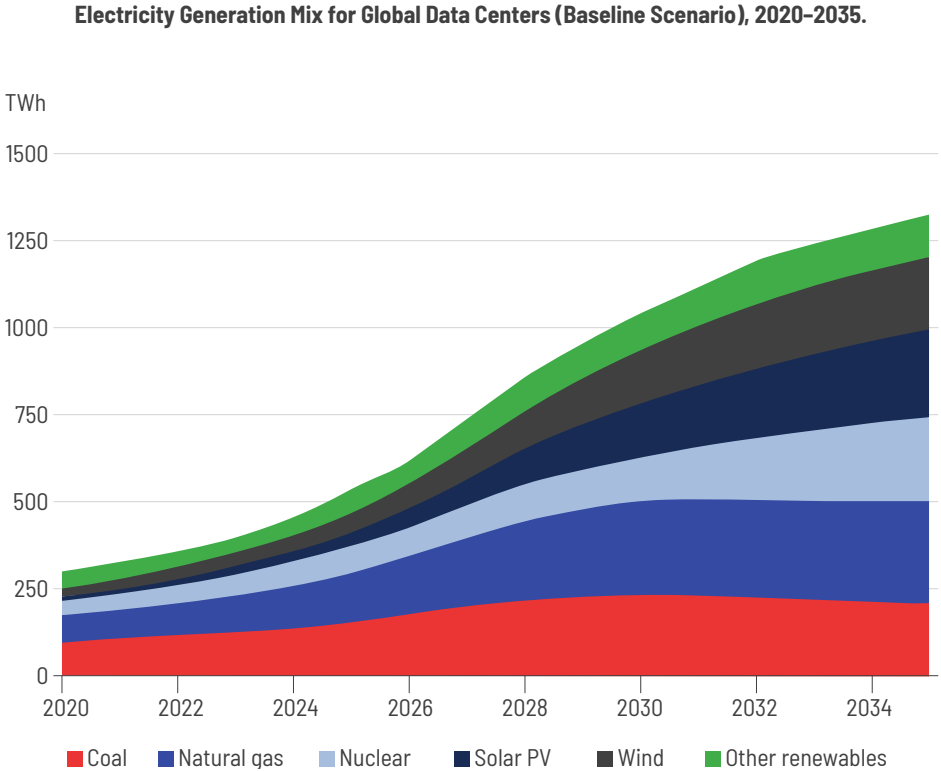
According to McKinsey, leaders in the textile and fashion industry believe that AI and digital tools will be the biggest opportunity for the industry in 2026. Instead of applying AI only in individual activities, companies are gradually shifting toward integrating AI across the entire value chain to improve operational efficiency. However, the fashion industry is still considered slower than many other sectors in adopting AI, highlighting the urgent need to improve organizational structures and develop suitable capabilities in order to fully capture the potential of AI-driven innovation.

On a broader scale, companies are expected to achieve productivity growth of more than 30% over the next five years through automation and AI. In the fashion industry, early applications have already shown positive results, as automation is gradually replacing repetitive tasks such as customer service and inventory management, helping free up resources for higher-value activities. Some leading companies such as Zalando and Nike have implemented AI across multiple functions, from image generation and product design to personalized customer experiences. Notably, at Zalando, AI has helped reducing image production costs by up to 90%. In addition, the development of agentic AI continues to accelerate this trend, creating opportunities for deeper automation, including decision-making and execution capabilities.

However, along with productivity benefits, AI also brings significant impacts on the labor market. AI tends to replace repetitive jobs, especially in manufacturing, customer service, and administrative work. This could lead to a more obvious income gap: while highly skilled workers, particularly in technology and data-related fields, may have opportunities to increase their income, lower-skilled workers may face risks of job loss or declining income. As a result, the purchasing power of some consumer groups could be affected, leading to weaker demand for non-essential products, including textiles and garments, in the medium and long term.

In addition, AI has also faced debate from different stakeholders. One of the biggest concerns relates to the environmental impact of AI, particularly its high energy consumption and carbon dioxide (CO2) emissions from AI data centers. Activists and journalists have warned that the rapid expansion of data centers could slow down, or even reverse, the global transition toward net-zero emissions targets.

However, the AI Energy 2024 report from the International Energy Agency (IEA) presents a different perspective. The report shows that although electricity use from AI may increase significantly in relative terms, it is still growing from a relatively low base. According to IEA's 2024 data, AI data centers currently account for just over 1% of global electricity demand and around 0.5% of global CO2 emissions.



Source: International Energy Agency

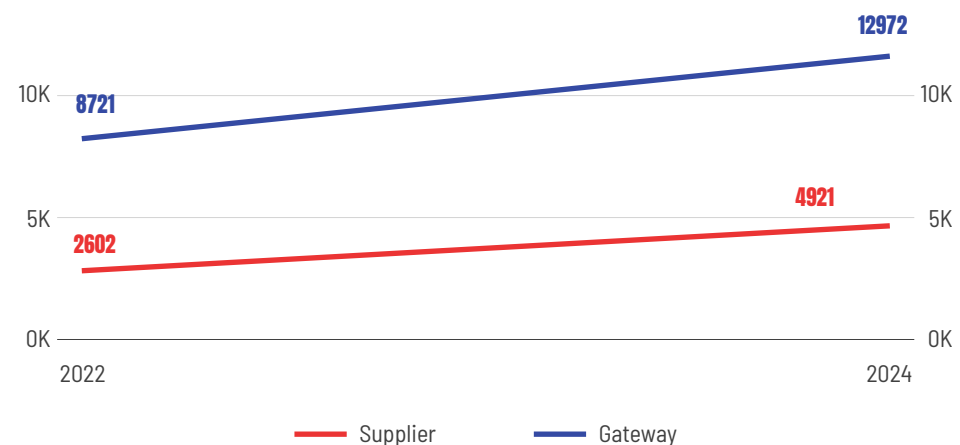
According to the International Energy Agency, CO₂ emissions from electricity generation for data centers are projected to peak at around 320 million tons of CO₂ by 2030, before slightly declining to around 300 million tons by 2035. Despite their rapid growth, data centers are still expected to account for a relatively small share of the overall power system, increasing from around 1% of global electricity consumption today to 3% by 2030, while representing less than 1% of total global CO₂ emissions.

COMMITMENT ROADMAP TO USING RECYCLED MATERIALS OF FASHION BRANDS.





More and more brands are joining the ZDHC initiative to promote the elimination of hazardous chemicals and improve chemical management in the textile and apparel supply chain.



ZDHC stands for Zero Discharge of Hazardous Chemicals, an organization focused on eliminating hazardous chemicals and promoting sustainable chemical practices in the fashion industry. Through its Roadmap to Zero program, ZDHC aims to guide the fashion industry in eliminating hazardous chemicals from the global supply chain by building the foundation for more sustainable production practices that help protect workers, consumers, and the environment.

According to the ZDHC Impact Report 2024, supplier participation in ZDHC platforms has increased significantly in recent years, reflecting the trend that chemical management standards are gradually becoming common practice in the global textile and apparel industry. Specifically, the number of facilities participating in Gateway – the platform for disclosure and management of chemicals in line with ZDHC standards – increased from 8,721 facilities in 2022 to 12,972 facilities in 2024. At the same time, the number of suppliers registered on the Supplier Platform also increased from 2,602 to 4,921 during the same period.

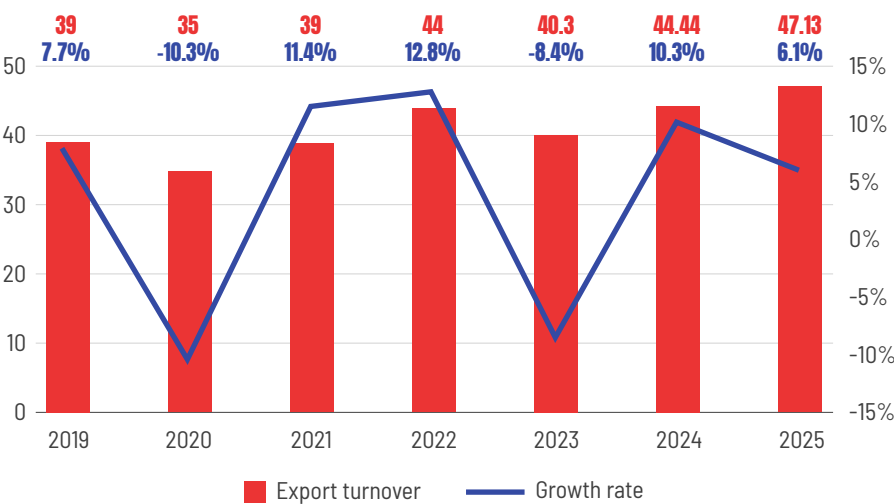
This growth shows that brands and suppliers are increasingly integrating ZDHC requirements into their supply chains, aiming to improve transparency, strengthen chemical control, and ensure compliance with environmental standards in the fashion industry.

SUSTAINABLE DEVELOPMENT OF VIETNAM TEXTILE INDUSTRY

Vietnam textile and garment 2025 Overview

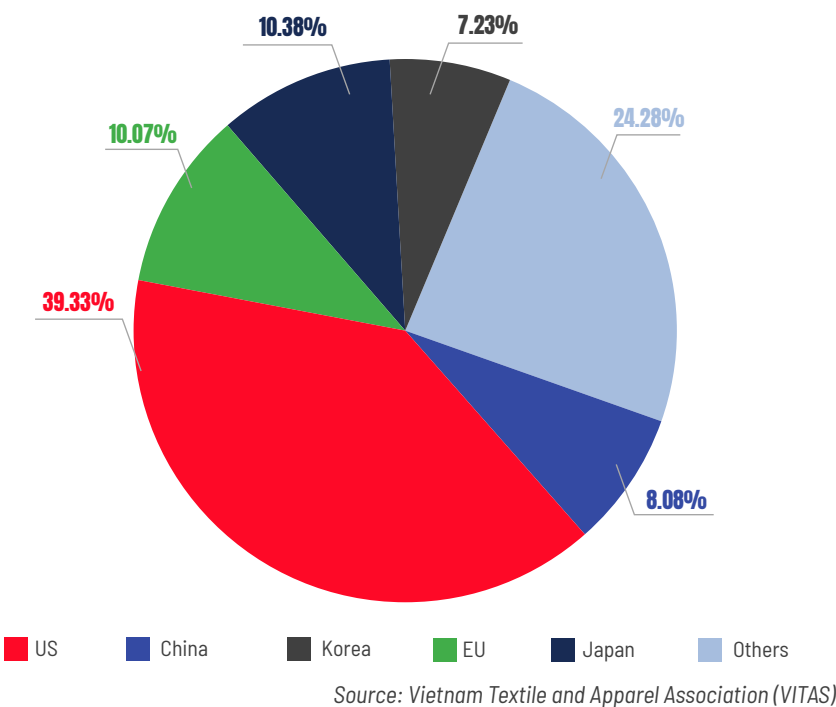
In 2025, Vietnam's textile and garment export turnover, including fiber, yarn, garments, tire cord fabric, and technical textiles, reached USD 47.13 billion, up 6% compared to the previous year, but lower than the 10.5% growth recorded in 2024. During 2025, textile and garment companies continued to face many pressures from the business environment. Prices of input materials such as cotton and fiber, together with fluctuations in logistics costs, increased production costs. At the same time, international customers placed higher requirements on delivery schedules, product quality, and traceability, while processing prices tended to decline. In addition, changes in US tariff policies created further pressure on the global textile supply chain. In this context, manufacturers, including Vietnamese companies, had to share part of the additional costs with customers, thereby reducing their competitive advantage compared to lower-cost countries such as Bangladesh and Indonesia.

VIETNAM'S TEXTILE AND GARMENT EXPORT TURNOVER OVER THE YEARS (BILLION USD)



Source: Vietnam Textile and Apparel Association (VITAS)

VIETNAM'S TEXTILE EXPORT BY MARKETS IN 2025



The United States continued to be the largest export market for Vietnam's textile and garment industry. The export share to this market increased from 37.58% in 2024 to 39.33% in 2025, showing that demand in the US market still plays a key role and remains the main driver for the industry's export growth. For the EU market, the export share increased slightly from 10.11% in 2024 to 10.70% in 2025, reflecting the stable recovery trend in demand in this region, and also showing the positive impact of trade agreements such as the EVFTA in supporting market expansion. Meanwhile, the Japanese market remained almost stable, with a share of 10.39% in 2024 and 10.38% in 2025, indicating that demand in this market was relatively stable and without significant growth. In contrast, the South Korean market recorded a decline in export share from 8.48% to 7.23%, showing increasing competition or a shift of orders to other markets.

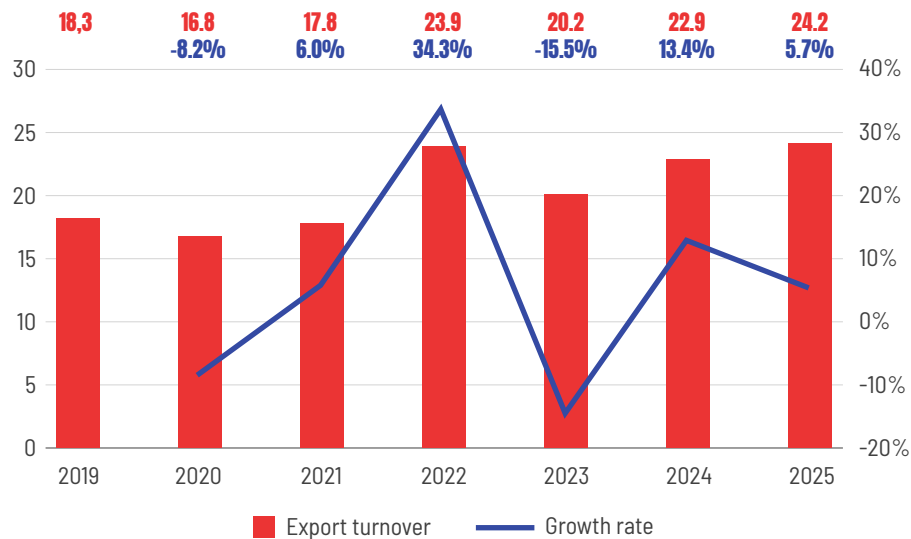
In this context, according to the Vietnam Textile and Apparel Association (VITAS), continuing to pursue growth mainly based on output expansion is no longer considered a sustainable development direction for the textile and garment industry. Instead, the industry is shifting toward a growth model that focuses more on quality and value addition. According to the plan, Vietnam's textile and garment export turnover in 2026 is targeted to reach around USD 49-49.5 billion, equivalent to growth of about 8%. However, the focus is not only on export scale, but also on improving growth quality and increasing product value.

Vietnam Footwear 2025 Overview

During the 2024–2025 period, Vietnam’s footwear export turnover showed a recovery and stable growth trend after the previous downturn. Specifically, export turnover reached USD 22.9 billion in 2024, up 13.4% compared to 2023, reflecting the recovery in demand from major export markets as global trade activities gradually improved. In 2025, export turnover continued to increase to USD 24.2 billion, equivalent to growth of 5.7%. However, the growth rate showed signs of slowing down due to increasing uncertainties in the global trade environment, especially trade tensions and rising tariff policies among major economies, which increased costs and created pressure on global supply chains. Despite this, Vietnam’s footwear industry still maintained positive growth thanks to the adaptability of businesses and the stability of key export markets.

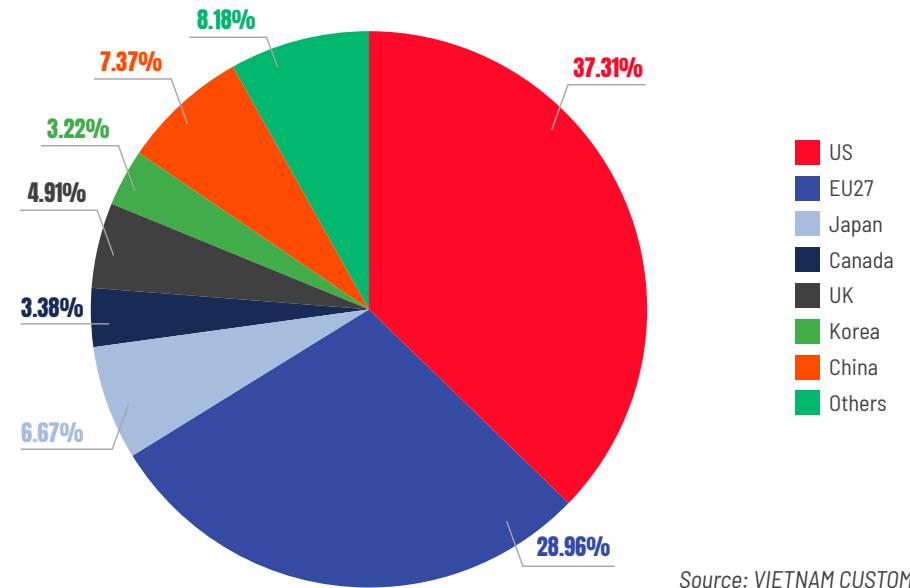
In addition, the industry continues to face challenges related to shortages of raw materials and accessories, as domestic supply currently meets only around 55% of production demand. Nevertheless, Vietnam’s footwear industry still recorded positive growth by making good use of the advantages from free trade agreements, especially the EVFTA and CPTPP, which helped improving competitiveness and expand export opportunities. Besides focusing on traditional markets, footwear companies have also actively explored potential markets in regions such as the Middle East, South America, and Africa, creating additional momentum for the industry’s growth.

VIETNAM’S FOOTWEAR EXPORT TURNOVER OVER THE YEARS (BILLION USD)



Source: VIETNAM CUSTOMS

VIETNAM’S FOOTWEAR EXPORT BY MARKETS IN 2025



Source: VIETNAM CUSTOMS

Overall, the export market structure of Vietnam’s footwear industry in 2025 shows that the United States and EU continued to maintain their positions as the two main export markets, contributing a large share of the industry’s total export turnover. Specifically, the United States remained the largest export market, accounting for 37.31%, confirming its position as a key consumption market for Vietnam footwear products. EU ranked second with 28.96%, showing that this region continued to maintain stable demand and remained one of the industry’s major markets. In addition, Japan accounted for 6.67%, while other markets such as China (7.37%), South Korea (3.22%), the United Kingdom (4.91%), and Canada (3.38%) contributed smaller shares but still helped diversifying export markets.

Although no specific target has been officially announced, the Vietnam Leather, Footwear and Handbag Association (LEFASO) expects the industry’s export turnover in 2026 to continue growing and exceed the USD 29 billion achieved in 2025. At the same time, LEFASO also highlighted several challenges that Vietnam’s footwear industry is expected to face in 2026 and the coming years. First, the industry’s cost competitiveness—traditionally one of its key strengths—is gradually weakening due to rising labor costs. In addition, environmental, traceability, and social responsibility requirements are becoming increasingly strict, especially in major export markets such as EU and the United States. These include strict regulations related to REACH chemical control, input chemical management under the ZDHC program, as well as environmental and social assessment frameworks such as the Higg Index. Furthermore, the industry still depends heavily on imported raw materials and accessories, as the localization rate is currently only around 55% and mainly concentrated in low value-added stages. This limits the industry’s ability to increase value within the supply chain.

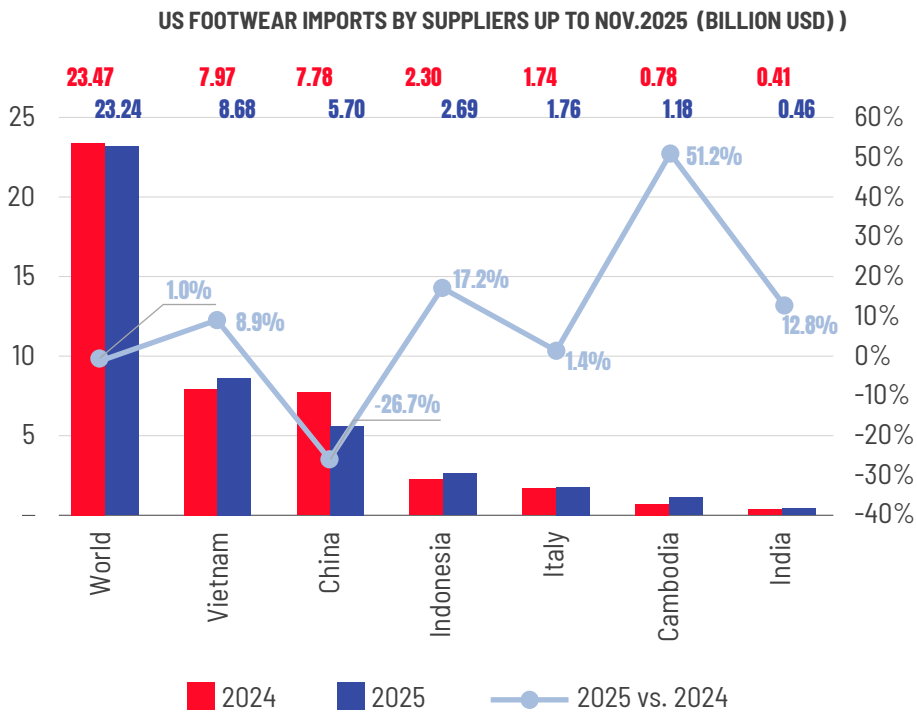
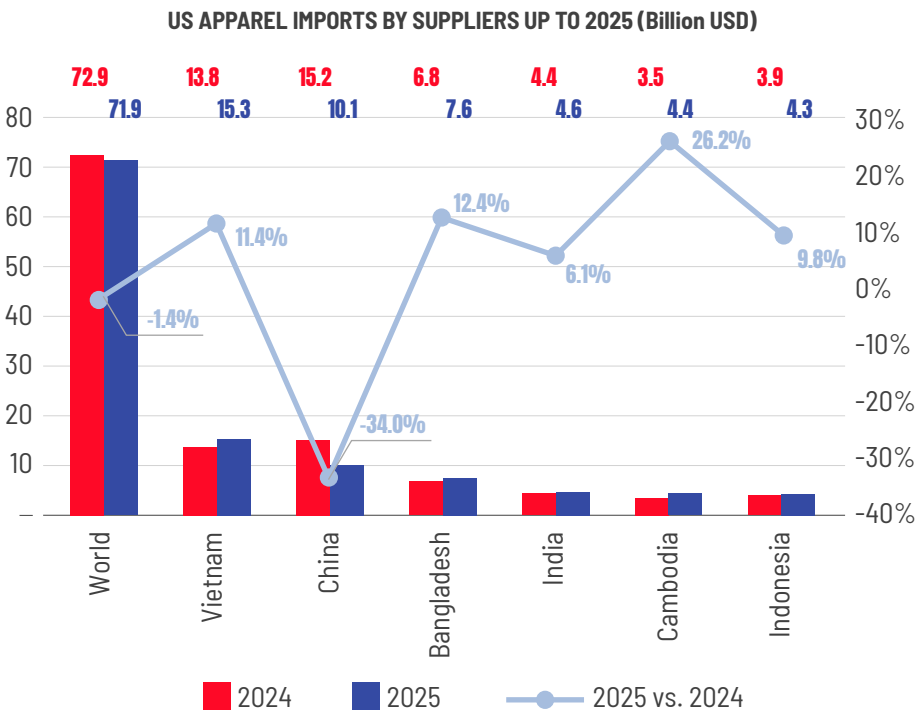
As part of the development strategy for Vietnam’s textile and footwear industry, export revenue for footwear and handbags is projected to reach \$38–\$39 billion by 2030. The industry faces significant challenges to achieve this goal, particularly the requirement for “greener” production from substantial markets such as the EU and the U.S., demanding that businesses meet high sustainability standards.

GROWTH TARGETS FOR VIETNAM’S TEXTILE, GARMENT, AND FOOTWEAR INDUSTRIES BY 2030.

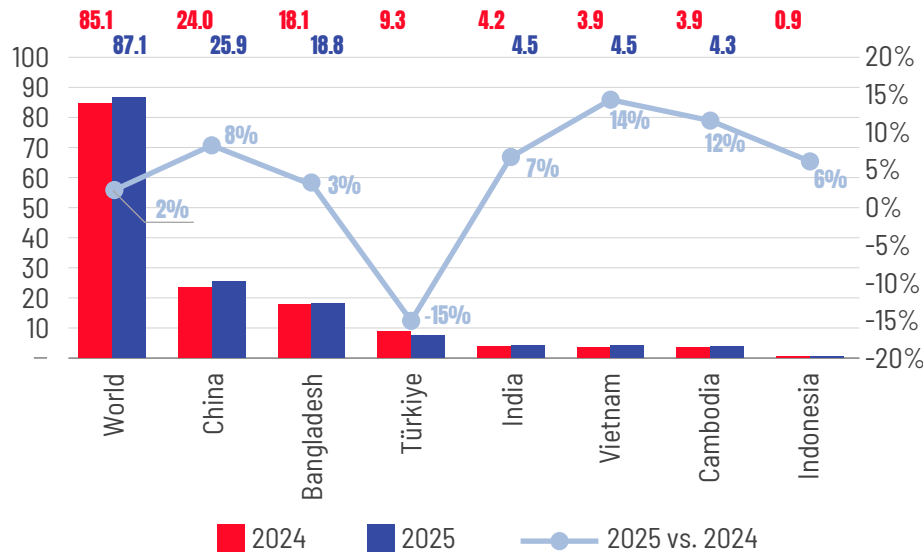
TARGET GROWTH 2030	GROWTH RATE (2021-2030)	EXPORT TURNOVER	LOCALIZATION RATE
Textile & Garment Industry	6.8%-7.2% per year	USD 68-70 billion	56%-60%
Footwear Industry	6.5%-7.0% per year	USD 38-39 billion	56%-60%; 60%-75% for key product lines

Source: Decision No. 1643/QĐ-TTg

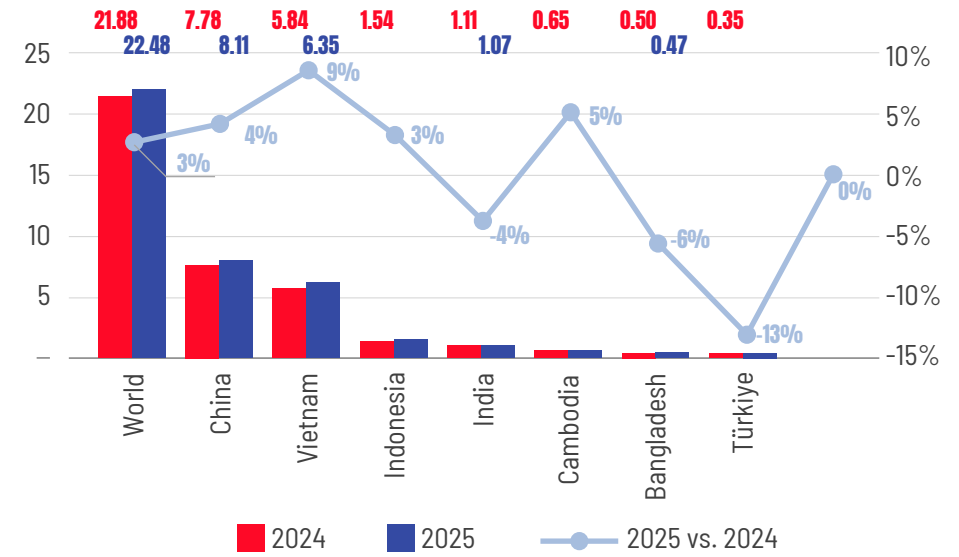
OVERVIEW OF VIETNAM’S KEY IMPORT MARKETS FOR TEXTILES AND FOOTWEAR IN 2025



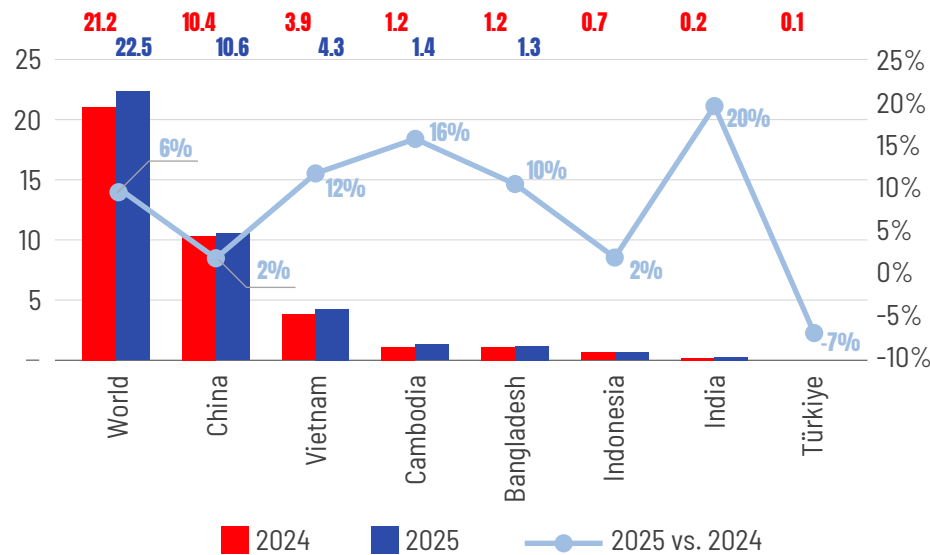
EU APPAREL IMPORTS BY SUPPLIERS UP TO NOV. 2025 (Billion USD)



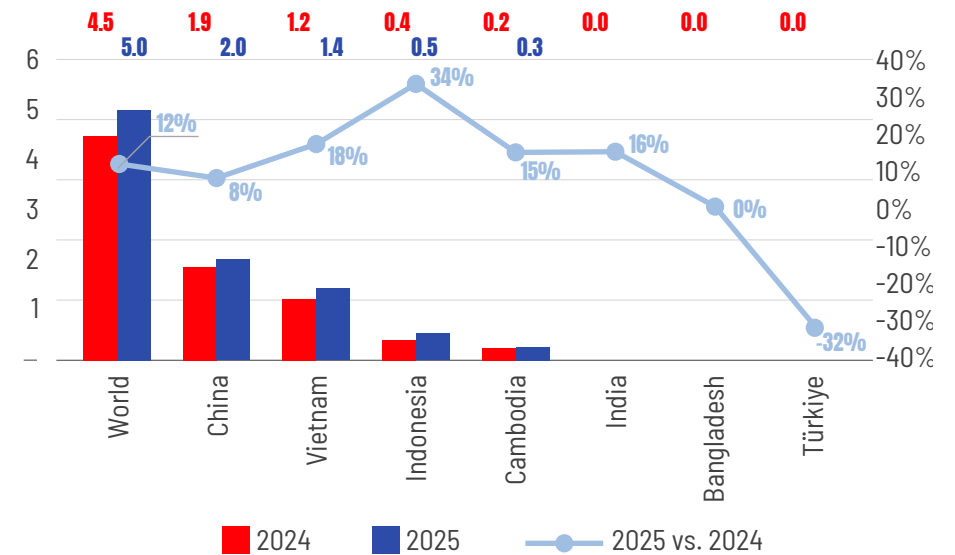
EU FOOTWEAR IMPORTS BY SUPPLIERS UP TO NOV.2025 (BILLION USD)



JAPAN APPAREL IMPORTS BY SUPPLIERS UP TO NOV. 2025 (Billion USD)



JAPAN FOOTWEAR IMPORTS BY SUPPLIERS UP TO NOV.2025 (BILLION USD)





The labor cost advantage in Vietnam's textile and apparel industry is gradually declining. According to statistics, the average monthly wage of garment workers in Vietnam is around \$300, higher than the global average of \$200 per person. Similarly, wages in Vietnam's textile industry are significantly higher than in Bangladesh (\$95 per person per month) or India (\$145 per person per month).



Source: Ministry of Industry and Trade

In the past, Vietnam's textile industry's advantage was abundant labor and low labor costs. With that advantage, textiles have become Vietnam's primary export industry, contributing over 10% to the total annual export turnover. Labor costs have gradually increased in recent years, limiting Vietnam's competitiveness. However, on the positive side, this drives Vietnam's textile industry to apply advanced production technologies that improve productivity and product quality. Although labor costs have increased, labor qualifications have also improved significantly.

In 2026, Vietnam's textile and garment industry is expected to continue facing intense competition within the global supply chain, especially in terms of pricing pressure from countries such as Bangladesh, India, and Cambodia. This challenge is becoming more significant as production costs continue to rise, particularly energy and logistics costs. The main reason comes from fluctuations in global oil prices caused by geopolitical tensions in the Middle East, related to conflicts involving Iran, the United States, and Israel. These developments have pushed global oil and gas prices higher, leading to increased transportation and production costs, thereby reducing the competitiveness of textile and garment companies, especially in the low-margin processing segment.

The “USFIA Fashion Industry Benchmarking Study 2025” highlights shifts in the supply chain, trends in supply diversification, and the impact of trade policies on the U.S. fashion industry. This annual study, conducted by the United States Fashion Industry Association (USFIA), assesses trends and challenges in the global textile and fashion supply chain. The report compiles insights from senior executives of

leading fashion brands and retailers in the U.S., providing a comprehensive perspective on sourcing strategies, market fluctuations, and risks related to geopolitics, labor and social compliance, and environmental impact.

REGION	SOURCING DESTINATION	SPEED TO MARKET	SOURCING COST	FLEXIBILITY AND AGILITY	MINIMUM ORDER QUANTITY (MOQ)	VERTICAL INTEGRATION	RISK OF LABOR AND SOCIAL COMPLIANCE	RISK OF ENVIRONMENTAL COMPLIANCE	RISK OF GEOPOLITICS	RISK OF FACING U.S. IMPORT BARRIERS
Western Hemisphere	USA	● 4.5	■ 1.5	▲ 3.0	▲ 3.0	■ 1.5	▲ 3.5	● 4.0	▲ 3.0	/
	MEXICO	● 4.0	▲ 3.0	▲ 3.5	▲ 3.0	▲ 3.0	▲ 3.5	▲ 3.0	▲ 3.0	▲ 3.0
	CAFTA-DR	● 4.0	▲ 3.5	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0
	COLOMBIA	▲ 3.5	▲ 3.0	▲ 3.5	▲ 3.0	▲ 3.5	▲ 3.5	▲ 3.0	▲ 3.0	▲ 3.0
Asia	CHINA	▲ 3.5	▲ 3.5	● 4.5	● 4.0	● 4.5	■ 2.0	■ 2.0	■ 1.5	■ 1.0
	VIETNAM	▲ 3.0	● 4.0	● 4.0	▲ 3.0	▲ 3.5	▲ 3.0	▲ 3.0	■ 2.5	■ 2.0
	BANGLADESH	■ 2.5	● 4.5	▲ 3.5	▲ 3.0	▲ 3.0	■ 2.5	■ 2.0	■ 2.5	■ 2.5
	INDONESIA	■ 2.5	● 4.0	▲ 3.5	▲ 3.0	■ 2.5	▲ 3.0	■ 2.5	▲ 3.0	■ 2.5
	INDIA	■ 2.5	● 4.0	▲ 3.5	▲ 3.0	● 4.0	▲ 3.0	■ 2.5	■ 2.5	■ 2.5
	SRI LANKA	■ 2.5	▲ 3.5	▲ 3.5	▲ 3.5	■ 2.5	▲ 3.0	▲ 3.0	▲ 3.0	■ 2.5
	CAMBODIA	■ 2.5	● 4.0	▲ 3.5	▲ 3.0	■ 2.5	▲ 3.0	▲ 3.0	■ 2.5	■ 2.5
Rest of the world	EUROPE	▲ 3.0	■ 2.0	▲ 3.0	▲ 3.5	▲ 3.0	● 4.0	● 4.5	▲ 3.5	▲ 3.0
	TÜRKIYE	■ 2.5	■ 2.5	▲ 3.0	▲ 3.5	▲ 3.5	▲ 3.0	▲ 3.0	■ 2.5	▲ 3.0
	AGOA	■ 1.5	▲ 3.5	■ 2.0	■ 2.5	■ 1.5	■ 2.5	■ 2.5	■ 2.5	■ 2.5
	EGYPT	■ 2.0	▲ 3.5	▲ 3.5	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0	▲ 3.0

Source: 2025 Fashion Industry Benchmarking Study- USFIA

Note: The figures in the table represent the average assessment of survey participants for each country on a scale from 1 (performance significantly below average) to 5 (performance significantly above average). Specifically:

- Scores from **4.0 to 5.0** indicate a country's **strength** as a sourcing destination.
- ▲ Scores from **3.0 to 3.9** indicate **average** performance.
- Scores from **1.0 to 2.9** indicate a country's **weakness** in sourcing.

In 2025, the USFIA report added a new criterion, “Risk of Facing US Import Barriers,” due to the highly complex tariff policies under Donald Trump’s administration, which are expected to have broad impacts on global trade policies in 2026 and the coming years.



In 2025, Asian countries continued to be highly rated in terms of business conditions for apparel sourcing activities, including sourcing costs, flexibility and adaptability, minimum order quantity (MOQ), as well as the level of vertical integration within the supply chain.

Regarding sourcing costs, based on a rating scale from 1 (least competitive) to 5 (most competitive), Bangladesh (4.5 points), Vietnam (4.0 points), India (4.0 points), and Cambodia (4.0 points) continued to be rated highly for cost competitiveness in 2025. This indicates that these countries remain preferred sourcing destinations for price-sensitive apparel products. Meanwhile, China’s sourcing cost rating declined from 4.0 in 2024 to 3.5 in 2025, likely due to the impact of higher tariffs on exported goods. However, China’s cost competitiveness still remained comparable to or higher than most suppliers in the Western Hemisphere, the European Union, and other regions, showing that the country continues to play an important role in the global textile and apparel supply chain.

In 2025, Asian suppliers continued to receive high ratings for flexibility and adaptability in apparel sourcing activities, especially in their ability to quickly adjust delivery schedules, order volumes, and products based on customer requirements. Based on a rating scale from 1 to 5, China’s rating increased from 4.0 to 4.5, while Vietnam’s rating increased from 3.5 to 4.0 compared to 2024. These changes reflect the efforts of these countries to provide more flexible and responsive sourcing solutions for US fashion companies through the application of digital technologies and by leveraging the advantages of textile and apparel supply chains.

Overall, based on the total evaluation score, Vietnam achieved 28 points - the highest among the Asian countries surveyed. In particular, Vietnam was rated as “competitive” in terms of sourcing costs (4 points) and flexibility and adaptability in production (4 points). These results show that Vietnam continues to maintain a significant competitive advantage in textile and apparel sourcing activities, especially thanks to its reasonable production costs and flexible response to customer requirements, thereby strengthening its position as one of the key destinations in the global textile and apparel supply chain.

WTO also considers Vietnam’s political and social environment more stable than Bangladesh and India, which are multi-party countries, and VND is stable compared to USD. The trade war between the US and China is another factor pushing international businesses to move their production facilities to Vietnam because many businesses are concerned about tariffs and trade restrictions they may face if their production remains in China.

From the above comments, Vietnam is still an ideal destination for sourcing in the textile and garment industry. In the current trend of globalization, the number of free trade agreements (FTAs) continues to increase rapidly. These FTAs help member countries achieve deeper integration, promote sustainable development, support economic growth, and strengthen global connectivity. As of 2026, Vietnam has signed 17 free trade agreements (FTAs) with more than 60 partners worldwide, reflecting the country's increasingly deep international economic integration. This extensive FTA network not

only helps expand export markets, reduce tariff barriers, and attract foreign investment flows, but also contributes to improving business competitiveness and strengthening Vietnam's position in the global supply chain.

At the same time, new-generation FTAs also create momentum for institutional reforms and improvements in production standards toward sustainable development.

NO.	AGREEMENT	FULL AGREEMENT NAME	EFFECTIVE DATE	MEMBERS
1	AFTA 	ASEAN Free Trade Area	Effective since 1993	ASEAN members
2	EVFTA 	Free Trade Agreement between the European Union and the Socialist Republic of Vietnam	Officially effective from 01/08/2020	Vietnam and 27 EU member states
3	CPTPP 	Comprehensive and Progressive Agreement for Trans-Pacific Partnership	First general effective date: 30/12/2018 (for the first 6 ratifying countries). Vietnam: 14/01/2019	Vietnam, Canada, Mexico, Peru, Chile, New Zealand, Australia, Japan, Singapore, Brunei, Malaysia, United Kingdom (signed accession protocol on 16/07/2023)
4	UKVFTA 	Free Trade Agreement between Vietnam and the United Kingdom of Great Britain and Northern Ireland	Officially effective from 01/05/2021	Vietnam, United Kingdom
5	RCEP 	Regional Comprehensive Economic Partnership	Effective from 01/01/2022	ASEAN, China, South Korea, Japan, Australia, New Zealand

NO.	AGREEMENT	FULL AGREEMENT NAME	EFFECTIVE DATE	MEMBERS
6	VCFTA 	Vietnam – Chile Free Trade Agreement	Effective since 2014	Vietnam, Chile
7	VKFTA 	Vietnam – Korea Free Trade Agreement	Effective since 2015	Vietnam, South Korea
8	VN – EAEU FTA 	Vietnam – Eurasian Economic Union Free Trade Agreement	Effective since 2016	Vietnam, Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan
9	VJEPA 	Vietnam – Japan Economic Partnership Agreement	Effective since 2009	Vietnam, Japan
10	AIFTA 	ASEAN – India Framework Agreement on Comprehensive Economic Cooperation	Effective since 2010	ASEAN, India
11	AKFTA 	ASEAN – Korea Free Trade Agreement	Effective since 2007	ASEAN, South Korea

NO.	AGREEMENT	FULL AGREEMENT NAME	EFFECTIVE DATE	MEMBERS
12	AHKFTA 	ASEAN – Hong Kong (China) Free Trade Agreement	Effective for Hong Kong (China), Laos, Myanmar, Thailand, Singapore, and Vietnam from 11/06/2019. Fully effective for all members from 12/02/2021	ASEAN, Hong Kong (China)
13	ACFTA 	ASEAN – China Free Trade Agreement	Effective since 2003	ASEAN, China
14	AANZFTA 	Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area	Effective since 2010	ASEAN, Australia, New Zealand
15	VIFTA 	Vietnam – Israel Free Trade Agreement	Officially signed on 25/07/2023	Vietnam, Israel
16	AJCEP 	ASEAN – Japan Comprehensive Economic Partnership	Effective since 2008	ASEAN, Japan
17	VN - UAE CEPA 	Comprehensive Economic Partnership Agreement between Vietnam and the UAE	Signing date: 28/10/2024 in Abu Dhabi, UAE. Effective date: 03/02/2026	Vietnam, UAE

Source: VIETNAM FREE TRADE AGREEMENT PORTAL

It can be seen that one of the key highlights of international trade in 2025 was the increasingly complex and strategic tariff policy system under Donald Trump’s administration. These policy adjustments not only reshaped global trade flows but also directly affected major export industries, especially textiles and garments. Below is a summary of textile-exporting countries and the EU that were subject to reciprocal tariffs in 2025.

COUNTRY / REGION	INITIAL RATE (~04/2025)	LATEST RATE IN 2025 (~08/2025)
Bangladesh	37%	20%
Campuchia	49%	19%
India	27%	50%
Indonesia	32%	19%
Pakistan	30%	19%
EU	20%	15%
Venezuela	15%	15%
Vietnam	46%	20%

Source: Time

However, the situation changed rapidly after the US Supreme Court ruled that the Trump administration’s broad application of reciprocal tariffs under the International Emergency Economic Powers Act (IEEPA) of 1977 exceeded the authority permitted under the law. Following this decision, new investigations under Section 301 were initiated, while the White House was forced to urgently seek alternative legal grounds to reinstate the tariffs that had been invalidated.

The Trump administration’s initial step was to impose a temporary tariff rate of around 10% on imported goods globally under Section 122 of the Trade Act of 1974, while leaving open the possibility of increasing the rate to 15% in the near future. At the same time, Section 301 of the same Act was used as a legal tool to investigate trade practices considered unfair, in order to assess whether the policies or practices of trading partners were discriminatory or created barriers to US commercial interests.

The Office of the United States Trade Representative (USTR) announced the launch of a series of new investigations targeting 16 trading partners, ranging from Singapore and Switzerland to India and Norway. At the same time, the agency also expanded its review scope to include issues related to forced labor, covering around 60 economies worldwide.



Table: Summary of US Tariff Measures on Vietnam under the Donald Trump Administration (2025–2026)

TYPE OF TARIFF / POLICY	ANNOUNCEMENT DATE	EFFECTIVE DATE	EXPIRY DATE	LEGAL BASIS	TARIFF RATE	SOURCE
Temporary Import Tariff	20/02/2026	24/02/2026	23/07/2026	Section 122	10%	White House Statement, Supreme Court Decision
Non-Reciprocal Trade: Country-Specific Tariff Rate	02/04/2025	07/08/2025	24/02/2026	IEEPA	20%	Executive Order 14326
Non-Reciprocal Trade: Global Baseline Tariff	02/04/2025	05/04/2025	07/08/2025	IEEPA	10%	USTR Press Release, Executive Orders 14257, 14316

Table: Summary of Section 301 Investigation

Nguồn: Atlantic Council

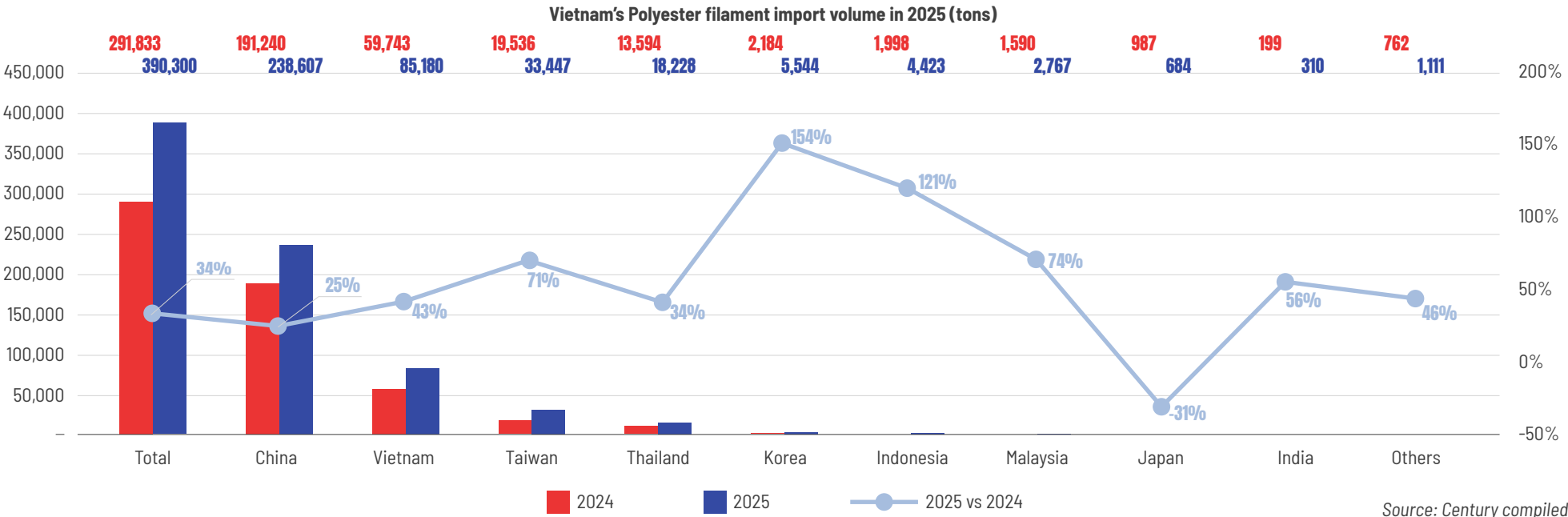
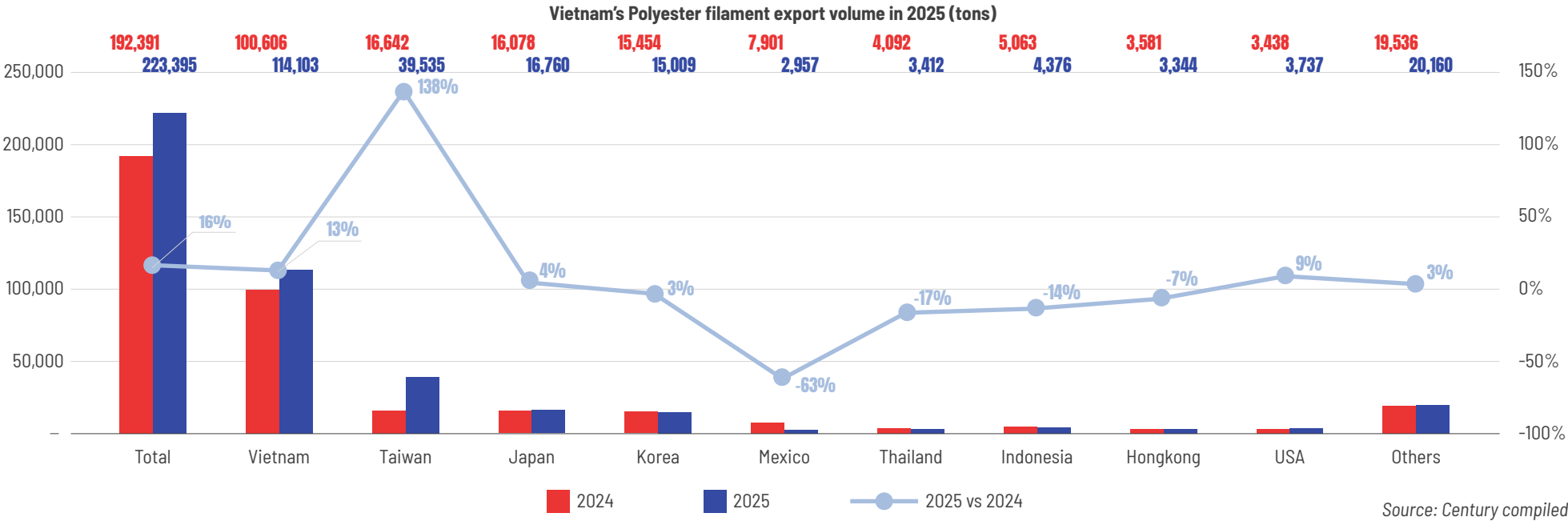
	SECTION 301 ON EXCESS INDUSTRIAL CAPACITY	SECTION 301 INVESTIGATION ON FORCED LABOR	POTENTIAL SECTION 301 INVESTIGATION ON FAILURE TO PROVIDE PROTECTION FOR INTELLECTUAL PROPERTY RIGHT
Initiation date	March 11, 2026	March 12, 2026	
Potential initiation date			30/05/2026
Areas of investigation	The acts, policies, and practices of certain economies relating to structural excess capacity and production in certain manufacturing sectors.	The acts, policies, and practices of 60 countries on related to their alleged failure to impose and effectively enforce a prohibition on the importation of goods produced with forced labor.	
Subject countries	16 countries, including: China, the European Union, Singapore, Switzerland, Norway, Indonesia, Malaysia, Cambodia, Thailand, Korea, Vietnam, Taiwan, Bangladesh, Mexico, Japan, and India.	60 countries including: Bangladesh, Cambodia, China, India, Indonesia, Japan, Malaysia, Mexico, Pakistan, South Korea, Sri Lanka, Thailand, Turkey, Vietnam.	26 countries: Vietnam, China, Indonesia, India, EU, Canada, Pakistan, Thailand, Turkey.
Targeted sectors	Aluminum; Automobiles (including EVs); Batteries; Cement; Chemicals; Electronics; Energy goods; Glass; Machine tools; Machinery; Nonferrous metals; Paper; Plastics; Processed food and beverages; Robotics; Satellites; Semiconductors; Ships; Solar modules; Steel; Transportation equipment.	Department of Labor's 2024 List of Goods Produced by Child Labor or Forced Labor (the "TVPR List"), which includes 134 items produced with forced labor in particular countries. These inputs include: cotton used to produce textiles and thread; critical minerals used to produce solar products or auto parts; fish products; and palm fruit used to produce kernel or palm oil.	

	SECTION 301 ON EXCESS INDUSTRIAL CAPACITY	SECTION 301 INVESTIGATION ON FORCED LABOR	POTENTIAL SECTION 301 INVESTIGATION ON FAILURE TO PROVIDE PROTECTION FOR INTELLECTUAL PROPERTY RIGHT
	Extent of any overcapacity and the causes of such overcapacity, which may include: • Subsidies, especially export promotion subsidies; • Wage suppression; • Non-commercial activities of state-owned or state-controlled enterprises; • Sustained market access barriers; • Lax or inadequate environmental or labor protection or inadequate social safety nets; • Subsidized lending; and • Financial repression and currency practices.		
Period for public comment	17 March 2026 - 15 April 2026		
Public hearing date starts	May 05, 2026	April 28, 2026	
Deadline for conclusion	July 24, 2026	July 24, 2026	

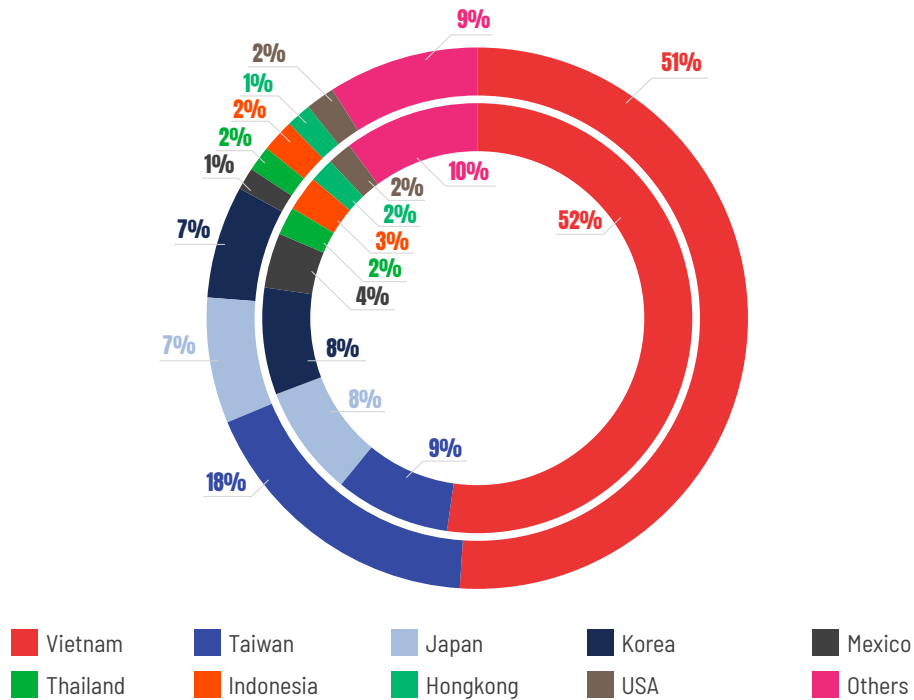


Tariff policies under Donald Trump's second-term agenda are creating significant impacts on the global textile and apparel industry. The application of broad and country-specific tariff rates has increased import costs into the US market, forcing brands to restructure their supply chains. For Vietnam, this creates both challenges related to costs and compliance, as well as opportunities to increase market share if transparency and production stability can be maintained. Meanwhile, countries such as Bangladesh and India may face greater pressure if they are subject to higher tariff rates or additional reviews related to labor and unfair trade practices. The trend of shifting orders toward countries with tariff advantages and higher reliability is expected to become more evident. Overall, this policy is accelerating the reallocation of textile and apparel supply chains on a global scale.

VIETNAM'S POLYESTER FILAMENT IMPORT AND EXPORT STATUS.



VIETNAM'S POLYESTER FILAMENT EXPORT PROPORTION IN 2024 AND 2025



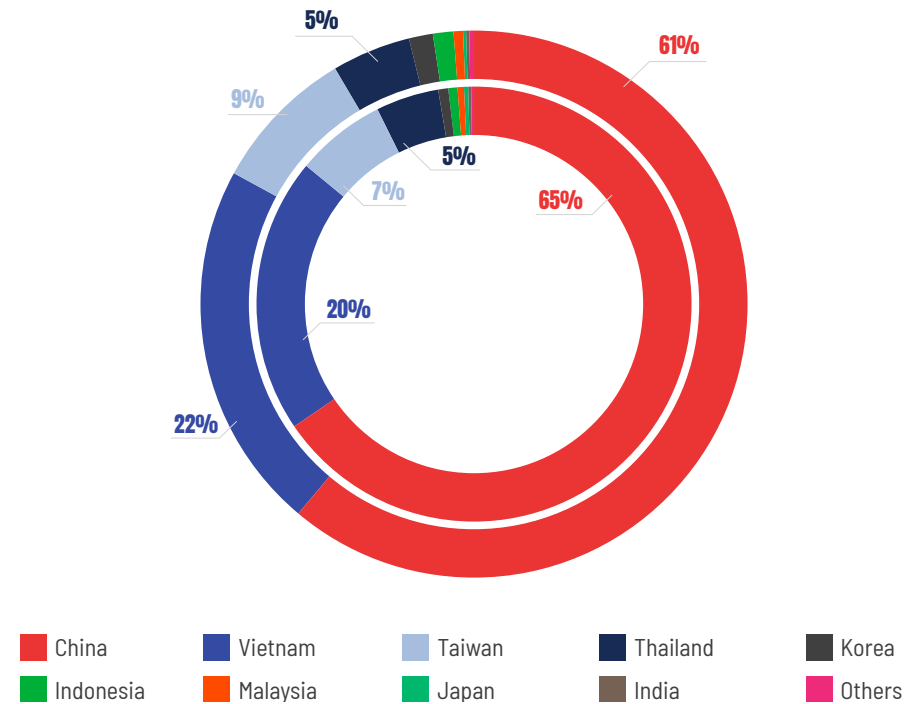
Note: The rings from the inside out correspond to 2024, and 2025

The export market structure of Vietnam's polyester yarn in 2024 and 2025 remained relatively stable, with domestic export sales (Vietnam market) continuing to account for the largest proportion. Specifically, the Vietnam market maintained a share of more than 50% in both years (around 52% in 2024 and 51% in 2025), showing that domestic demand for polyester yarn, especially from FDI textile and garment enterprises and the local supply chain, continued to play a dominant role with no significant changes between the two years.

In addition, Taiwan recorded the most noticeable change, with its share increasing significantly from around 9% in 2024 to 18% in 2025, nearly doubling compared to the previous year. This increase indicates an expansion of exports to the Taiwan market and also reflects the shift in orders or rising demand for polyester yarn materials from this region.

Other markets such as Japan, South Korea, Mexico, Thailand, Indonesia, Hong Kong, and the United States accounted for smaller shares and generally did not show major changes between the two years, indicating that the export market structure of Vietnam's polyester yarn industry remained relatively stable.

VIETNAM'S POLYESTER FILAMENT IMPORT PROPORTION IN 2024 AND 2025



Note: The rings from the inside out correspond to 2024, and 2025

The chart shows that Vietnam's polyester yarn import structure during the 2024–2025 period continued to be heavily concentrated in the China market. Specifically, China accounted for the largest share, at around 65% in 2024 and slightly decreasing to around 61% in 2025. Although showing a slight decline, China still maintained its position as Vietnam's largest supplier of polyester yarn, far exceeding other markets. For domestic supply (Vietnam), the share accounted for around 22% in 2024 and slightly declined to around 20% in 2025, indicating that domestic supply still plays an important role but remains insufficient to fully meet the demand of the textile and garment industry, causing Vietnam to continue depending on imported supply. Meanwhile, Taiwan was the third-largest supplier, with a share of around 9% in 2024, decreasing to 7% in 2025, reflecting a slight decline in imports from this market within the overall import structure.

Overall, the import structure shows Vietnam's heavy dependence on polyester yarn supply from China. This dependence may create several risks for the supply chain, including the risk of raw material disruptions caused by trade or geopolitical fluctuations, volatility in input material prices, as well as risks related to trade defense measures or export controls. In addition, reliance on a major supply source may reduce the flexibility of Vietnam's textile and garment industry in diversifying raw material sources, thereby affecting competitiveness and the ability to meet rules of origin requirements under free trade agreements (FTAs).

Import and Export Situation of Vietnam's Polyester Yarn during the 2023–2025 Period.

EXPORT/YEAR	2023	2024	2025
rPet export volume (tons)	14,059	25,618	34,644
vPet export volume (tons)	159,847	166,772	188,751
rPet export volume/ total polyester export volume	8.1%	13.3%	15.5%

IMPORT/YEAR	2023	2024	2025
rPet import volume (tons)	57,787	79,750	89,383
vPet import volume (tons)	269,540	310,550	304,160
rPet import volume/ total polyester import volume	17.7%	20.4%	22.7%

Source: Century compiled

The data shows a clear increasing trend in recycled polyester yarn (rPET) in both the export and import activities of Vietnam's polyester yarn industry during the 2023–2025 period. On the export side, the proportion of rPET in total polyester export turnover increased continuously from 8.1% in 2023 to 13.3% in 2024 and reached 15.5% in 2025. At the same time, rPET export volume also rose significantly from 14,059 tons to 34,644 tons, reflecting the growing international demand for yarn products made from recycled materials.

On the import side, a similar trend was also recorded as the proportion of rPET in total polyester imports increased from 17.7% in 2023 to 20.4% in 2024 and reached 22.7% in 2025, while the import volume of rPET increased from 57,787 tons to 89,383 tons during the same period.

Overall, the increasing share of recycled polyester yarn in both exports and imports shows that rPET is playing an increasingly important role in the textile and garment production chain. This trend reflects the industry's shift toward more sustainable and environmentally friendly materials, while also responding to increasingly strict international market requirements related to emission reduction, circular economy practices, and the use of recycled materials in the fashion industry.

Although the proportion of recycled yarn in Vietnam's total polyester yarn import-export value remains low, this presents both a challenge and an opportunity for textile enterprises to transition and meet the "greening" standards in production. Increasing the proportion of recycled yarn in the future, as required by brands, will not only enable Vietnamese businesses to meet the stringent standards of importers in significant markets but also enhance their competitiveness, expand collaboration opportunities, and move toward sustainable development.

The "greening" of the textile industry is now a global trend. These green requirements are no longer optional but are gradually becoming mandatory in key export markets for Vietnamese textiles. Previously, the focus was primarily on chemicals and dyes used on fabric substrates. However, today's requirements extend further, including the percentage of recycled materials in the final product, the proportion that can be reused or recycled, and factors related to product lifespan...

Seizing growth opportunities and aligning with the sustainable development trend, Century has steadily increased the proportion of eco-friendly yarns, such as recycled yarn. The revenue proportion of recycled yarn has risen over the years, from 44% in 2020 to 55% in 2022. In 2024 and 2025, the revenue proportion of recycled yarn declined to 44.5% and 49.9%, primarily due to the overall challenges in the textile industry and intense price competition from other suppliers. However, the company remains committed to sustainable development and is determined to increase this proportion to 60%–70% in the 2027–2029 period, maximizing the capacity of its existing factories.

By 2025, Century has indirectly recycled 6.00 billion waste plastic bottles into recycled yarn, contributing to reduction of plastic bottle waste and protecting the environment.



In addition, Century has also developed dope-dyed yarn using dope dyed technology, providing an alternative solution to the traditional dyeing process. This helps customers reduce clean water consumption by up to 89%, while also reducing wastewater discharge and chemical usage released into the environment, thereby supporting their commitments under the ZDHC initiative. The proportion of colored yarn revenue to total revenue also recorded significant growth, increasing from 0.2% in 2021 to 0.9% in 2022, then slightly decreasing to 0.83% in 2023, before increasing again and remaining above 4% in both 2024 and 2025. The Company is also actively expanding its customer base for this product line and expects the revenue contribution from colored yarn to continue increasing in the coming years.

Century is also expanding its development of recycled yarn from T-2-T (Textile-to-Textile) materials, utilizing fabric scraps, old clothing, and defective products to create new yarn. This advanced solution reduces dependence on raw materials, minimizes textile waste, and promotes a circular economy. Compared to production using virgin materials, T-2-T reduces waste and significantly saves water and energy while cutting greenhouse gas emissions. Many leading fashion brands are actively adopting this model to meet sustainability standards, enhance brand reputation, and attract environmentally conscious consumers. By focusing on T-2-T yarn development, Century is not only staying ahead of the textile industry's greening trend but also creating opportunities for collaboration with global partners who share the same sustainability vision.

ETHICAL VALUES OF THE COMPANY (GRI 2-23)

Refer further to Article 8.4. Governance model- 2025 Annual Report

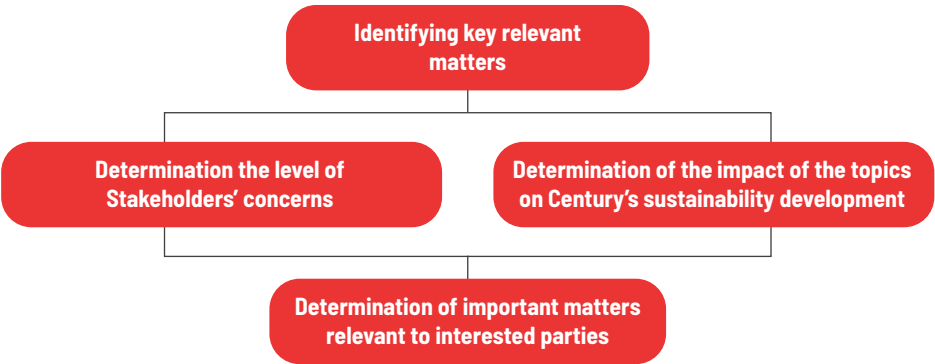
CODE OF CONDUCT WITH STAKEHOLDERS (GRI 2-23)

Refer further to Article III.7.2 – 2025 Sustainability Development Report

THE ADVISORY AND GRIEVANCE MANAGEMENT FRAMEWORK ABOUT THE CODE OF CONDUCT AT THE COMPANY (GRI 2-26)

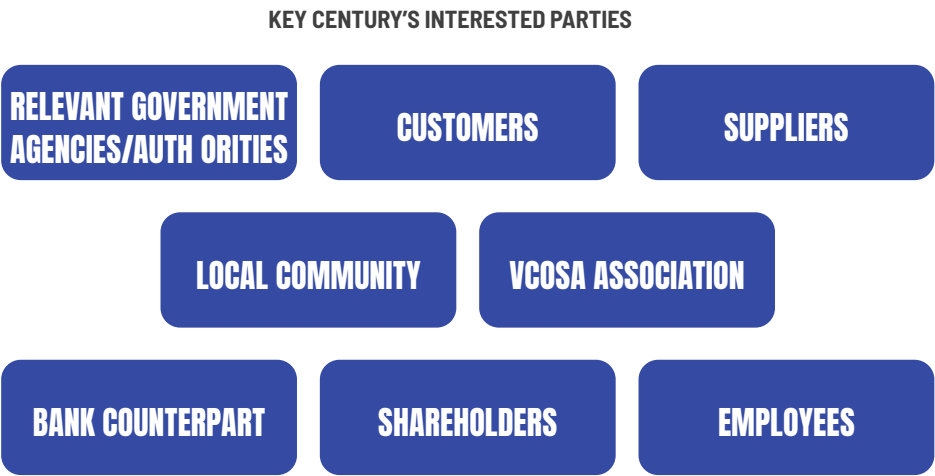
The Company provides specific guidance to determine whether an individual is in violation of the Company's code of conduct, and establishes a mechanism to control compliance, make improvements and provide feedback to the related matters of Company's Code of Conduct. At Century, the code of conduct is systematized into SOP process and controlled under ISO standards, widely applied to all employees and stakeholders. The Company's business development department directly receives complaints related to the Code of Conduct within the Company and from interested parties, then coordinate with the human resources department to adjust or update human resource policies to make them more proper with the Company's stakeholders, especially employees.

ENGAGING INTERESTED PARTIES IN COMPILING SUSTAINABILITY DEVELOPMENT REPORT



IDENTIFICATION OF INTERESTED PARTIES (GRI 2-16, GRI 2-28, GRI 2-29)

- Century's key stakeholders are identified based on the impact of Century's business activities on the parties, and concerns and the influences from the parties to Century.
- Accordingly, eight key stakeholders of Century comprise of:



RELENTLESS ENHANCEMENT OF THE STAKEHOLDERS' ENGAGEMENT

(GRI 2-16, GRI 2-25, GRI 2-28, GRI 2-29)

- Continuous diversification of contact and interaction channels with stakeholders.
 - The key matters related to the Company's sustainable development objective are addressed comprehensively.
 - Using suitable contact channels to reach the Company's key stakeholders in accordance with their specific characters.
- Century committed to fully acknowledging the feedback and concerns of the Company's stakeholders.
 - Century proactively reviews and evaluates the feedback from stakeholders to strengthen the Company's policies and enhance the Company's operational activities accordingly.

STAKEHOLDERS	APPROACHES FOR INTERACTION AND FEEDBACK	SCOPE OF CONSULTATION AND EXPECTATION OF STAKEHOLDERS	CENTURY'S ACTIONS TO MEET THE EXPECTATION OF STAKEHOLDERS
Shareholders	- Via General Meetings of Shareholders. - Direct meetings with investors. - The Company's seminars and factory visits. - Shareholder survey in writing, phone calls, and emails. - IR newsletter, Investor Day, Analyst's meetings.	- Transparent information to shareholders. - Protection of investor interests. - Good corporate governance. - The Company's orientations for sustainable development. - Effective use of investment capital. - The Company's attention to social issues, environment, and community. - Dividends payment to investors. - The remuneration of BOD, BOS, and BOM. - The enterprise's value. - The share liquidity and investment opportunities. - Environmental protection and reducing carbon footprint.	- Revenue reached 1,353 billion VND, and net profit was 49.9 billion VND, achieving 41% and 16% of the targeted revenue and profit, respectively. - The proportion of recycled yarn in total revenue was 49.9% in 2025. - The Company paid dividends for the 2023 and 2024 financial years with a total payout ratio of 45%, demonstrating its commitment to maintaining a stable dividend policy and ensuring benefits for shareholders. - Developing new types of products with combination of functionality and environmentally friendly feature such as Recycle Plus. - Strictly complying with regulations on information disclosure. - Diversifying more information disclosure channels. - Monitoring and measuring carbon footprint emissions at the Company.

RELENTLESS ENHANCEMENT OF THE STAKEHOLDERS' ENGAGEMENT (GRI 2-16, GRI 2-25, GRI 2-28, GRI 2-29) *continued*

STAKEHOLDERS	APPROACHES FOR INTERACTION AND FEEDBACK	SCOPE OF CONSULTATION AND EXPECTATION OF STAKEHOLDERS	CENTURY'S ACTIONS TO MEET THE EXPECTATION OF STAKEHOLDERS
Customers	- Direct exchange of information with customers. - Meetings, company visits by customers. - Customer survey and questionnaires. - The Company's website - Seminar, industry association forum. - Email, phone calls.	- Company's operation is stable, safe, and reliable (ensuring ESG standards) - High quality of products and services. - Competitive prices. - Attractive terms of the contract. - Outstanding customer service. - Good technical and operational capacity. - Professionalism in providing services. - High value-added products. - Safe products which do not contain toxic substances. - Environmental protection and reducing carbon footprint.	- Researching and producing more new yarn types with high fineness level, increasing the proportion of environmentally friendly products such as recycled yarns, dope dyed yarns. - Ensuring product quality is stable. - Strengthening professional knowledge of the Company's sales team and quality management team. - Delivery on time, fast, flexible, and no shortage of goods. - Continuously training domestic and export sales team resources. - Participating in the publication of information on sustainable development in platforms such as CDP, measuring the environmental impact of products. - Improving the quality of customer service activities. - The product is certified free of harmful substances (REACH 168). - Obtaining OEKO -TEX 100 certification, proving that the ingredients in the yarn do not contain harmful substances affecting to consumer health. - Obtaining GRS (Global Recycle Standard) certificate. - Highly appreciated by domestic and international customers for quality and service supply. - Using renewable energy - solar energy to reduce the amount of electricity consumed in the production process, helping to reduce annual greenhouse gas emissions.
Employees	- Weekly vision and mission program. - Monday meetings. - Periodical dialogue with employees. - Dialogue at the Employee Benefits Conference. - Direct communication with management level. - Direct communication with the Human Resource department. - Collective negotiation meeting.	- Safe working environment, good occupational health. - Ensuring health safety in the working environment. - Balancing between working and personal life. - High salary, bonus, welfare policy. - Opportunity to be trained, to improve skills. - Opportunity to be promoted. - Broad vision of leaders. - Fairness and democracy. - No discriminations. - Occupational safety in the workplace. - Stable jobs and being instructed in work.	- Improving salary policy, bonus, welfare, training, promotion, and working environment for employees. - The number of people promoted to higher positions was 44 people in 2025. - The Executive Board is committed to democratic rights, the right to be treated fairly and respectfully of employees. - Ensuring the basic salary for employees is higher than the regional minimum wage and the industry's average salary. - Implementing 5s mechanism, to improve the working environment. - Ensuring safe working conditions, employees' health is taken care of. - Complying with the law on social responsibility. - Executing annual health check-up for employees - December, 11th and 12th, 2025. - Receiving stable orders, maintaining stable jobs and incomes for employees.

RELENTLESS ENHANCEMENT OF THE STAKEHOLDERS' ENGAGEMENT (GRI 2-16, GRI 2-25, GRI 2-28, GRI 2-29) *continued*

STAKEHOLDERS	APPROACHES FOR INTERACTION AND FEEDBACK	SCOPE OF CONSULTATION AND EXPECTATION OF STAKEHOLDERS	CENTURY'S ACTIONS TO MEET THE EXPECTATION OF STAKEHOLDERS
Suppliers	- Direct meetings and exchanging information. - Factory visits. - Communication through emails, phone calls. - Collecting the information through surveys.	- Prestige, long-term cooperation. - Cooperation whereby both parties are benefited and can mutually develop. - To set up a stable value chain. - Partners ensure the sustainable development activities-ESG, reducing greenhouse gas emissions carbon footprint.	- Enhancing the quality of products and bringing benefits for both parties. - Ensuring equality and fair competition in selecting suppliers. - Frequent evaluation of suppliers to ensure effective cooperation. - Negotiating and offering solutions to improve the relationship between the Company and suppliers.
Authorities	- Through meetings and inspections. - Through periodic reports of HEPZA and TANIZA. - Exchanging of administrative documents.	- Compliance with policies and regulations. - Obtaining the necessary certificates and permits as requirements. - Supporting community development. - Deploying and supporting the government's policies. - Green business, reducing greenhouse gas emissions and protecting the environment.	- Complying with government policies and regulations. - Committing no breach or non-compliance violations. - Preparing and submitting reports to HEPZA and TANIZA regarding the Company's operation, safety-environment- health protection. - Supporting and implementing the government's policies. - Making full tax payment. - Supporting local development. - Using renewable energy – solar energy to reduce the amount of electricity consumed in the production process, helping to reduce annual greenhouse gas emissions. Increase the proportion of eco-friendly products to reduce the impact and protect the environment.
Banks	- Through meetings and company visits. - Through phone calls and emails.	- The Company is sustainable and prestigious. - Transparency in corporate governance. - Professional financial management system. - Long term alliance and co-development. - Using renewable energy and reduce annual greenhouse gas emissions.	- Improving the Company's corporate governance. - Making full and timely repayment of loan principles and interest payments. - Regularly monitoring the implementation of credit contracts with banks. - Using renewable energy – solar energy to reduce the amount of electricity consumed in the production process and hence the annual greenhouse gas emissions.

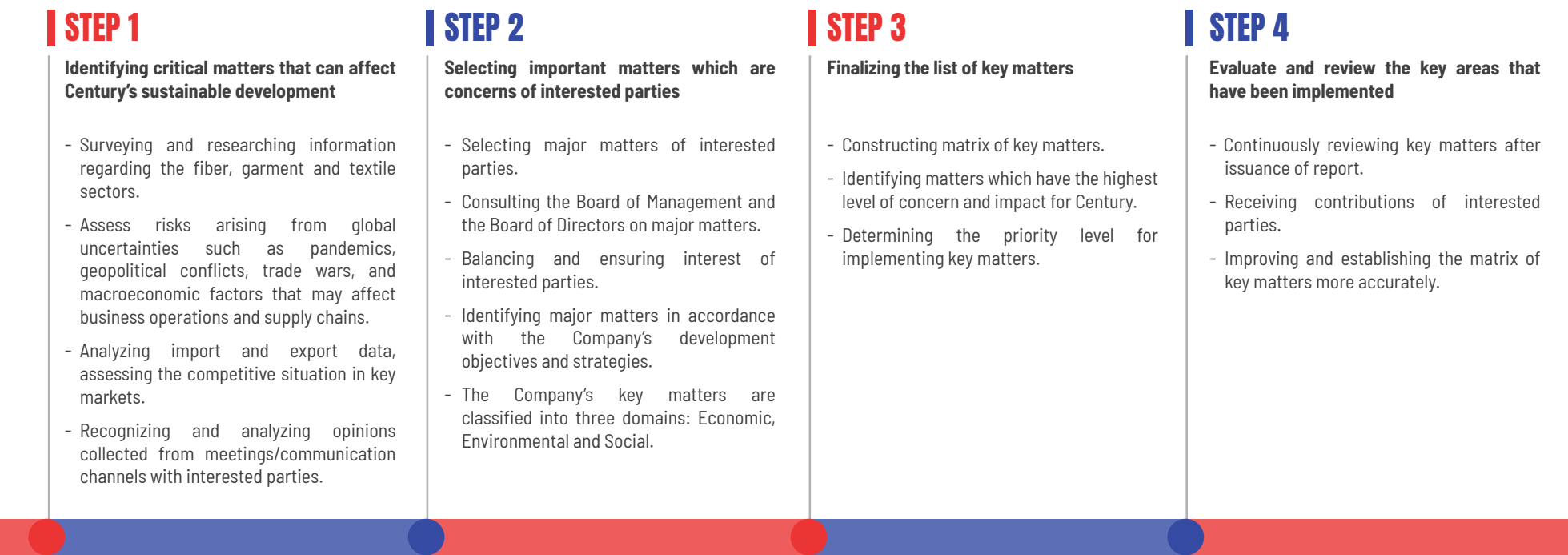
RELENTLESS ENHANCEMENT OF THE STAKEHOLDERS' ENGAGEMENT (GRI 2-16, GRI 2-25, GRI 2-28, GRI 2-29) *continued*

STAKEHOLDERS	APPROACHES FOR INTERACTION AND FEEDBACK	SCOPE OF CONSULTATION AND EXPECTATION OF STAKEHOLDERS	CENTURY'S ACTIONS TO MEET THE EXPECTATION OF STAKEHOLDERS
Local Community	- Via meetings, exchanging correspondence with the local associations, and participating in social activities, the Company can understand the concerns and expectations of the local community.	- To be responsible, to share and to join hand to develop the local community. - Support local community to improve the quality of life through income improvement. - Improve quality and enhance the local community infrastructure system. - Using renewable energy and reduce annual greenhouse gas emissions	- Enhancing the annual average income of local labors. - Raising funds to support the Company's employee's children. - Giving scholarships to local colleges. - Contributing to the development of the local economy. - Developing rural urbanization through the construction of new infrastructure from new factory projects such as Unitex, Yarn-Fabric-Garment alliance. - Using renewable energy – solar energy to reduce the amount of electricity consumed in the production process, helping to reduce annual greenhouse gas emissions. Increase the proportion of eco-friendly products to reduce the impact and protect the environment.
Industrial Association (VCOSA)	Via forums, dialogues, exchanging correspondences and emails between the Company and the Industrial association.	To become an active member, sharing information and contributing to the industry's development.	- Providing information support and actively cooperating with industry associations. - Paying annual membership fee. - Participating as a member of the Executive Committee of the Vietnam Cotton and Yarn Association (VCOSA).

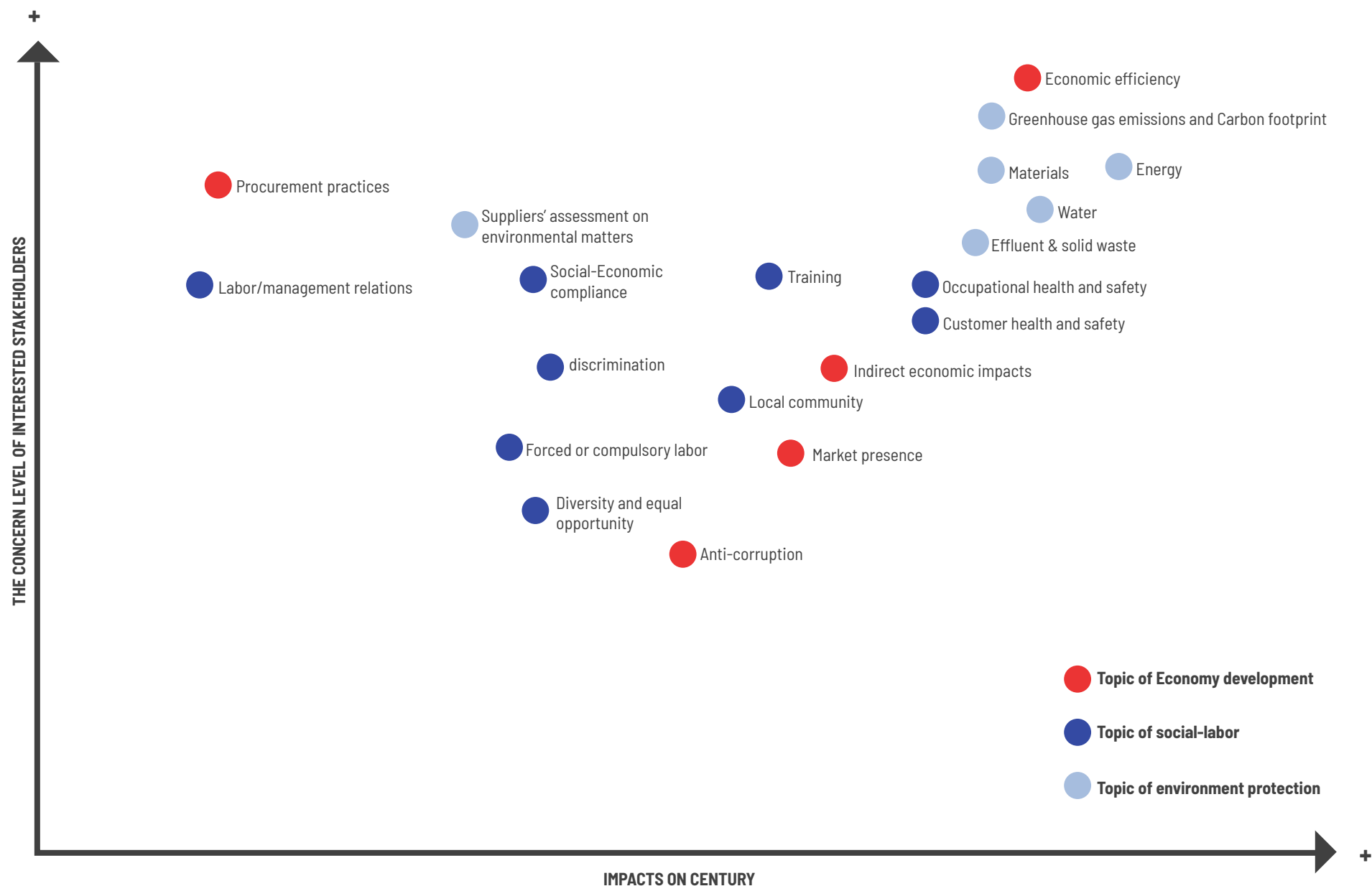
MATERIAL TOPICS (GRI 3-1, GRI 3-2, GRI 3-3)

Upon assessing the correlation between the degree of the interested parties' concerns in certain matters and the matters' impact level on the Company's operation, Century identified critical matters about economic, environmental, social, and the Company's operation activities in 2025.

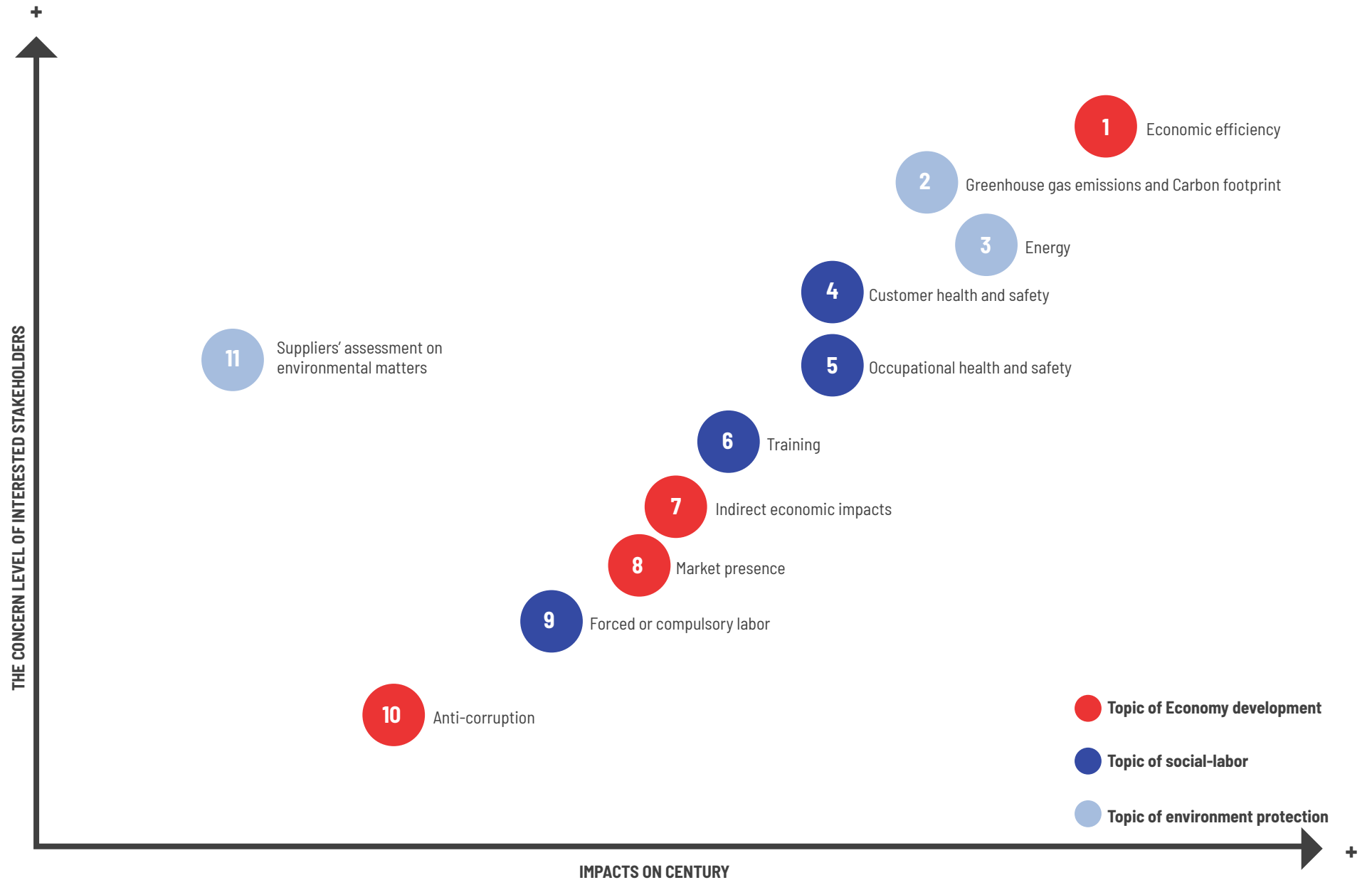
PROCESS TO DETERMINE MATERIAL TOPICS (GRI 3-1)



MATRIX OF MATERIAL TOPICS



CONDENSED MATERIALITY MATRIX



LIST OF MATERIAL TOPICS IN 2025 (GRI 3-2)

ECONOMY

CONTRIBUTION TO SDGS OBJECTIVES



FOCUSING MATTERS

- Ensuring the stable economic development of the Company.
- Developing further markets and cooperating with interested parties.
- Enhancing selling of recycled yarn and high value-added yarns.
- Increasing the average income of employees and supporting the local economic development.

KEY MATTERS

- 2025 Economic performance
- Indirect economic impacts
- Market presence
- Anti-corruption

ENVIRONMENT

CONTRIBUTION TO SDGS OBJECTIVES



FOCUSING MATTERS

- Effectively using materials and energy resources.
- Saving electricity and water in operating activities of the Company.
- Using renewable energy.
- Reducing greenhouse emissions and developing recycled-reused materials.
- Ensuring a healthy and safe working environment for employees.

KEY MATTERS

- Greenhouse gas emissions and Carbon footprint
- Materials
- Water
- Energy
- Emissions
- Effluent and waste
- Environmental compliance

LABOR-COMMUNITY

CONTRIBUTION TO SDGS OBJECTIVES



FOCUSING MATTERS

- Ensuring employee benefits.
- Ensuring employee welfare policies and health protection.
- Ensuring stable employment for employees.
- Creating a safe, transparent, and fair working environment.
- Ushering promotion and developing opportunities for employees.

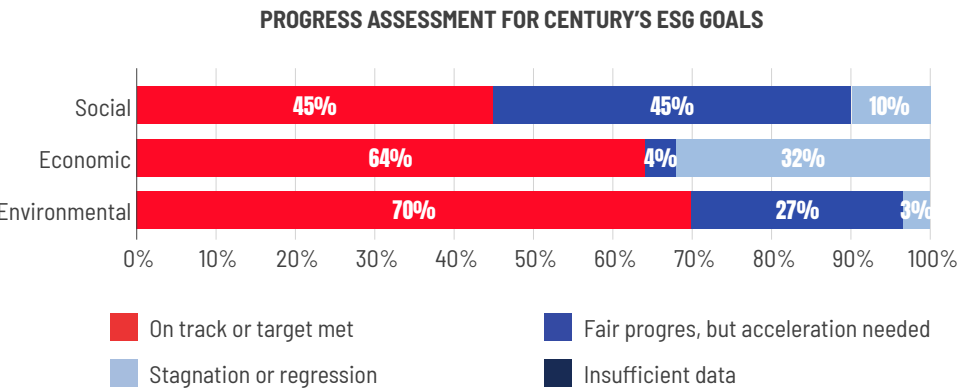
KEY MATTERS

- Stable Employment
- Training
- Promotion and career development opportunities
- Customer health and safety
- Local community

EVALUATING THE RESULTS OF IMPLEMENTING THE SUSTAINABLE DEVELOPMENT STRATEGY OF CENTURY UNTIL 2025

Century has chosen the base year of 2021 because there is sufficient data on the implementation plan and actual performance of the economic, environmental, and social criteria that the Company has set. Specific indicators for each criterion are as follows:

ENVIRONMENTAL	ECONOMIC	SOCIAL
The average rate of reusing of POY paper tubes	The revenue	Employee turnover rate
The rate of using circulating water of the total amount of water used	Profit after tax	Failed recruitment rate
Target water consumption m3/kg of yarn	Maintaining the average salary increase	Meeting human resource needs
Target electricity consumption Kw/kg yarn	Paying a minimum dividend of 15%/par value	Salary Budget Management
Increasing/decreasing the carbon footprint of electricity.	Year-end bonus of 1-month average salary for employees	
The proportion of recycled yarn in total sales revenue		



Century's progress toward sustainable development goals by 2025, assessed based on the level of "On track or target met," shows a decline compared to the previous year. Specifically, the Environmental, Economic, and Social criteria completion rates decreased from 70.8%, 70%, and 50% in 2024 to 70%, 64%, and 45% in 2025, respectively. Notably, the progress in achieving Economic goals saw a significant drop, mainly due to underperformance in business results, which prevented the company from meeting its targets. This reflects Century's challenges in maintaining its sustainability roadmap amid an increasingly volatile economic environment.



DEFINING SUSTAINABLE DEVELOPMENT OBJECTIVES ON MEDIUM- AND LONG-TERM PERIOD 2027 -2029 *GRI 2-27*

MEDIUM- AND LONG-TERM SUSTAINABLE DEVELOPMENT GOALS (2027-2029)	SHORT-TERM SUSTAINABLE DEVELOPMENT GOALS FOR 2026
- The company is expanding its production scale with a new factory (Unitex) to gain economies of scale. Phase 2 of the Unitex factory, with a capacity of 24,000 tons per year, has been put into operation, - Implementing solar projects for Unitex factory (rooftop solar and DPPA). - Focusing on development of environmentally friendly yarns (Recycle, Dope dye, Recycle Plus...) to meet the needs of domestic and export customers. - Raising the proportion of environmentally friendly products in total output and sales revenue. - Raising the proportion of recycled yarn in the total sales revenue of existing factories with the tentative target from 49.9% in 2024 to 60%-70% in 2027-2029. - Reducing carbon footprint through reducing consumption of electrical energy at the plant. - Adopting AI systems in production, deploying POC software - production control center in POY and DTY factories, helping to increase production efficiency and reduce waste. - Applying automation technology in quality checking and packaging process. - Researching and implementing an energy monitoring project to monitor total power consumption. The project is expected to save 3-5% of electricity consumption each year . - Conducting monitoring and measurement of the product's environmental impact (Life Cycle Assessment (LCA).	- Phase 1 of the Unitex plant (36,000 tons/year) was put into commercial operation in early 2026 to optimize production capacity. - The Company plans to enhance the operating capacity of solar energy projects at Trang Bang and Cu Chi plants. Specifically, the Company will sign a DPPA agreement with a strategic partner for the Trang Bang plant, while also planning to sign agreements for the installation of solar power systems at Unitex in order to increase the use of renewable energy. - Promoting and selling Recycled yarn products and improving product quality. - The target proportion of recycled yarn in 2025 is 68% of the total revenue from all three factories: Trang Bang, Cu Chi, and Unitex. - Pushing for research and development of new products with outstanding features such as recycled plus yarn, quick-dry (hygroscopic), CD yarn, soft package, AAA products . - Developing new colors of dope-dyed yarn, environmentally friendly products. - Thoroughly complying with production standards of REACH 168, OEKO-TEX 100, GRS, and standards of brands to protect the health of consumers. - Further diversifying customer portfolios to reduce the risk of having to depend on a few customers. Applying Smart Factory to improve factory efficiency, contributing to reduction of errors and defective goods, thereby saving raw materials and energy. - The automated warehouse helps increasing processing speed, reducing errors, minimizing labor needs, and saving storage space. This technology allows Century to monitor inventory in real time and improve operational efficiency. This modern solution enhances logistics performance and reduces labor costs.

Aligning the objectives of economic development, environment protection, and society into the Company's sustainable development orientation and consistently pursuing set targets, Century has selected and integrated the following sustainable development objectives into the Company's sustainable development orientation for the period 2026-2029, in detail:



A BETTER LIVING

- Creating more jobs.
- Increasing income for employees.
- Contributing to the development of the local economy.
- Building a safe working environment.
- Ensuring safety and health for workers.
- Commitment to equality policies in hiring employees.
- Maintaining fairness and equal treatment between men and women.
- Effective use of raw materials,
- Increasing the use of recycled materials.
- Reusing and recycling materials.
- Operating transparently, with integrity, say no to corruption, tax evasion and violations of the law.



A BETTER ENVIRONMENT

- Using water savingly and efficiently.
- No harmful chemicals are used.
- Reusing of circulated water in production.
- Developing colored yarn products, helping the textile and dyeing industry to limit the use of clean water and discharge of toxic chemical wastes.
- Use energy savingly.
- Use of solar energy.
- Initiatives to save electricity.
- Reducing greenhouse gas emissions carbon footprint.
- Using renewable, green and clean energy sources.
- Signing SBTi commitment commits to cutting 12,278 tons of CO2e in the period 2023-2027.
- Smart Factory project helps monitoring errors and reduce the number of defective goods, indirectly saving input materials.



A BETTER GROWTH

- Creating a friendly and safe working environment for employees. Ensuring fair treatment and no discrimination to employees.
- Acting in transparently, honestly, and ethical way, saying no to corruption, tax evasion, and law violations.
- Actively cooperating with other strategic partners to promote the development of a circular economy.

The approach for implementation of sustainable development plan: Based on the direction for sustainability development, the Board of Management determined sustainability development objectives and transformed them into an action plan as follows:



KPIs in detail:

SD OBJECTIVES	RELATED DEPARTMENTS	KPIS	PERSONS IN CHARGE OF SUPERVISION
ECONOMY	SALES TEAM	- Sales revenue, profit after tax - Expanding customer network.	- General Director of the Company. - Assistant General Manager for sales activities. - Assistant of Sales manager. - Leaders of domestic and export sale teams.
PRODUCT RESPONSIBILITY	SALES TEAM	- Delivery time. - Product quality. - Customer feedback speed. - Servicing attitude. - Time to resolve complaints. - Reasonable and competitive price. - Product quality criteria.	- General Director of the Company. - Leader of QA team. - Vice production manager in charge of QC.
	QUALITY ASSESSMENT TEAM		
	QUALITY CONTROL TEAM		
ENVIRONMENT	ADMINISTRATION TEAM	- Electricity consumption. - Water consumption. - Selection of a qualified supplier. - Volume of raw materials / materials used. - Utility costs. - Fulfillment of electricity and water-saving plans. - The level of waste, wastewater, and exhaust emissions. - Cost of wastewater and wastes treatment.	- General Director of the Company. - General manager. - Head of Purchasing department. - Assistant to the General Director on purchasing. - Head of Utility department. - The officer in charge of labor safety and hygiene of the Company. - ISO staff.
	ISO TEAM		
	UTILITY		
	PURCHASING DEPARTMENT		
HUMAN RIGHTS AT WORK, LABOR AND SOCIAL ASPECTS	HR TEAM	- Recruitment results. - Staffing fill rate. - Results of training implementation. - Management of training costs. - The rate of staff turnover. - Proportion of employees promoted. - Managing salary and welfare costs. - Managing compliance with safety and hygiene policies. - Managing compliance with labor policies. - Managing scholarship and welfare funds.	- General Director of the Company. - General Manager. - Head of Human Resources. - Leader of the training team. - The officer in charge of labor safety and hygiene of the Company. - ISO staff.
	TRAINING TEAM		
	ISO TEAM		
	ADMINISTRATION TEAM		

THE SPECIFIC KPIS OF CENTURY'S DEPARTMENTS IN 2026.

DEPARTMENTS	CRITERIAS	UNIT	2026 KPIS
SALES DEPT	Sales volume	Tons	48,000
	Number of customer complaints	Times	≤1
ADMINISTRATION DEPT	Violations of occupational safety and health (OSH), fire prevention and fighting (FPF), and environmental regulations during inspections by government authorities.	Times	0
	Number of violations related to incorrect quantity control of goods entering/exiting the gate or delivered to customers.	Times	0
	Employees entering/exiting the gate without proper documentation as required	Times	0
	Number of violation reports issued by the Administration Department for employees and visitors not complying with regulations on OSH, FPF, 5S, environmental protection, asset preservation, infrastructure maintenance, and company rules.	Times	72
	Violations related to failure to ensure meal quality, food hygiene & safety.	Times	0
	Number of workplace accidents occurring within the company.	Times	0
	Ensuring successful completion of internal fire prevention system inspections and maintenance, with no violations occurring.	Times	0
PURCHASING DEPARTMENT	Development of new suppliers	No.	21
	Control of import costs	%	99
	Delays in raw material procurement directly affecting production	Times	0
EXPORT AND IMPORT DEPT	Control of import-export declarations and compliance with regulations	Times	1
	Control of container transportation costs for imports and exports	%	99.50%
UTILITY DEPT	Electricity consumption per kilogram of POY yarn	Kw/kg Yarn	1.13
	Electricity consumption per kilogram of DTY yarn	Kw/kg Yarn	1.95
	Electricity consumption per kilogram of FDY yarn	Kw/kg Yarn	1.89
	Water consumption per kilogram of POY yarn	m3/kg Yarn	0.0050
	Water consumption per kilogram of DTY yarn	m3/kg Yarn	0.0024
	Water consumption per kilogram of FDY yarn	m3/kg Yarn	0.0058
	Line malfunctions	Times	10
	Machine breakdowns	Times	1.13
HR DEPT	Employee turnover rate	%	25
	Unsuccessful recruitment rate	%	20
	Fulfillment of workforce needs	%	95
	Salary budget management	%	97

REPORT ASSURANCE BY THIRD PART: (GRI 2-5)

- Century adheres to the principles of honesty, accuracy, and transparency regarding the disclosure of the data in the reports.
- The following data on Century's operations have been assured by the third party in terms of the accuracy, reliability, and comprehensiveness of the statistics:
 - Information on operational procedures, compliance with labor and environmental regulations, operational performance indicators (environmental- safety - labor compliance policies, labor policy, welfare, remuneration and commitments on social responsibility, the volume of recycled chips consumption, and the output of recycled yarn) are guaranteed by the GRS - Global Recycle Standard.
 - The operation process and the management system are inspected every 2 years according to ISO 9001: 2015.
 - Social responsibility indicators are periodically audited and evaluated according to the standards of some of the world's leading fashion brands.
 - Information related to product safety and safe production processes, including raw material origin and compliance with hazardous chemical requirements, is controlled and evaluated through standards/certifications such as OEKO-TEX® Standard 100 and REACH.
 - Information on Waste Treatment (volume of wastewater, solid waste, and treatment, and disposal costs) is verified by wastewater and hazardous waste service companies.
 - Information on utility saving (electricity, water consumption, and usage costs) audited by HCMC Energy Conservation Center.
 - Information on working environment inspection results (microclimate, light, noise, dust concentration, toxic gas) are guaranteed by the Consultancy Center of Occupational Safety Health and Environmental Technology.
 - Information on the environmental inspection indicators that have been certified by the Center for Environment and Technology Services.
 - Financial information (sales revenue, profit, taxes, bonus, and welfare fund) audited by Ernst & Young.
 - Social-labor standard information (male / female ratio, labor education level, age, average income, salary and bonus, HR turnover rate, training courses and training cost budgets, the budgeted scholarship fund, the number of individuals being promoted, the budget for giving gifts to workers) is evaluated by internal audit and guaranteed according to the labor reports sent to TANIZA and HEPZA.
 - In 2024, Century collaborated with the Energy Conservation Research and Development Center (ENERTEAM) to conduct an energy audit. The purpose was to evaluate energy efficiency at Trang Bang and Cu Chi factories, identify areas with energy-saving potential, and propose solutions to optimize energy consumption. Through this process, Century aims to reduce operating costs, improve production efficiency, and contribute to its sustainable development goals. Additionally, the energy audit helps the company to comply with energy efficiency regulations and meet the expectations of international customers and partners. This is also essential in Century's carbon reduction strategy and its transition toward green manufacturing.
 - In 2025, Century conducted greenhouse gas inventories for Trang Bang and Cu Chi plants. The inventory results were consolidated into reports and submitted to the relevant authorities before 31/03/2025, ensuring compliance with the requirements of Decree 06/2022/ND-CP. Century also revised the greenhouse gas inventory reports based on feedback from the authorities following the review process. At the same time, the Company completed and submitted reports related to the greenhouse gas emission reduction plan for the 2026-2030 period to the Ministry of Industry and Trade, the Ministry of Agriculture and Environment, as well as the Provincial People's Committee in accordance with regulations. This represents an important step in Century's commitment to environmental responsibility and sustainable development strategy.
 - Energy audit reports and greenhouse gas (GHG) inventory reports are prepared in accordance with international standards such as ISO 14064-1:2018, the GHG Protocol, and IPCC Guidelines, as well as Vietnamese regulations including Circular 17/2022/TT-BTNMT and Decree 06/2022/ND-CP.
 - In addition, an important party that helps validating Century's data is its existing and potential customers. In particular, the existing customers regularly monitor and updates Century's sustainable development data through audits and surveys on the progress of implementing sustainable development measures. For example, in 2025, Century underwent an environmental and social responsibility audit by an international fashion brand. The data provided by Century to this brand, along with their survey results, were recorded and published on ICS (Initiative for Compliance and Sustainability) – an international audit platform aimed at promoting transparency and social responsibility compliance in the supply chain. Publishing data on ICS not only gives customers a clearer view of Century's commitment but also helps ensuring the transparency and accuracy of the information Century provides.

MATERIAL TOPIC (RELATED MATERIAL ISSUE)	STANDARD	REPORTING SCOPE	ASSURANCE ORGANIZATION	ASSURANCE LEVEL	2026 KPI
Product Quality	Product quality standards for product testing (annual)	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Internal Control	Internal Assurance	- Grade A ratio: 98.27% - Grade AA ratio: 94.00% - Grade B ratio: 1.70% - Grade C ratio: 0.03% - Secondary yarn ratio: 1%
Recycled Chip Consumption Volume	GRS	Century Synthetic Fiber Corporation	Intertek	Internal Assurance	Proportion of revenue from recycled yarn: 68%
Customer Satisfaction Level	Customer Survey Form	Century Synthetic Fiber Corporation	Internal Control	Internal Assurance	- 05.202x-10.202x - 11.202x-04.202x+1
Customer Complaint Resolution	QA-QT 01	Century Synthetic Fiber Corporation	Internal Control	Internal Assurance	≤ 1 case
Emission Intensity per kg	NA	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Internal Control	Internal Assurance	Target: ⁶ POY: 0.74 (kgCO ₂ e/kg) DTY: 1.28 (kgCO ₂ e/kg) FDY: 1.25 (kgCO ₂ e/kg)
Living Wage	Decree 74/2024/ND-CP, Century Salary Scale System	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Internal Control	Internal Assurance	NA
EWB Satisfaction Level	Based on NIKE Survey	Trang Bang Plant	Internal Control	Internal Assurance	78.6-100 points
Occupational Accidents	Decree No. 39/2016/ND-CP	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Ho Chi Minh City Department of Home Affairs Tay Ninh Department of Home Affairs	Legal Compliance Confirmation / External Verification	No cases occurred
Revenue and Profit	Vietnamese Accounting Standards, Vietnamese Enterprise Accounting Regime	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Ernst & Young Vietnam Limited (EY Vietnam)	Reasonable Assurance	Revenue: VND 2,366 billion NPAT: VND 128.5 billion
Emission Level	ISO 14064-1:2018, GHG Protocol, Circular 17/2022/TT-BTNMT, Decree 06/2022/ND-CP	Cu Chi Plant, Trang Bang Plant	ENERTEAM GHG Inventory Consulting Unit	Limited Assurance or Independent Verification	Prepare GHG Inventory Reports for 2025 and 2026 before 31/03/2027

⁶ Note: Assuming an emission factor of 0.6592 (tons CO₂e/MWh), and electricity consumption (kW) per kg of yarn based on the 2026 KPI targets of the Utility Department (POY: 1.13, DTY: 1.95, FDY: 1.89).

MATERIAL TOPIC (RELATED MATERIAL ISSUE)	STANDARD	REPORTING SCOPE	ASSURANCE ORGANIZATION	ASSURANCE LEVEL	2026 KPI
Wastewater	QCVN 40:2011/BTNMT	Cu Chi Plant, Trang Bang Plant, Unitex Plant	EUC Co., Ltd.	Independent Inspection / Monitoring	Cu Chi Plant: Domestic wastewater: $\leq 16.74 \text{ m}^3/\text{day}$ Production wastewater: $\leq 234.2 \text{ m}^3/\text{day}$ Trang Bang Plant: Domestic wastewater: $\leq 78.75 \text{ m}^3/\text{day}$ Production wastewater: $\leq 38.71 \text{ m}^3/\text{day}$ Unitex Plant: Domestic wastewater: $\leq 75 \text{ m}^3/\text{day}$ Production wastewater
Microclimate Index, Lighting, Noise, Dust Concentration, Toxic Gas Vapors	Decision No. 3733/2002/QĐ-BYT, QCVN 22:2016/BYT, QCVN 24:2016/BYT, QCVN 26:2016/BYT, QCVN 02:2019/BYT, QCVN 03:2019/BYT	Cu Chi Plant, Trang Bang Plant, Unitex Plant	Southern Environmental Health Joint Stock Company	Independent Inspection / Monitoring	Conducted quarterly



ROLE OF RISK MANAGEMENT IN SUSTAINABLE DEVELOPMENT STRATEGY

95	THE ROLE OF RISK MANAGEMENT IN THE BUSINESS
95	METHOD TO IMPLEMENT RISK MANAGEMENT IN THE COMPANY
96	ANALYSIS ON KEY RISKS

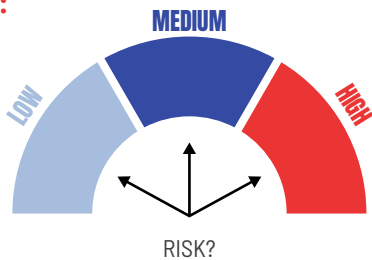


THE ROLE OF RISK MANAGEMENT IN THE BUSINESS

In the context that the economy and market are heavily affected by unpredictable factors such as inflation, energy crisis, political conflicts and wars, which lead to negative impacts on the business operation activities of many businesses, Century has proactively forecasted and analyzed changes in the business environment and identified hidden risks that could create difficulties and challenges for businesses’ production and operation activities.

Risk management in the Company plays a very vital role as a tool to help businesses to maintain and continue to implement sustainable development activities in accordance with the goals of Sustainable Development Strategy. Through the management and settlement of potential risks, the Company’s production and business activities are ensured continuously, thereby stabilizing the sustainable development balances such as economic development efficiency, environmental protection and social responsibility.

THE IMPORTANCE OF RISK MANAGEMENT FOR CENTURY SYNTHETIC FIBER CORPORATION:



- 01 Strengthening corporate governance by providing information to the Board of Directors regarding material risks and needed measures to be taken.
- 02 Strengthening corporate governance by providing information to the Board of Directors regarding material risks and needed measures to be taken.
- 03 Fostering the trust and meeting the increasing expectations of investors and stakeholders.
- 04 Optimizing the Company’s resources to manage and handle key risks.
- 05 Helping the Company to save unnecessary expenses.
- 06 Assessing the level of risk, which risks need to be handled first, which risks need to be handled later.
- 07 Finding opportunities to improve and keep growing.

METHOD TO IMPLEMENT RISK MANAGEMENT IN THE COMPANY

At Century, the risk management system is implemented according to the principle of 3 lines of defense:

1ST LINE OF DEFENSE		2ND LINE OF DEFENSE		3RD LINE OF DEFENSE
↑		↑		↑
Managing daily activities according to SOPs system	Internal control of compliance, Company’s department heads are responsible for developing and implementing the process	Financial control	Financial team	Internal audit Independent audit agency (external)
		Control security, safety, hygiene, environment	Administrative team	
		Production quality risk management	ISO team, Quality management, QA.	
		Company-wide compliance check	Administrative team - internal control team	

In 2024, Century continued cooperating with AFC as a consulting partner to conduct internal audits aimed at evaluating and improving the Company’s internal control system. However, due to the lack of synchronization between the data system on POC and the SAP data system, AFC was unable to complete several audit activities. In 2025, the process with AFC remained under ongoing monitoring and implementation, and therefore no significant changes had been recorded at the reporting date. Entering 2026, the Company will continue efforts to complete the adjustments recommended by AFC, while maintaining internal audit activities to comprehensively assess existing and potential risks, thereby enhancing corporate governance effectiveness.

Internal audit plays a vital role in improving and overcoming the limitations of Century’s corporate governance system. Many case studies have proven that companies with internal audit departments operate more efficiently and transparently and achieve better business results.

Besides, an internal audit will help Century to comply with policies, plans, procedures, laws, financial regimes, and accounting regulations that can significantly impact the Company. It will help checking and confirming the quality and reliability of economic information, financial information in financial reports, and management accounting reports before submitting them for approval. In addition, internal audits help minimizing risks related to the Company’s transactions, especially transactions with related persons and transactions that significantly impact quarterly or annual financial statements.



ANALYSIS ON KEY RISKS

Refer further to article 4. Risk management report – 2025 Annual report

In addition to the list of key risk topics covered in the 2025 annual report, Century also conducts its own risk assessment related to environmental, social and governance (ESG) factors, which is adapted from IFC’s Environmental and Social (E&S) Performance Indicators for Capital Markets.

ENVIRONMENT AND SOCIAL RISKS ASSESSMENT ⁷

Level of impact on performance: High =3 | Medium =2 | Low =1

Likelihood of risks occurring: Rarely =1 | Sometimes =2| Frequently =3

	LIKELIHOOD OF RISKS OCCURRING			
Level of impact on risks (Consequence)		Rarely =1	Sometimes =2	Frequently =3
	Low: 1	1	2	3
	Medium: 2	2	4	6
	High: 3	3	6	9

Classification of risks according to the severity

Risk < 6	6 ≤ Risk ≤ 9	Risk > 9
Low	Medium	High

⁷Following on IFC’s environmental and social performance (e&s) indicators for capital market.

INDICATORS	LEVEL OF IMPACTS ON RISKS	LIKELIHOOD OF RISKS OCCURRING	TYPE OF RISK	PERFORMANCE METRICS	RESPONSE APPROACH
BASED ON PERFORMANCE STANDARD 1: Assessment and Management of Environmental and Social Risks and Impact					
1. Emergency preparedness	2	1	2	There is an Emergency Response Plan or Procedure.	The Company actively conducts exercises to develop awareness and teach the company's employees how to react quickly when crises occur in order to respond to force majeure events in business that may occur, such as natural disasters, fires, and epidemics. The Company periodically performs drills on fire prevention, first aid, emergency exits, and rescue activities at three plants in Cu Chi, Trang Bang and Unitex annually in order to improve awareness and train all staff on the procedures in the event of a catastrophe.
2. E&S capacity commensurate with sector risk.	3	1	3	There is E&S in-house/external capacity (E&S unit/department, in-house qualified E&S staff to identify and monitor E&S risk associated with development of new assets and operations, formal process for outsourcing E&S due diligence to qualified external consultants).	The company has officially assigned personnel in charge of OSH. The responsibility of these individuals is daily following OSH activities. The Company periodically corporates with the assessment team to evaluate Environment Assessment, train all the employees on OSH procedures.
3. Identification of E&S risks and impacts	3	1	3	There are policies and procedures to identify E&S risks and impacts of Company operations, especially expansion of operations.	The company has implemented business risk assessment and management, including Social and Environment risks (annually updated). Refer to Article 4-Risk Management section – 2025 Annual Report.
4. Statement of intention regarding E&S	2	1	2	There is an Environmental & Social Policy approved by senior management.	The company has officially established written commitment on Social and Environmental Policy following to GRS 4.0.
5. Affected Community knowledge of impacts and opportunities.	3	1	3	Information is disclosed to Affected Communities.	Officially listed since 2015, The Company has developed a wide and transparent approach for disclosing information, including Annual report and Sustainable Development report. In details: - Disclose information through Annual General Shareholders Meeting. - Disclose information through updating on the Company's website, HOSE and SSC. In addition, the Company has also developed the Sustainable Development tab on website to disclose information of sustainable development matters including Sustainable Development report (since 2015 up to now). Links: 1.http://theky.vn/cen/bao-cau-thuong-nien . 2.http://theky.vn/cen/phat-trien-ben-vung/ 3.http://www.hsx.vn

INDICATORS	LEVEL OF IMPACTS ON RISKS	LIKELIHOOD OF RISKS OCCURRING	TYPE OF RISK	PERFORMANCE METRICS	RESPONSE APPROACH
6. Stakeholder feedbacks	3	1	3	Feedback mechanism for information from stakeholders.	The Company has continuously diversified communication channels with Stakeholders. Poignantly touching key matters. Using various communication channels which are suitable with characteristics of different stakeholders. Century has committed to fully recognizing the feedback and issues raised by stakeholders. The company actively considers and assesses stakeholder feedback and updates its actions and policies as necessary. Refer to Section III.7.2- Stakeholder Feedback Channels – 2024 Sustainability Development Report.

BASED ON PERFORMANCE STANDARD 2: LABOR AND WORKING CONDITIONS

7. Protection of contract workers	3	1	3	There are no public controversies, including legal actions involving third party or contract workers.	All employees working in Century are contract workers. Based on the working position and the employee's capability, the Company will define the probation contract from 6-60days; training contract from 30-60days; term labor contract (for workers who have passed the probation or training time); infinite labor contract (for workers who have devoted for the company for more than 3 years).
8. Worker health and safety	3	1	3	Promulgate regulations and procedures to ensure occupational safety and hygiene.	The company implemented and strictly complied with OSH annual training plan for all employees of the Company according to Decree 44/2016/ND-CP.
9. Injury and fatality	3	1	3	There is no information on work related fatalities of direct and/or contract workers.	Twice a year, the Company establishes OSH Report, including information about Injury and fatality, occupational diseases and submits to HCMC and Tay Ninh province Labor, War Invalid and Social Affairs. Refer to Appendix 7 – 2025 Occupational Social Health Report
10. Gender Equality	1	1	1	Workforce composition is available by gender.	The Company complies with the regulations for female workers and assures gender equality through the Company' written policies.
11. Non discrimination & equal opportunity	2	1	2	There is a formal policy to avoid discrimination on hiring, wages, promotions.	The Company has committed to assure non-discrimination, harassment through the Company' written policies.
12. Compliance with national labor and employment law	3	1	3	There are no public controversies, including legal actions involving working conditions (associations, collective agreements, labor laws, discrimination, equal remuneration, lack of equal opportunity, harassment).	The Company has not had any lawsuits related to working conditions (associates, boards, committees...).

INDICATORS	LEVEL OF IMPACTS ON RISKS	LIKELIHOOD OF RISKS OCCURRING	TYPE OF RISK	PERFORMANCE METRICS	RESPONSE APPROACH
13. Workers' organizations	2	1	2	The Company's practices do not restrict or obstruct workers' rights to join workers' organizations and mechanisms to express their grievances on working conditions and terms of employment.	The Company published equal policy at working place and conduct dialogue periodically.
14. Formal provisions to avoid sexual harassment at work	2	1	2	The company has established formal measures to prevent sexual harassment in the workplace, including a sexual harassment prevention policy. At a minimum, the policy must provide a mechanism that enables employees to file complaints anonymously and confidentially. In addition, HR personnel are trained to receive and handle sexual harassment cases professionally.	The Company has commitment on non-discrimination, harassment and abuse policy at working place.
15. Workers' feedback and recourse	2	1	2	There is a worker grievance mechanism.	The Company has implemented and applied progress of receive and resolve feedbacks from the employees.

Specific risks of the industry: supply chains in countries or sectors with a risk of forced or child labor (agriculture, textiles, construction, agribusiness).

16. Forced and child labor in the Company	3	1	3	There are no public controversies, including legal actions involving forced and child labor in the Company's operations.	The Company has implemented a commitment not to used underage workers and strictly complied with this policy.
17. Forced and child labor in the primary supply chain	3	1	3	There are no public controversies, including legal actions involving forced and child labor in the Company's primary supply chain.	The Company has been focusing on production of polyester filament, main suppliers of the company are PET chip supplier, who all achieved GRS Certification – in which, the most importance prerequisite is commitment of not using child and underage workers.
18. Safe worker accommodation	2	1	2	There are no public controversies, including legal actions involving accommodation (camps, dorms, etc.) such as health and safety (e.g. fire, water, sanitation, overcrowding).	Instead of constructing dormitory for workers, the Company rents dormitory in Cu Chi, these dormitories are self-contained with full kitchen, toilets and security guarantee. The employees don't need to pay rent, and partially support with water and electricity bills.

BASED ON PERFORMANCE STANDARD 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION

19. Impacts to water used by others	2	1	2	There are no public controversies, including legal actions involving past or on-going impacts to water used by others.	The Company doesn't use groundwater and discharge them directly to the natural water resource. Water resource used at the Company is provided by The Industrial Zone Management Board and out-put quality is assured before discharged to Industrial Zone Water Treatment System.
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INDICATORS	LEVEL OF IMPACTS ON RISKS	LIKELIHOOD OF RISKS OCCURRING	TYPE OF RISK	PERFORMANCE METRICS	RESPONSE APPROACH
20. Pollution prevention and risks	2	1	2	There are no public controversies, including legal actions involving past or on-going pollution risks (e.g. air or water emissions, soil or groundwater contamination, waste disposal) from the Company/project.	The Company conducts Environment Assessment quarterly and issues written report, according to that, indicators of wastewater, emission, dust density ... all adapted to present regulations.
21. GHG emissions	3	1	3	There is information on GHG emissions: Scope 1 and 2 (t), Scope 3 if relevant to business activity, intensity (GHGs released in energy consumption for production / normalization factor [usually production or sales]).	The Company started monitoring and evaluating CO2, GHG emissions since 2016 based on the Company's total electricity consumption in each year (Scope 2), and took initiatives to reduce GHG emission, including the use of renewable energy (Solar energy) and raising the proportion of environmentally friendly fibers in the sales mix. Refer to Sustainable Development Report. V.7- Carbon footprint Management.
22. Resource efficiency	1	1	1	There are electricity and water-saving initiatives, cleaner production initiatives, and resource efficiency indicators (e.g., energy, water, other resources, and material inputs).	The Company reused POY paper tubes to reduce deforestation. In 2025, the POY paper tube reused ratio reached 3.0 times. Besides that, a pellet-making line of 1,500 tons/year recycles waste yarn into the re-Pet chip for reuse in production, contributing to profit enhancement and significantly improving production-saving efficiency. 67.5% of waster yarn is recycled and reused. Refer to Sustainable Development Report. V.4- Raw Material Consumption Efficiency
BASED ON STANDARD 4: COMMUNITY HEALTH, SAFETY AND SECURITY					
23. Security force impacts to a community	3	1	3	There are no public controversies, including legal actions associated with major security incidents involving the local community, including but not limited to gender-based violence and a statement, policy or code on security forces and interaction with local community, including but not limited to gender-based violence.	Complies with present regulations, incorporates with The Area's Board Management to assure the area's security.
24. Contribution to health impacts upon a community	3	1	3	There are no public controversies, including legal actions involving contribution to an increase of disease (HIV/Aids, malaria, etc.) to a community.	Not applicable

INDICATORS	LEVEL OF IMPACTS ON RISKS	LIKELIHOOD OF RISKS OCCURRING	TYPE OF RISK	PERFORMANCE METRICS	RESPONSE APPROACH
Support local labor	2	1	2	Support local labor.	Through expanding capacity project, the Company could create more jobs, push income, and use more local supply services. Refer to Sustainable Development Report - Article V.3-INDIRECT ECONOMIC IMPACTS .
Industry-specific risk: Companies or projects involved in the construction or operation of buildings and infrastructure that are accessible to the public or pose potential threats to community safety (e.g., bridges, dams, etc.).					
26. Infrastructure failures that have resulted in harm to the public	3	1	3	If the Company constructs or operates infrastructure (bridges, dams, tailing dams, or ash ponds) harm to the public.	Not applicable
27. Fires or structural damage that have harmed the public	2	1	2	If the Company constructs or operates publicly accessed buildings or structures, there are public controversies, including legal actions indicating harm to the public.	Not applicable

IFC introduced the Climate Governance Progression Matrix to support businesses—particularly private companies and financial institutions—systematically integrating climate considerations into corporate governance with a clear and structured roadmap. This tool not only helps businesses to enhance their resilience to climate change but also promotes sustainable development. Specifically, IFC aims to achieve the following objectives:

Support businesses in achieving sustainable development amid a changing climate.	- Help businesses identify climate-related risks and opportunities in their operations. - Support the integration of climate factors into strategy, finance, risk management, and disclosure. - Assist companies in meeting growing investor and regulatory expectations on climate risk disclosures.
Enhance climate governance capacity within companies.	- Provide a clear framework for assessing and improving climate governance capacity, from basic to leading levels. - Encourage companies to establish climate-responsible boards and adopt climate-related auditing and internal control practices.
Align businesses with international standards and best practices.	- The matrix is based on international standards such as IFRS, TCFD, ISSB, GRI, and CDP, enabling businesses to comply more easily with global financial and emissions reporting requirements. - Support companies in building Net-zero strategies, ensuring competitiveness and alignment with market trends.
Promote investment in environmentally responsible enterprises.	- IFC aims to support businesses in achieving sustainable development, thereby reducing credit risk and attracting investment into companies with strong climate governance. - IFC also seeks to help financial institutions incorporating climate factors into investment decisions and portfolio management.

Based on IFC's Climate Governance Progression Matrix, Century has assessed and identified its current level of climate-factor-integration into corporate governance.

OBJECTIVE	LEVEL	KEY ELEMENTS
A. Commitment to Climate Governance (Leadership, Culture, and Purpose).	Good International Practices	Century's corporate governance policy integrates climate-related factors alongside a strict code of ethics to prevent any actions that may counteract climate change mitigation efforts. Century is recognized as one of the pioneering enterprises in Vietnam in adapting to and mitigating the impacts of climate change. For ten consecutive years, the CSI program has honored Century in the Top 100 Sustainable Businesses in Vietnam. Century has demonstrated a strong and consistent commitment to sustainable development and environmental responsibility. Century proactively assesses the impact of climate-related risks and opportunities and integrates them into its business model, corporate strategy, financial planning, and decision-making processes. In response to the increasing demand from brands for recycled yarn, the Company continues to expand its product line production, targeting 60–70% of total revenue from recycled yarn by 2027–2029. In addition, Century invests in research and development of eco-friendly fibers, such as dope-dyed yarn, to enhance both economic and environmental value. These efforts enable the Company to meet market demand and align with the rising global standards for environmental protection from consumers and international partners. Climate-related indicators and targets are established based on scientific measurement methodologies, ensuring quantifiability where possible, and are disclosed transparently. Notably, Century's Trang Bang factory has signed a Science Based Targets initiative (SBTi) commitment with a global brand, aiming to reduce greenhouse gas emissions by 29.4% during the 2023–2027 period, compared to the 2022 baseline. This marked a significant step in Century's journey to minimize environmental impact and reinforces the Company's strong commitment to sustainable development.
B. Structure and Functioning of Board of Directors.	Basic Practices	At Century, the Board of Directors plays a pivotal role in overseeing, identifying, and assessing climate-related risks and opportunities, ensuring the close integration of sustainability into the company's development strategy. Currently, Century's Board of Directors does not have a dedicated member for environmental matters.
C. Control Environment (Internal Control System, Internal Audit Function, Risk Governance, Compliance)	Good International Practices	At Century, the Board of Directors empowers the Management Team to raise awareness and provide training for employees on climate-related issues in the industry, enabling them to understand and adapt to sustainability trends. At the same time, Century has established strict control measures to respond promptly to climate-related requests from customers and stakeholders, ensuring transparency and a strong commitment to sustainable development.
D. Disclosure and Transparency	Good International Practices	Century is committed to transparency in disclosing its emission reduction targets and implementation roadmap, which are regularly updated in the company's annual Sustainability Reports. The company measures and reports its greenhouse gas (GHG) emissions for both Scope 1 (direct) and Scope 2 (indirect) using two approaches: - Absolute emissions reflect the total amount of CO₂e emitted during the reporting period. - Emission intensity, which assesses the number of emissions per unit of production, helps to measure energy efficiency and mitigate environmental impact. This dual approach enables Century to monitor its progress in reducing emissions and optimize operational efficiency, thereby supporting its long-term sustainable development goals.
E. Treatment of Minority Shareholders	Basic Practices	At present, the Company has not initiated any shareholder consultations concerning its climate transition strategy.
F. Governance of Stakeholder Engagement	Good International Practices	Century adopts a multi-dimensional, transparent, and comprehensive approach in collecting, analyzing, and utilizing data, ensuring fairness and inclusiveness when engaging with stakeholders. This approach helps the company to build sustainable relationships, foster effective collaboration, and meet the expectations of partners, customers, and the wider community.

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RESPONSIBILITY FOR ECONOMIC DEVELOPMENT *GRI 200*



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With an effort to maintain high value-added orders from high-end customers thanks to the long-term relationship built with customers in terms of quality assurance and good product delivery time, Century has maintained its sales revenue and profit after tax targets despite the difficult market

2025 OBJECTIVES	2025 RESULT
- Sales Revenue: VND 3,270 billion; Profit after tax: VND 309.8 billion; - Ensure the basic salary is higher than the regional minimum wage; - Increasing contributions to society and the local community; - Expanding production capacity, developing higher value-added products; - Improving the salary and welfare regime for employees; - Year-end bonus of 1-month average salary for employees; - Paying a minimum dividend of 15%/par value; - The Company is conducting a private placement to increase its charter capital.	- Completed 41% of the revenue target, reaching VND 1,353 billion; Consolidated net revenue in 2025 increased by 67.5% compared to 2024, mainly due to lower cost prices while selling prices increased slightly. - Achieved 16% of the profit target, reaching VND 49.9 billion. Although profit after tax in 2025 did not meet the planned expectation level, it still recorded a significant improvement compared to 2024, with growth of approximately 303%. During the period, the Company’s gross profit also increased by 67% year-on-year, reflecting a positive recovery in business operations. However, financial expenses in the year increased by 58%, of which interest expenses rose sharply by 151% compared to the previous period, mainly due to borrowings related to the investment and implementation of the Unitex project. - Year-end bonus equivalent to more than one month’s salary; 100% of employees enrolled in social insurance; - The lowest salary at Century is 43%-69% higher than the regional minimum wage; - The Company paid dividends for the 2023 and 2024 financial years with a total payout ratio of 45%, demonstrating its commitment to maintaining a stable dividend policy and ensuring benefits for shareholders; - Completed tax obligations, with VND 114.8 billion paid to the state budget; - Phase 1 of the Unitex plant (36,000 tons/year) was put into commercial operation in early 2026 to optimize production capacity;

1. MANAGEMENT APPROACH (GRI 2-12)

To achieve the goal of sustainable economic growth while maintaining the balance and creating conditions for the Company's sustainable development activities to be continuously carried out in the context of market difficulties due to the impact of the market economy downturn and complex geopolitical conflicts globally. In 2025, the Company has effectively applied business strategy and customer approach to satisfy customers' needs, gradually expanding domestic and export market share.

POLICIES	- Business plan in 2025, sales policy, customer service policy, annual marketing policy; - The Company's salary and bonus policy and commitment no. CS-06 (issuing date: 01/03/2016); - The Company's latest wage scale and payroll no. 282- 18/CV –TK; - Expansion projects of the Company (Unitex, Yarn-Textile-Garment alliance); - Annual training budget for the sales team;
COMMITMENTS	- The Company is committed to having fair competition; all operation and economic development activities adhere to prevailing laws; - The Company commits to execute the salary and bonus policy in accordance with Decree no. 74/2024/ND-CP stipulating the regional minimum wages for workers working under labor contracts; - The Company commits to ensure the stable income for the local labor and continuously organize training courses to enhance the professional knowledge of the local labor;
GOALS AND TARGETS	- Developing the Company's sales revenue and profit in accordance with the set target; - Ensuring the payment to employees in accordance with the Company's wage scale and payroll; - Creating more jobs and incomes, improving the living standard and enhancing the professional knowledge for local labors; - Expanding the market shares in domestic and export markets;
RESPONSIBILITIES	- General Director, Board of management;
MANAGEMENT RESOURCES	- Board of management, marketing and sales team, financial team... - Human Resources department, Training team;
GRIEVANCE MECHANISMS	- Process of resolving customer complaints (form: QA-QT-01); - Periodic customer survey; - Employee complaint / grievance process;

2. EVALUATION OF THE MANAGEMENT APPROACH (GRI 2-18)

- In 2025, the global economy continued to face many uncertainties as global growth recovered slowly, inflation in several major markets remained high, and geopolitical tensions together with the trend of global supply chain restructuring. These factors continued to place pressure on the textile industry in general and on companies operating within the yarn supply chain in particular. In this context, Century Synthetic Fiber Corporation proactively adapted to market conditions by optimizing operational efficiency, strengthening relationships with strategic customers, and continuing to invest in recycled yarn and high value-added yarn products to meet sustainable consumption trends. Although business results did not achieve the expected growth level, the Company's employees and management team made strong efforts to maintain the stability of production and business activities, creating an important foundation for the market recovery phase.
- The Company continued to maintain salary, bonus, and welfare policies with full and timely payments in accordance with commitments made to employees. In addition, the Company implemented multi-skilling training programs to enhance employee capabilities, while also creating flexibility in work arrangements and maintaining stable income amid ongoing market uncertainties. To recognize the efforts of employees, the Company also continued its Tet holiday bonus policy based on business and production performance results.
- Maintaining and promoting direct and indirect local community development activities.



RESPONSIBILITY TO IMPROVE ECONOMIC EFFICIENCY (GRI 201)

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (GRI 201-1)

In 2025, Vietnam's textile and garment industry continued to show recovery despite slow global economic growth and ongoing volatility in global supply chains. Export turnover reached USD 47.13 billion, up 6.1% compared to 2024, making the industry one of the key contributors to the national economy and reinforcing Vietnam's position among the world's top three textile and garment exporters. This achievement was driven by companies proactively adapting to market conditions, expanding customer networks, taking advantage of free trade agreements, and increasing the localization rate of raw materials and accessories. Currently, Vietnamese textile and garment products are exported to more than 138 markets worldwide, with the United States remaining the largest export market, accounting for a significant share of total export turnover.

However, the industry also faced several challenges, including declining processing prices, strong fluctuations in logistics and raw material costs, as well as tariff measures from some major trading partners that put pressure on competitiveness. These challenges require textile and garment companies to enhance flexibility in production and business management and adjust strategic directions for the coming period.

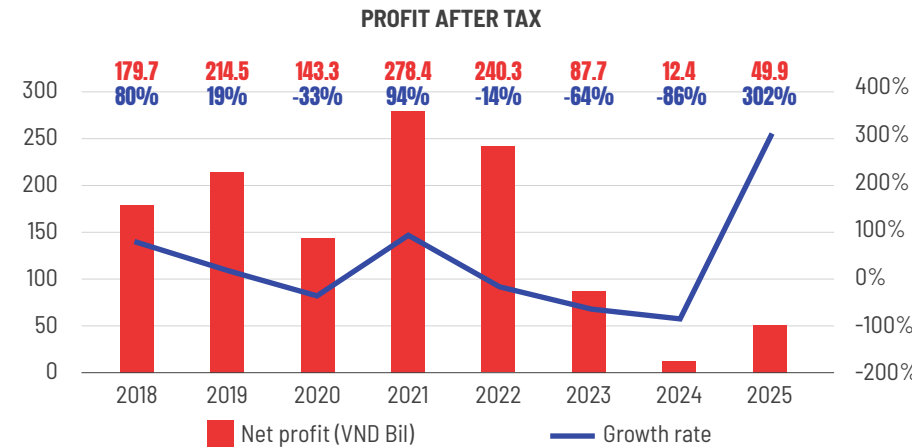
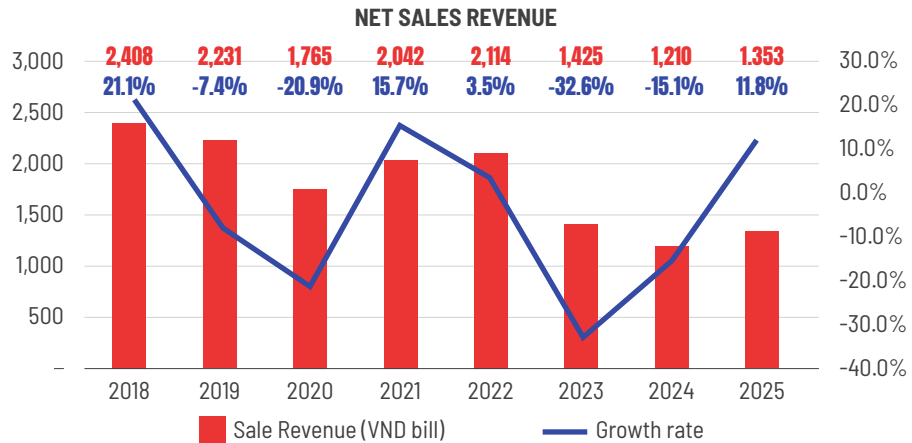
For the fiber and yarn industry, although demand for input yarn showed slight improvement in some markets, the overall situation had not yet clearly recovered, as demand from textile and garment manufacturers continued to depend on many macroeconomic factors, while raw material costs remained high compared to previous periods.

Century was able to keep high value-added orders from high-end customers thanks to customers' long-term trust in of the Company's technical capacity for manufacturing high-value-added products and excellent customer service (short delivery times, good pre- and post-purchase service). Although the volume of those orders was small, the profitability was high, helping the Company maintain a stable price gap. Century still retains its goal of maintaining good customer service, expanding new customer base, and consistently meeting complex technical requirements of high-added value orders. Century successfully developed more environmentally friendly yarns with high added value such as Recycle yarn, Dope dye, Recycle Plus yarn, gradually expanding the network of domestic and international customers, especially the US market.

According to analysis from Global Risk Community, PET chip prices in 2025 did not show a strong upward trend but mainly moved sideways or declined slightly due to weak global demand and high inventory levels, despite some short-term fluctuations caused by trade policies. This development clearly reflects the uneven recovery of the global textile supply chain, especially in the fiber and yarn segment. In this context, demand for input yarn remained low, leading to a prolonged shortage of orders across the industry, and Century was no exception to this general trend. This directly affected the Company's ability to achieve its annual targets. Specifically, consolidated net revenue in 2025 reached VND 1,353 billion, achieving 41% of the annual plan. Although the target was not fully achieved, revenue still increased by 67.5% compared to 2024, mainly thanks to lower raw material costs while selling prices improved slightly, contributing to better business efficiency.

In terms of profitability, profit after tax reached VND 49.9 billion, achieving 16% of the annual plan. Although the result did not meet expectations, it still showed a significant improvement, with growth of approximately 303% compared to 2024. At the same time, gross profit increased by 67%, reflecting positive recovery signals from the Company's core production and business activities.

However, profitability continued to face significant pressure from financial expenses, which increased by 58%, while interest expenses rose sharply by 151% compared to the same period. This was mainly related to borrowings for the investment and implementation of the Unitex project. This factor was the main reason limiting actual profit growth despite the improvement in business operations. Overall, 2025 recorded a recovery in operational performance and profit margins. However, prolonged order shortages due to weak market demand, together with increasing financial cost pressure, prevented the Company from fully achieving its planned targets.



THE WAGES AND WELFARE REGIME TO ENGAGE THE COMPANY'S EMPLOYEES (GRI 2-19,GRI 201-1)

Economic growth also helps Century to increase its contributions to society and the community through the followings:

- Ensure the welfare regime with the participation of employee in social insurance was 100%;
- Dividend Payment: The Company paid dividends for the 2023 and 2024 financial years with a total payout ratio of 45%, demonstrating its commitment to maintaining a stable dividend policy and ensuring benefits for shareholders.;
- Maintaining production activities during the difficult period of the market, contributing to job creation for local people, upgrading recruitment policies and good remuneration for workers;
- Salary and bonus payment to employees in 2025 was estimated at VND 120.8 billion;
- Bonus with more than 1-month average salary on Lunar New Year 2025;
- 24-hour insurance policy for all employees with a participation rate of 100%;
- The Company supported employees by providing in-kind toxic allowances for workers in hazardous environment, a free transportation, accommodation support, telephone allowances, Company trip, and Tet's gifts;

ANALYSIS OF RISKS AND OPPORTUNITIES IMPACTING FINANCIAL PERFORMANCE DUE TO CLIMATE CHANGE (GRI 201-2)

Climate change brings both significant risks and opportunities for Century. While the main risks come from compliance costs, energy expenses, and supply chain pressure, the opportunities are mainly driven by the growing demand for sustainable products. If the Company can effectively leverage its advantages in recycled yarn and ESG strategy, Century may transform these risks into long-term growth drivers.

RISK AND OPPORTUNITY		IMPACT TIMEFRAME			IMPACT
		SHORT-TERM	MEDIAN-TERM	LONG-TERM	
Physical Risks	Rising temperatures increase electricity demand in production.		x	x	Century's electricity and operating costs may increase due to higher cooling demand and the need to maintain stable operating conditions at factories.
	Rising electricity prices due to climate change impacts and energy security pressure.	x	x	x	Century's production costs may increase, affecting operational efficiency and product costs.
	Carbon credit purchasing costs to comply with regulations or emission reduction commitments		x	x	Century may face additional costs related to emission management and compliance with future carbon requirements.
Transition Risks	Electricity wasting within total electricity consumption	x	x	x	Electricity wasting increases operating costs and reduces Century's energy efficiency.
	Market trends increasing demand for environmentally friendly products and recycled yarn	x	x	x	Promote the development of green products and strengthen the ability to meet ESG requirements from global customers in order to maintain competitiveness.
	Increased use of renewable energy to meet carbon reduction requirements		x	x	Century may incur additional costs from renewable electricity usage; however, this contributes to reducing greenhouse gas emissions and improving the ability to meet customers' ESG requirements.
Opportunities	Enhancing water savings and improving operational efficiency	x	x	x	Helps Century reduce water usage costs, improve operational efficiency, and optimize resource utilization in production activities.

RIISING TEMPERATURES INCREASE ELECTRICITY DEMAND IN PRODUCTION.

Risk Description

An increase in ambient temperature may significantly affect Century's production and operational activities, especially in the yarn manufacturing industry, which requires stable temperature and humidity conditions. Higher temperatures increase the demand for air conditioning and cooling systems in factories to maintain yarn quality and stable machine operating conditions, thereby increasing electricity consumption and production costs.

Estimated Financial Impact on the Company.

According to a study conducted by Ton Duc Thang University, when temperatures increase from 30°C to 35°C and 40°C, electricity consumption for air conditioning systems may rise by approximately 31.7% and 65.8%, respectively. This implies that for every 1°C increase in temperature, electricity consumption could increase by around 6%-6.5%, leading to higher electricity costs related to the Company's air conditioning operations. Century's electricity cost for air conditioning systems in 2025 was approximately VND 73.7 billion. The Company estimates that if ambient temperature increases by 1°C, electricity consumption could increase by approximately 2.3 million kWh, equivalent to an additional electricity cost of around VND 4.4 billion (an increase of approximately 6% compared to 2025). This increase in cost could also reduce the Company's gross profit by approximately 1.52% compared to the reporting year.

RIISING ELECTRICITY PRICES DUE TO CLIMATE CHANGE IMPACTS AND PRESSURE TO ENSURE ENERGY SECURITY.

Risk Description

Increasing electricity prices may significantly affect Century's operating costs and financial performance, as electricity is one of the key input energy sources in polyester yarn production. Processes such as heating, spinning, machinery operation, air conditioning systems, air compressors, water treatment, and supporting equipment all consume large amounts of electricity and operate continuously. As electricity prices rise, the Company's production costs may increase accordingly, creating pressure on product costs and profit margins. In addition to the direct impact on production costs, fluctuations in electricity prices may also affect Century's competitiveness, especially as global customers increasingly require cost optimization while also meeting ESG standards and carbon reduction requirements.

Estimated Financial Impact on the Company.

Century's total electricity cost in 2025 was VND 253 billion. In the event that electricity prices increase by 7%, the Company estimates that electricity costs could increase by approximately VND 15.9 billion, equivalent to an increase of 6.73% compared to the reporting year, based on the assumption that solar electricity prices continue to be discounted by approximately 15% compared to adjusted EVN electricity prices. This increase in energy costs could also reduce the Company's gross profit by approximately 5.5% compared to the reporting year.

CARBON CREDIT PURCHASING COSTS TO COMPLY WITH REGULATIONS OR EMISSION REDUCTION COMMITMENTS

Risk Description

As Vietnam's carbon credit market is gradually being established and is expected to become operational in the coming years (refer to the Emissions section – UPDATE ON VIETNAM'S CARBON CREDIT MECHANISM), carbon-related costs may become a significant factor affecting Century's operating costs and financial performance. As carbon trading and pricing mechanisms are more widely implemented, Century may need to purchase carbon credits to offset emissions that are difficult to reduce within its production activities and supply chain in order to comply with legal requirements or emission reduction commitments. This may increase the Company's operating costs, especially if carbon credit prices rise due to market demand and future emission control policies.

In addition to the direct cost impact, carbon-related pressure may also affect Century's competitiveness if the Company is unable to promptly meet low-emission requirements from customers and international brands. In the long term, this situation encourages Century to further invest in emission reduction solutions such as increasing the use of renewable energy, improving energy efficiency, developing recycled yarn products, and optimizing production processes in order to reduce dependence on carbon credits and limit future carbon cost risks.

Estimated Financial Impact on the Company.

Vietnam's official carbon exchange is expected to become operational from 2028. Under the current direction, emitting facilities are allowed to use carbon credits from projects under carbon exchange and offset mechanisms to compensate for greenhouse gas (GHG) emissions exceeding their allocated quotas within a commitment period. However, the total amount of carbon credits used for offsetting must not exceed 10% of the total allocated GHG emission quota for each facility. According to Century's estimation, in the event that emissions exceed the allocated quota by 10%, administrative expenses may increase by approximately 7.4%, while profit before tax (PBT) is expected to decrease by around 4.5% compared to the 2025 base year.

ELECTRICITY WASTING WITHIN TOTAL ELECTRICITY CONSUMPTION

Risk Description

Electricity wasting within total electricity consumption may directly affect Century's operational efficiency and production costs, as electricity is one of the key input factors in yarn manufacturing activities. Inefficient electricity usage, operating machinery beyond actual demand, or electricity losses during the production process may increase total electricity consumption and lead to higher operating costs. This not only affects financial efficiency but also reduces the Company's ability to optimize resource utilization. In addition to the cost impact, higher-than-necessary electricity consumption may also increase Scope 2 greenhouse gas emissions, affecting Century's carbon reduction targets and the effectiveness of its ESG strategy implementation.

Estimated Financial Impact on the Company.

In the event that wasted electricity accounts for approximately 5% of total electricity consumption, Century estimates that inefficient electricity consumption could reach approximately 6.1 million kWh compared to 2025. This could result in additional electricity costs of around VND 11.9 billion, equivalent to an increase of approximately 5% compared to the reporting year, while reducing the Company's gross profit by around 4.1%. In addition to the financial impact, increased electricity consumption could also lead to an increase of approximately 3,817 tons CO₂e in Scope 2 greenhouse gas emissions, thereby affecting Century's energy efficiency and carbon reduction targets.

INCREASING MARKET DEMAND FOR ENVIRONMENTALLY FRIENDLY PRODUCTS AND RECYCLED YARN.

Opportunity Description

The growing market demand for environmentally friendly products and recycled yarn creates significant development opportunities for Century, as global brands continue to strengthen their carbon reduction targets, circular economy strategies, and the use of sustainable materials within their supply chains. As a company with strong capabilities in recycled yarn production and international certifications such as GRS, RCS, and OEKO-TEX, Century has advantages in meeting the increasingly stringent ESG requirements of international customers.

This trend may help Century expand its market, increase revenue from green product lines, and strengthen its competitive position within the yarn industry. At the same time, the increasing demand for recycled yarn and low-emission products also creates opportunities for the Company to promote technology investment, develop new products, expand cooperation with international brands, and improve access to funding sources or business opportunities related to sustainable development in the long term.

Estimated Financial Impact on the Company.

In the event that recycled yarn sales increase by 10% compared to the 2025 base year, Century estimates that the Company's revenue could increase by approximately 4.98%, while gross profit could increase by around 7.6% thanks to the higher proportion of high value-added products aligned with sustainable consumption trends. In addition to the positive financial impact, increasing the production and sales volume of recycled yarn would also contribute to reducing Scope 3 greenhouse gas emissions by approximately 4.67% compared to the 2025 base year, thereby supporting Century's emission reduction targets, circular economy development, and ability to meet ESG requirements from international customers.

INCREASING THE USE OF RENEWABLE ENERGY TO MEET CARBON REDUCTION REQUIREMENTS

Opportunity Description

Increasing the use of renewable energy creates an important opportunity for Century, as global brands and export markets are increasingly requiring carbon emission reductions throughout the supply chain. By expanding the use of solar power and other renewable energy sources, Century can reduce Scope 2 greenhouse gas emissions, enhance its ability to meet ESG commitments, and strengthen competitiveness among customers that prioritize green supply chains.

In addition to environmental benefits, increasing the share of renewable energy can also help Century gradually reduce dependence on the traditional power grid and limit long-term risks related to electricity price fluctuations. This may contribute to optimizing energy costs, improving operational efficiency, and supporting the Company in achieving future carbon reduction targets. Furthermore, expanding renewable energy usage also helps strengthen the image of Century as a sustainable enterprise, facilitating access to international customers, green finance programs, and business opportunities related to sustainable development.

Estimated Financial Impact on the Company.

Currently, solar electricity consumption accounts for approximately 6% of Century's total electricity consumption structure. Century estimates that if the proportion of solar electricity usage increases to approximately 20% of total electricity demand, the Company could save around 5.71% in electricity costs compared to the 2025 reporting year, based on the assumption that solar electricity prices are discounted by approximately 30% compared to EVN electricity prices. Increasing the use of renewable energy not only helps reduce electricity cost pressure amid rising energy price trends, but also improves operational efficiency and reduces long-term dependence on the traditional power grid.

In addition to the positive cost impact, Century estimates that the Company's gross profit could increase by approximately 4.6% compared to the 2025 reporting year thanks to optimized energy costs in production activities. At the same time, increasing the share of solar electricity to 20% would also contribute to reducing Scope 2 greenhouse gas emissions by approximately 19.7%, thereby supporting carbon reduction targets, enhancing the ability to meet ESG requirements from international customers, and reinforcing the Company's long-term sustainable development orientation.

ENHANCING WATER CONSERVATION AND IMPROVING OPERATIONAL EFFICIENCY.

Opportunity Description

Enhancing water conservation and improving operational efficiency create important opportunities for Century, as water resources are increasingly under pressure from climate change, urbanization, and growing industrial demand. Through optimizing production processes, reusing water, and improving the operational efficiency of water treatment systems, Century can reduce water consumption, minimize resource losses, and lower costs related to water supply, water treatment, and factory operations. This contributes to improving resource efficiency and enhancing long-term operational performance.

Estimated Financial Impact on the Company.

Century's water usage cost in the 2025 reporting year was approximately VND 2.2 billion. The Company estimates that if it can reduce total water consumption by 10% through water-saving solutions and operational optimization, the cost savings could reach approximately VND 217.2 million, thereby helping gross profit increase slightly by around 0.08% compared to the reporting year. Although the direct financial impact is not yet significant, improving water efficiency still plays an important role in optimizing resource utilization, reducing environmental impacts, limiting risks related to water shortages, and supporting Century's long-term sustainable development orientation.

MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO SUSTAINABLE DEVELOPMENT

1. IDENTIFY

Century identifies sustainability-related risks and opportunities across its entire business operations and value chain in order to determine factors that may significantly affect operational activities, financial performance, development strategy, and stakeholders. This process includes reviewing ESG trends, legal regulations, customer requirements, environmental – social – governance issues, climate change, supply chain matters, raw material sources, energy consumption, water resources, and occupational safety. At the same time, Century gathers stakeholder feedback through surveys, internal assessments, and discussions with relevant departments to identify material sustainability issues.

3. PRIORITISE

Based on the assessment results, Century classifies and prioritizes material sustainability-related risks and opportunities that may significantly affect the Company's business operations, development strategy, and ESG commitments. Issues related to climate change, energy, carbon emissions, sustainable products, occupational safety, and requirements from international customers are prioritized for monitoring and management.

5. MONITOR

Century regularly monitors and evaluates the effectiveness of management measures through operational indicators, ESG KPIs, energy consumption, greenhouse gas emissions, resource efficiency, and established sustainability targets. At the same time, the Company updates changes related to the market, legal regulations, customer requirements, and sustainability trends in order to promptly adjust management measures when necessary.

2. ASSESS

After being identified, sustainability-related risks and opportunities are assessed based on their level of impact, likelihood of occurrence, and impact timeframe in the short, medium, and long term. Century considers both financial and non-financial impacts, including operating costs, revenue, profit, greenhouse gas emissions, resource consumption, corporate reputation, the ability to meet ESG requirements, and impacts on the supply chain. The assessment is conducted based on operational data, professional analysis, and relevant market information.

4. MANAGE

Century implements appropriate management and control measures to minimize risks and capitalize on sustainability-related opportunities. These solutions include optimizing energy and resource usage, developing recycled yarn products, increasing the use of renewable energy, controlling greenhouse gas emissions, conserving water, improving operational efficiency, and enhancing working conditions for employees. Sustainability-related matters are integrated into the Company's governance, investment, operational activities, and long-term development strategy.

6. COMMUNICATE

The results of assessing and managing sustainability-related risks and opportunities are consolidated and periodically reported to the Management Board and relevant departments to support the Company's decision-making and strategic planning processes. At the same time, material sustainability-related information is disclosed in the Sustainability Report and other relevant reports in order to enhance transparency and meet stakeholders' expectations.

THE MARKET PRESENCE (GRI 202)

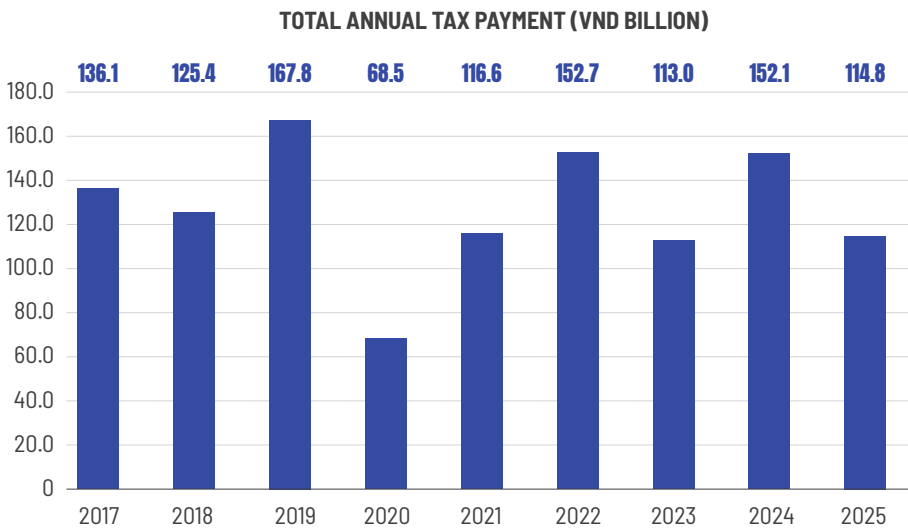
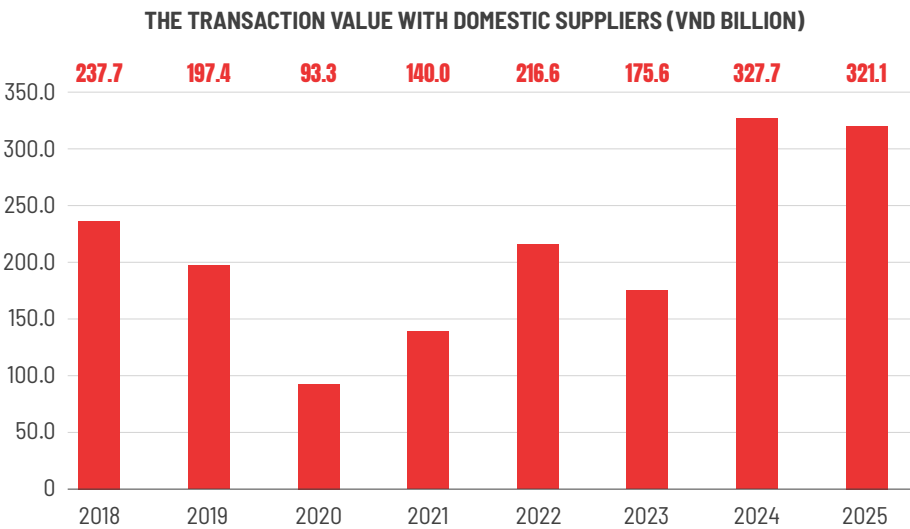
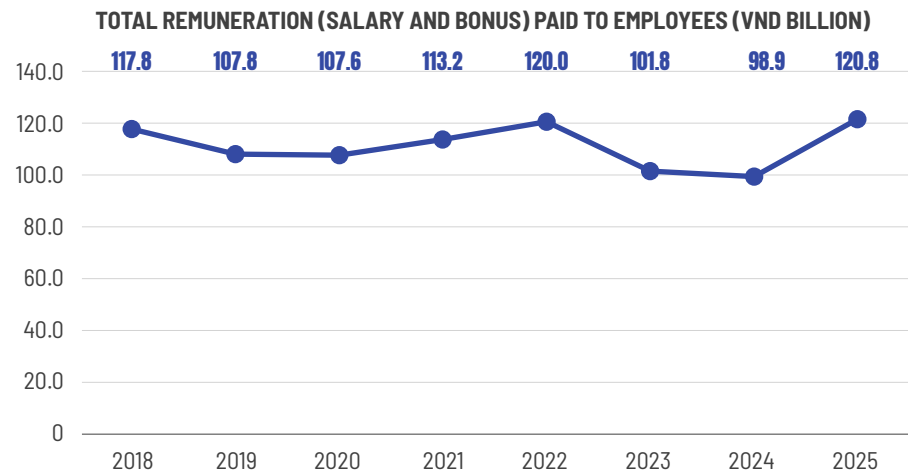
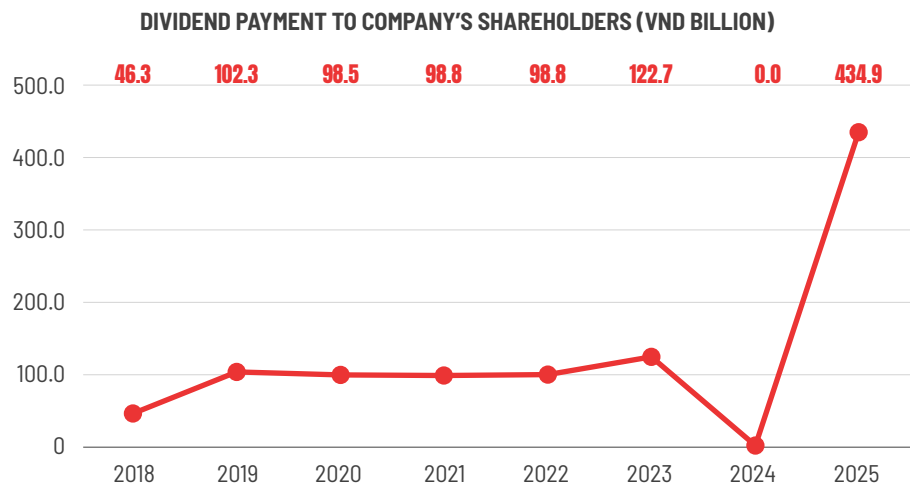
THE STANDARD ENTRY LEVEL WAGE AS COMPARED TO THE REGIONAL MINIMUM WAGES AND GENDER COMPOSITION RATIO (GRI 202-1)

The Company compared the standard entry-level wage to the regional minimum wages in its operating areas which are Cu Chi district (HCM city) and Trang Bang town (Tay Ninh province).

	HCM CITY (VND)	TAY NINH PROVINCE (VND)
Regional minimum wage	4,960,000 VND/month	4,410,000 VND/month
The lowest salary at Century	7,116,000 VND/month	7,453,944 VND/month
Location	The male (%)	The female (%)
HCM City	65%	35%
Tay Ninh Province	81%	19%

INDIRECT ECONOMIC IMPACTS (GRI 203)

CENTURY'S INDIRECT CONTRIBUTIONS TO THE SOCIETY AND LOCAL COMMUNITY IN 2025 (GRI 203-1,GRI 204-1)



CENTURY'S TAX RESPONSIBILITIES AND OBLIGATIONS (GRI 207-1)

Tax approach	Century fully complies with tax regulations in Vietnam and in the markets where the Company conducts business activities. The Company's tax approach is built on the principles of transparency, compliance, and risk management, while aligning with its sustainable development orientation.
Tax strategy	Currently, Century has not issued a separate public document in the form of a "tax strategy." However, tax-related principles are integrated into the Company's financial and accounting policies as well as internal compliance procedures. The Company prioritizes fulfilling tax obligations fully, accurately, and in a timely manner, while minimizing risks related to tax compliance.
Governance and approval mechanism	Tax-related matters are managed by the Finance and Accounting Department under the supervision of the Executive Board. Important decisions related to tax policies, compliance, and tax risks are periodically reviewed during management meetings to ensure alignment with legal regulations and the Company's strategic direction.
Approach to legal compliance	Century adopts a prudent approach to tax compliance, ensuring compliance not only with the "letter of the law" but also with the "spirit of the law." The Company fully and timely declares and pays taxes, while proactively updating changes in tax regulations to appropriately adjust its business activities. Century also maintains transparent cooperation with tax authorities and relevant stakeholders.
Alignment with business and sustainable development strategy	Century's tax approach is closely linked to its sustainable development strategy, particularly as the Company focuses on recycled yarn products and reducing environmental impacts. The Company considers economic and social factors when developing tax policies, including contributions to the state budget and compliance with relevant regulations in export markets. At the same time, Century ensures that its tax activities align with ESG commitments, contributing to corporate reputation building and creating long-term value for stakeholders.

MATERIAL INDIRECT ECONOMIC IMPACTS (GRI 203-2)

Due to the impacts of high inflation and economic slowdown, which weakened market demand, Century's business performance has not yet fully met expectations. Nevertheless, the Company continued to maintain its contributions to the local economy and society. In 2025, total salary and bonus payments to employees exceeded VND 120.8 billion, contributing to improving the living standards of local communities. In addition, Century's indirect contributions to the local economy and society were also reflected through tax payments and transaction value with domestic suppliers, which reached VND 114.8 billion and VND 321.1 billion, respectively, in 2025.

ECONOMIC DEVELOPMENT TARGETS IN 2026

- Sales Revenue growth: VND 2,366 billion, increased by 74.9% as compared to actual 2025;
- Profit before tax growth: VND 128.5 billion, an increase of 37.7% as compared to actual 2025;
- Increasing the percentage of value-added yarn (recycled yarn): 68% of total revenue;
- Paying bonuses for employees according to year-end business results;
- Paying dividends to Company shareholders 15%/par value.



RESPONSIBILITY TO PROTECT THE ENVIRONMENT - GRI 300



Century is still on the right track in implementing environmental goals. The company steadfastly implements measures to reduce energy and water consumption and limit water waste to maintain stable and efficient production and business operations, helping Century to get closer and closer to the goal of “greening” the fashion industry

2025 OBJECTIVES	2025 RESULTS
- Efficient consumption of raw materials; - Increasing the proportion of recycled materials used; - Increasing the rate of reusing packaging materials; - Using water resources rationally and savingly; - Reusing of water in production; - Using energy reasonably and saving; - Reducing electricity costs; - Reducing emissions; - Reducing greenhouse gas emissions; - Do not violate environmental laws regarded waste and wastewater; - No violations of safety-sanitary-environmental incidents, fire prevention and environmental protection; - Using renewable energy sources; - Complying with current regulations and laws on environment; - The average rate of reusing of POY paper tubes is 3.0 times; - The rate of using circulating water reaches 2% of the total amount of water used; - Target water consumption m³/kg of yarn: 0.0028; - The rate of renewable energy accounts for 10% of the total energy demand; - The proportion of recycled yarn in total sales revenue is 50%; - Target electricity consumption Kw/kg yarn: POY: 1.48 kw/kg yarn; DTY: 2.06 kw/kg yarn; FDY: 2.05 kw/kg yarn; - Occurrence of violations on OSH, Fire Prevention and Environment when the inspection team of the State agency came to inspect the company: 0 cases;	- The rate of reusing of POY paper tubes is 3.0%; - Rate of water being circulated and reused: 0.9%; - Water consumption unit (m³/kg yarn): 0.0037 - Total energy consumption increased by 45%, electricity consumption unit (Kw/kg yarn): POY:1.38 kwh/kg yarn; DTY: 2.25 kwh/kg yarn; FDY: 2.25 kwh/kg yarn; - Implementing electricity saving solutions in 2025, reducing 113 Mwh/year; - Carbon footprint emissions from electricity consumption (grid electricity) increased by 46%, mainly due to the trial operation of the Unitex plant in 2025. Electricity consumption at the plant reached 44,336 MWh during the year, corresponding to an increase of approximately 29,226 tons of CO₂ emissions; - The total amount of electricity used from the solar energy project is 6,105 Mwh, accounting for more than 5.01% of the total energy consumption; - The carbon footprint of DO oil for forklifts is reduced by 100%; - The percentage of recycled yarn accounts for 49.9% of total revenue; - No case of violation of regulations regarded waste and wastewater treatment, safety-sanitary-environment, and fire prevention and fighting; - The measured environmental indicators and inspection reports were in accordance with the environmental laws and regulations;

1. THE MANAGEMENT APPROACH (GRI 2-12)

To contribute to the sustainable development of Vietnam's textile and garment industry, the Company continuously strives to enhance the competitiveness of its products while minimizing negative environmental impacts. Therefore, the Company prioritizes increasing the use of recycled materials, investing in automated machinery and equipment, and improving production technology towards greener and cleaner practices. Reducing reliance on fossil energy is also a necessary solution to strengthen the Company's competitiveness in domestic and export markets.

POLICIES	- Policy on evaluation and selection of raw material suppliers at the Company according to MM-QT-02; - Supplier evaluation and control process; - Regulation on quality assurance of input water from the industrial park QCVN 01-1:2018; - Periodic water quality monitoring reports and environmental impact assessment reports; - Policy on energy saving; - Internal rules to turn off electrical equipment when not in use; - 5-year energy saving implementation plan; - Policy on management and treatment of waste at the Company, stipulating water quality standards with value C, Column B - QCVN 40:2025/BTNMT; - Environmental policy according to GRS 4.0 standards, environmental protection law No: 72/2020/QH14;
COMMITMENTS	- The Company prioritizes quality suppliers which can ensure the quality as well as comply with the environmental protection regulations; - The Company commits to provide qualified water for daily production and operation activities and reduce the water resources consumption via water-saving initiatives; - Optimizing the use of the energy resource, reducing the greenhouse gas emission, limiting global warming, protecting the environment, and optimizing costs; - The Company commits to effectively use and save energy resources, contributing to the reduction of greenhouse gas emissions (CO₂); - The Company commits to strictly manage the wastewater and wastes in daily production and operation activities, ensuring of no impact on the surrounding environment;

GOALS AND TARGETS	- Ensuring the stability and high quality of the product; - Providing qualified water resources to daily production and sanitation, aiming to protect the employee's health; - Reducing the greenhouse gas emissions (CO₂) and protecting the environment;
RESPONSIBILITIES	- General footprint Director, Board of management
MANAGEMENT RESOURCES	- Board of management, Purchasing team, ISO team, Utility team, Administration team, Production team, financial team, the Company's employees.
GRIEVANCE MECHANISMS	- Purchasing team, Utility team, Administration team, Production team, Health and Safety committee.

2. EVALUATION OF THE MANAGEMENT APPROACH (GRI 2-18)

- In 2025, the volume of recycled materials used (PET chip recycle) accounts for more than 54.4% of the total amount of PET chips used by the Company, mainly because the Company focuses on developing and promoting the recycled yarn strategy according to market demand for environmentally friendly textile products.
- In 2025, water consumption increased by 29.6% compared to 2024. This was mainly due to the Unitex plant being put into trial operation from the end of 2024 and continuing throughout 2025, resulting in higher water demand for production activities.
- Electricity consumption per kilogram of yarn for DTY, FDY, and POY changed by -15%, +17%, and -5%, respectively, compared to 2024. For DTY, this result was mainly driven by improved energy efficiency across the plants, particularly at the Unitex plant, where modern machinery and advanced technologies helped achieving the targeted electricity consumption norms per kilogram of yarn for all product lines. For FDY, certain compressors and supporting equipment were prioritized for FDY lines, while some POY lines were temporarily suspended. This increased the proportion of electricity allocation to FDY, leading to higher electricity consumption per unit of product. Conversely, the reduced use of supporting equipment for POY contributed to lower electricity consumption per kilogram of POY yarn compared to 2024.
- In 2021, the Company operated two rooftop solar power systems with a total capacity of 7.4 MWp. The Company has also signed agreements with partners to purchase additional renewable electricity with a total capacity of 75 MWp in the coming years.
- The carbon footprint by electricity consumption (EVN) has increased by 46% as compared to 2024.
- There is no record of any spills or leaks of waste water and garbage.
- The measured environmental indicators and inspection reports are in accordance with the environmental laws and regulations.

MATERIALS (GRI 301)

THE MATERIALS USED IN THE COMPANY’S PRODUCTION (GRI 301-1)

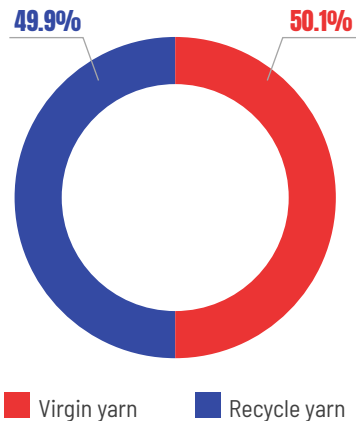
- The Company’s materials are imported from Korea, Japan, Taiwan, and Germany, with advanced production processes, modern and environmentally friendly technologies, contributing to the reduction of greenhouse gas emissions to the environment.
- The Company encourages suppliers to protect the environment by making a written commitment to comply with environmental protection, applying innovative measures in business activities to reduce greenhouse gas emissions, fight against Climate Change.

MATERIALS CATEGORY	NO.	MATERIALS	IMPORTING REGIONS
NON-RENEWABLE MATERIALS USED	1	Polyester Chip	China, Taiwan, Japan
	2	Oil	Taiwan, Japan, Germany
RENEWABLE MATERIALS USED	3	Paper tubes	Vietnam, Taiwan
	4	Carton boxes	Vietnam

THE RECYCLED MATERIALS USED IN THE COMPANY’S PRODUCTION (GRI 301-2)

- To produce environmentally friendly recycled yarn, the Company uses recycled PET chips as input material, the proportion of recycled yarn in total revenue in 2025 was more than 49.9%.
- The Company also invested in a pellet making line to recycle waste yarn into recycled PET chips for the Company’s usage with a capacity of 1,500 tons/year, contributing greatly to the reduction of environmental impact, increasing the Company’s profits, cutting the production cost as well as providing reasonable prices to customers.

REVENUE STRUCTURE BY PRODUCT 2025



RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS (GRI 301-2)

- In addition to the efficiency of using main raw materials, the Company has coordinated with reputable and quality partners to provide production of paper tubes with high quality. Therefore, the average current POY paper tubes after 1st time using could be reused more with 3.0 times, lessening the impact on the environment by reducing the number of paper tubes used in production. In addition, the Company also reuses wooden pallets in delivery activities, production items and components such as filters, spinnerets in the POY production process, aiming to reduce consumption and use of natural resource. From 2024 onwards, the paper tube reuse rate will be reduced to 3.0. According to the POY production department, since POY is a semi-finished product used to produce DTY yarn, the reuse rate of paper tubes must be limited to control defects in DTY. Reusing paper tubes multiple times may lead to dents or contamination, making them unsuitable for the DTY department. Reducing the reuse rate to three times helps ensuring that deformed or uneven paper tubes do not negatively impact the winding process and subsequent DTY processing stages.
- In 2025, the number of used POY paper tubes is 902,970 tubes and on average 1 POY paper tube can be reused 3.0 times; Therefore, the reusing rate of materials (paper tubes) in 2025 is:

The proportion of reuse = $\frac{\text{Volume of reused material}}{\text{Total volume of material used in year}}$

= $\frac{\text{Total volume of material used in year}}{\text{Volume of POY tubes} \times \text{reusing time} + \text{volume of DTY tubes} + \text{volume of FDY tubes}}$

= $\frac{902,970 \times 3}{902,970 \times 3 + 7,766,155} = 26\%$

The proportion of reused materials (POY paper tubes) in 2025 was **26%**

WATER (GRI 303)

THE VOLUME OF INPUT WATER BY DIFFERENT RESOURCES (GRI 303-1)



SURFACE WATER INCLUDING WATER FROM SWAMP, RIVER, LAKE, OCEAN: **0 M³** (NOT APPLICABLE)



GROUND WATER: **0 M³** (NOT APPLICABLE)



RAIN WATER THAT THE COMPANY COLLECTS AND USES: **0 M³** (NOT APPLICABLE)

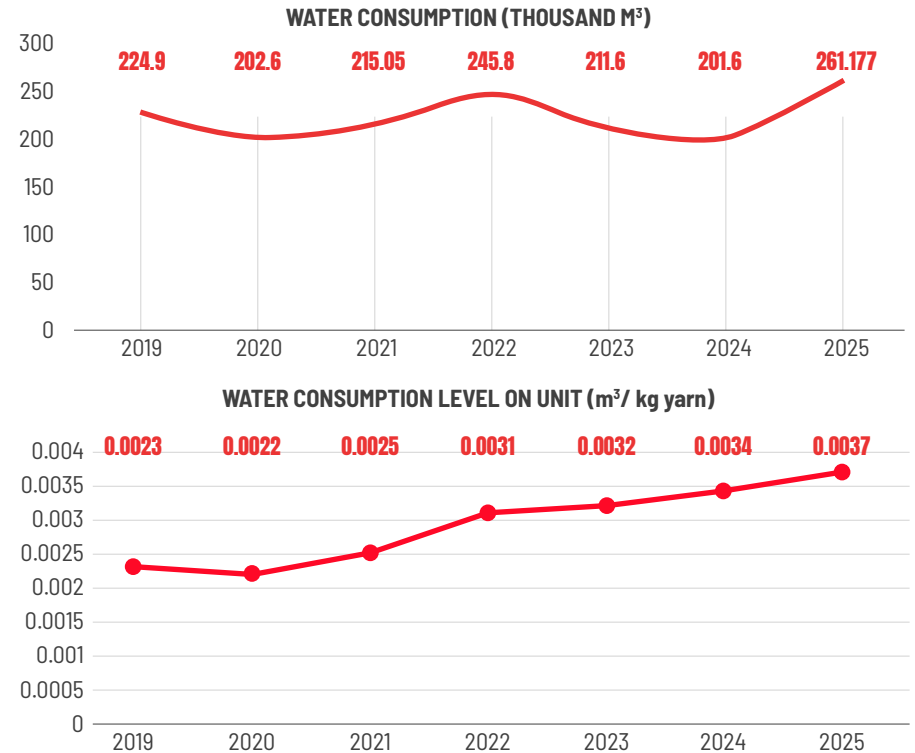


DISCHARGED WATER FROM OTHER PARTIES: **0 M³** (NOT APPLICABLE)



MUNICIPAL OR OTHER PUBLIC OR PRIVATE SUPPLIES: THE INPUT WATER OF THE COMPANY IS SUPPLIED AND ASSURED BY INDUSTRIAL ZONE (IZ).

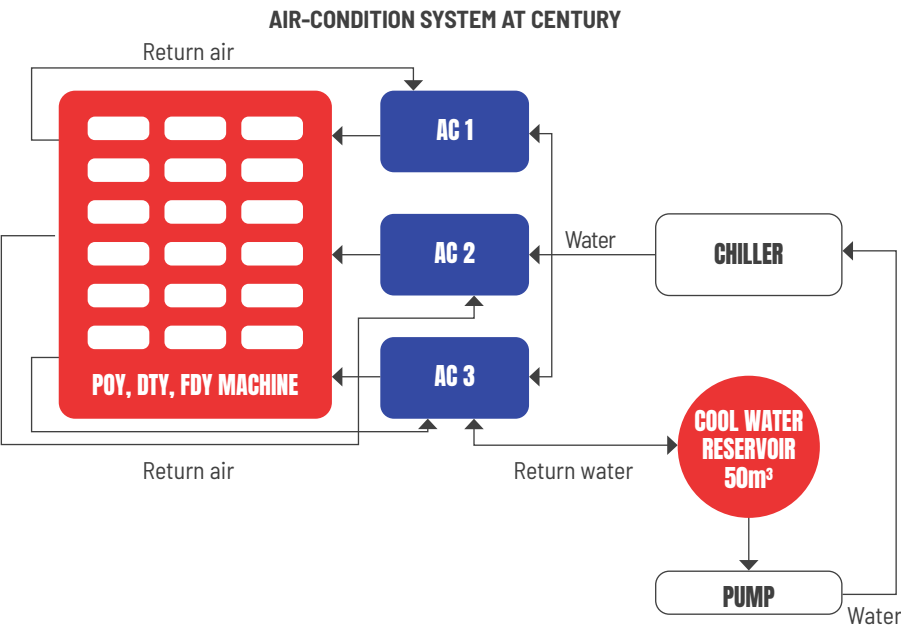
WATER CONSUMPTION (GRI 303-1)



- In 2025, water consumption increased significantly by 29.6% compared to 2024, while production output decreased by 11% during the year. This opposite trend was the main reason why water consumption per kilogram of yarn increased by 8.3% compared to 2024 (0.034 m³/kg yarn in 2024 and 0.037 m³/kg yarn in 2025). This development was more technical in nature rather than a result of declining operational efficiency, as lower production volumes generally reduce the ability to optimize resource usage per unit of product.
- From a resource management perspective, the Company remains committed to implementing solutions to improve water use efficiency across its production activities. In 2025, the Company continued to maintain and optimize water-saving initiatives, including recovering discharged water from compressors No. 3 and 4 at Trang Bang 3 Plant; maintaining the reuse of condensate water from AC4 and AC5 systems; and recovering condensate water from the AC6 system at Cu Chi Plant to the collection tank for reuse. In addition, water consumption monitoring and control activities were regularly conducted on a shift basis to promptly detect and address cases exceeding consumption norms. Through these synchronized measures, the Company saved more than 1,800 m³ of water in 2025, contributing to improved resource efficiency and reduced operating costs.

RECLAIMING AND REUSING WATER (GRI 303-3)

At Century, there is a closed-loop air-conditioning system, whereby water after going through chiller will come to AC reservoirs and cooling water pool to be reused. Thanks to this system, Century has saved 2,815 m3 of water each year.



THE PROPORTION OF RECLAIMED AND REUSED WATER 2025

$$= \frac{\text{The volume of reclaimed and reused water}}{\text{The total volume of used water at Company}} \times 100$$

The proportion of reclaimed and reused water

$$= \frac{2,245}{261,177} \times 100 = 0.9\%$$

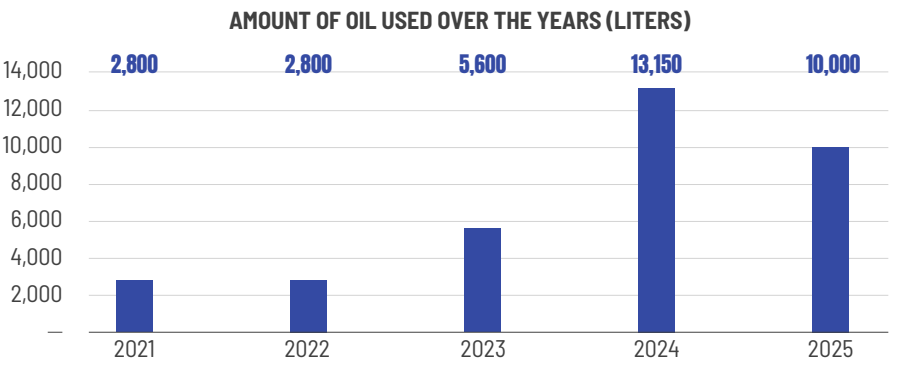
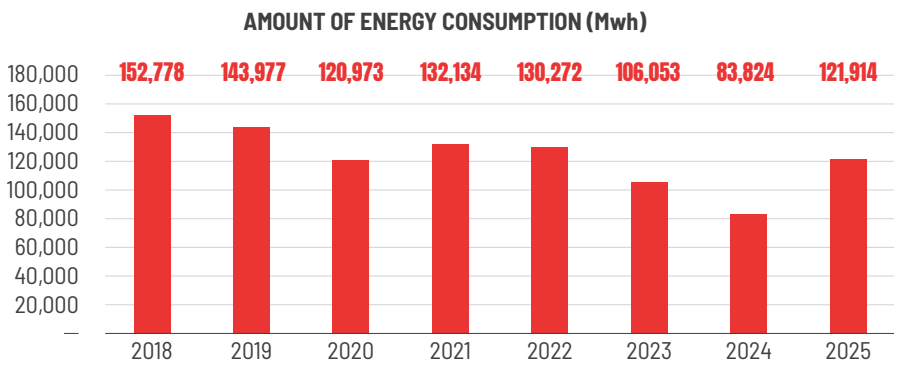
The water reuse and conservation measures in 2026:

STT	MEASURES	EFFECTIVENESS
1	- Continue recovering discharge water from air compressors 3 and 4 at TB3. - Maintain condensate water recovery from AC 4 and 5. Recover condensate water from AC6 at Cu Chi and redirect it to the collection tank for reuse.	- Saving 3 m³/day and night, equivalent to 7,560,000 VND/year. - Saving 2 m³/day and night, equivalent to 6,534,000 VND /year.
2	Maintain daily monitoring of water meter data and promptly handle abnormalities when detected.	Water conservation
3	Reuse condensate water from AC1, AC4, and dehumidifiers at the Unitex plant.	Save approximately 5 m³ of water per day.
4	Collect wastewater discharged from the RO filtration system of the ultra-pure water system.	Estimated at 5 m³/day, equivalent to annual savings of approximately VND 12,775,000.

THE ENERGY CONSUMPTION AT THE COMPANY (GRI 302-1)

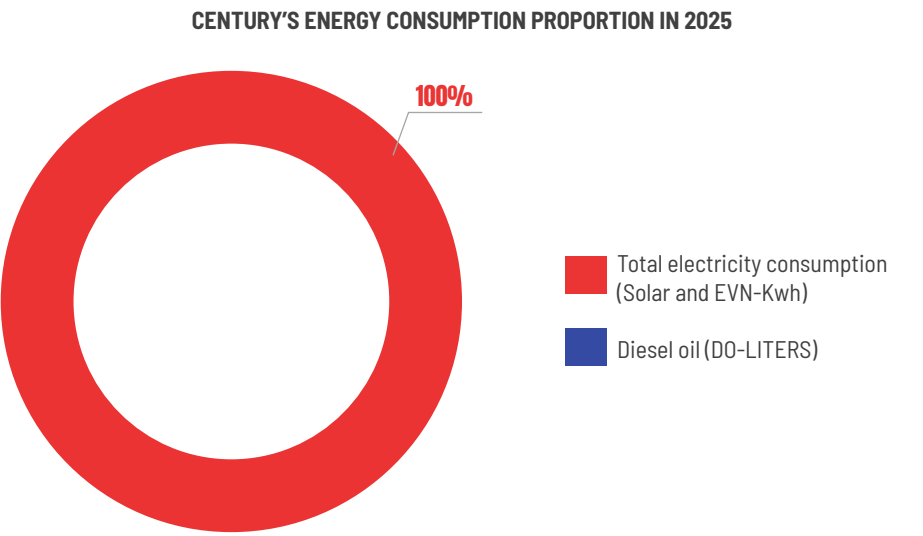
- The Company only uses electricity and Diesel oil (DO) in its production activities, of which:
- Non-renewable energy: DO and EVN electricity. The volume of DO used in 2025 was 8 tons, equivalent to 10,000 liters. DO is used for two primary purposes: to run the generator during a power outage and a small amount to charge the fire pump. The amount of electricity EVN used in 2025 was 115.8 million kWh.
- Renewable energy-Solar power. The amount of solar power used in 2025 was 6.1 million kWh.

TOTAL ENERGY CONSUMPTION AT THE COMPANY IN 2025



ENERGY SOURCES	2025	CONVERSION FACTOR TO MJ	MJ
Total electricity consumption (Solar and EVN-Kwh)	121,913,527.10	3.6	438,888,698
Diesel oil (DO -LITERS)	10,000	36.845	368,450

The total energy consumption at Century = **Used volume of non-renewable energy + Used volume of renewable energy = 439.3 billion Kjun.**



Notes:

<https://convertlive.com/vi/u/chuy%E1%BB%83n%C4%91%E1%BB%95i/kilowattgi%E1%BB%9D/%C4%91%E1%BB%83/megajoules#83815848> (Electricity’s Conversion factor to MJ)

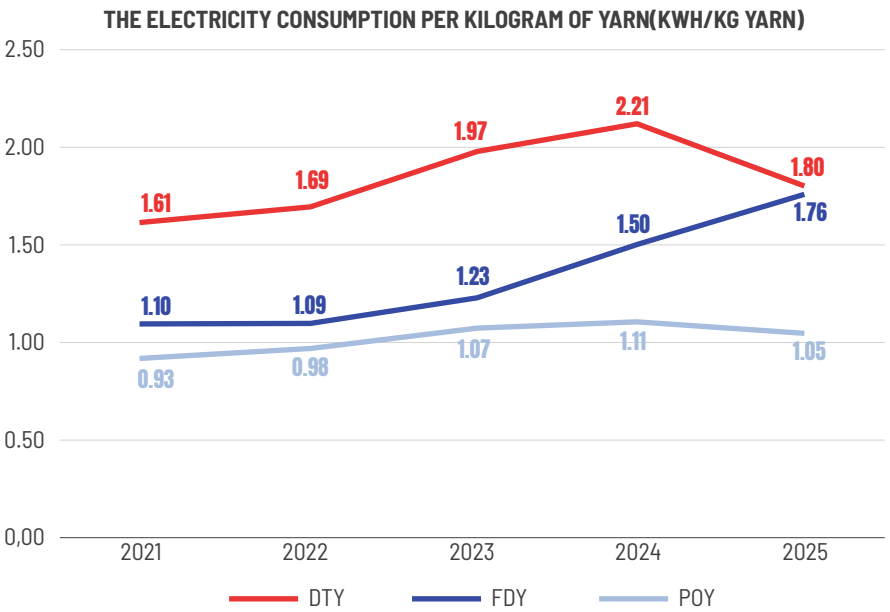
<https://veia.com.vn/he-so-chuyen-doi-don-vi-nang-luong-mj-cua-mot-so-nhien-lieu-pho-bien> (DO’s Conversion factor to MJ)

<https://convertlive.com/vi/u/chuy%E1%BB%83n-%C4%91%E1%BB%95i/megajoules/%C4%91%E1%BB%83/kilojoules> (Conversion from Mj to Kj)

THE INTENSITY OF ENERGY CONSUMPTION AT THE COMPANY (GRI 302-3)

- The Company mainly consumes the electricity to manufacture products. At present, the Company has 3 products: POY, DTY and FDY.
- The Company establishes a regime to monitor and measure energy consumption (kwh) on each kilogram of yarn.

In particular, the energy consumption per kilogram of yarn is as follows:



Notes: Output has been converted to the standard denier for each type of yarn: DTY, FDY, and POY

During the 2024–2025 period, the trend of electricity consumption per kilogram of yarn showed noticeable variations among product lines. In 2024, electricity consumption reached the highest level in the observed period for DTY (2.12 kWh/kg), FDY (1.50 kWh/kg), and POY (1.11 kWh/kg).

In 2025, electricity consumption per kilogram of DTY and POY yarn decreased to 1.80 kWh/kg (-15%) and 1.05 kWh/kg (-5%), respectively, compared to 2024. For DTY, this result was mainly driven by improved energy efficiency across the plants, particularly at the Unitex plant, where the use of modern machinery and advanced technologies helped all product lines achieving the targeted electricity consumption norms per kilogram of yarn.

In contrast, electricity consumption for FDY yarn increased to 1.76 kWh/kg (+17%) in 2025. The main reason was operational adjustments, whereby certain compressors and supporting equipment were prioritized for FDY lines, while some POY lines were temporarily suspended. This increased the proportion of electricity allocation to FDY, leading to higher electricity consumption per unit of product. Conversely, the reduced use of supporting equipment for POY contributed to lower electricity consumption per kilogram of POY yarn compared to 2024.

ELECTRICITY SAVING SOLUTIONS FOR 2026 (GRI 302-4)

In 2026, the Company plans to implement the following measures to reduce electricity costs:

NO.	SOLUTIONS	EFFECTIVENESS
1	• Upgrade the chip pumping system at Trang Bang plant by replacing compressed air with air blowers.	• Estimated savings of 271,099 kWh/year, equivalent to approximately VND 530 million/year.
2	• Connect the Extruder cooling water pipeline to share the same cooling tower system with the compressor system at Trang Bang plant.	• Estimated savings of 31,202 kWh/year, equivalent to approximately VND 61 million/year.
3	• Install inverters for chilled water pumps and cooling water pumps of the DTY chiller system at the Unitex plant.	• Estimated savings of 48,593 kWh/year, equivalent to approximately VND 95 million/year.
4	• Convert the DTY chiller cluster to operate jointly for both POY and DTY during periods of low line and machine operation.	• Estimated savings of 8,614 kWh/year, equivalent to approximately VND 16.8 million/year.



EMISSIONS (GRI-305)

DIRECT GREENHOUSE GAS EMISSIONS - SCOPE 1 (GRI 305-1)

Century Synthetic Fiber Corporation identifies the following sources as direct Scope 1 greenhouse gas (GHG) emissions sources:



Emissions from stationary combustion sources

Firefighting pump systems and generators: The Company operates firefighting pumps and generators that use diesel oil (DO).



Emissions from wastewater treatment systems

Wastewater treatment: Methane (CH₄) emissions are generated from septic tanks located in restroom areas. Domestic wastewater from restrooms flows through septic tanks before being combined with production wastewater and connected to the Company's centralized wastewater treatment system. The receiving source for treated wastewater discharge complies with the industrial park's standards.



Emissions from cooling systems

Refrigerant leakage



Emissions from fire extinguishers

Fire extinguishers: CO₂ fire extinguishers are used by the Company for firefighting drills and training activities



INDIRECT ENERGY GHG EMISSIONS - SCOPE 2 (GRI 305-2)

Emissions from electricity consumption are classified as indirect emissions (Scope 2). The Company uses electricity from the national grid (EVN) to operate machinery and equipment; therefore, emissions are calculated based on the amount of electricity consumed.

Some measures that the Company has implemented and continues to implement to mitigate air emissions include:



Periodically, the Company conducts measurements at outdoor areas and production areas every 3 months to have solutions to remedy polluting emission (if any) immediately.



Controlling the operation of vehicles in the Company such as container trucks, trucks, forklifts, cars. There are measures to stop operating the above vehicles if they cause emissions.



In addition, the Company also submits to relevant authorities' environmental emission measurement reports every 6 months in accordance with the current law



Reducing the use of gasoline and diesel oil by using electric vehicles



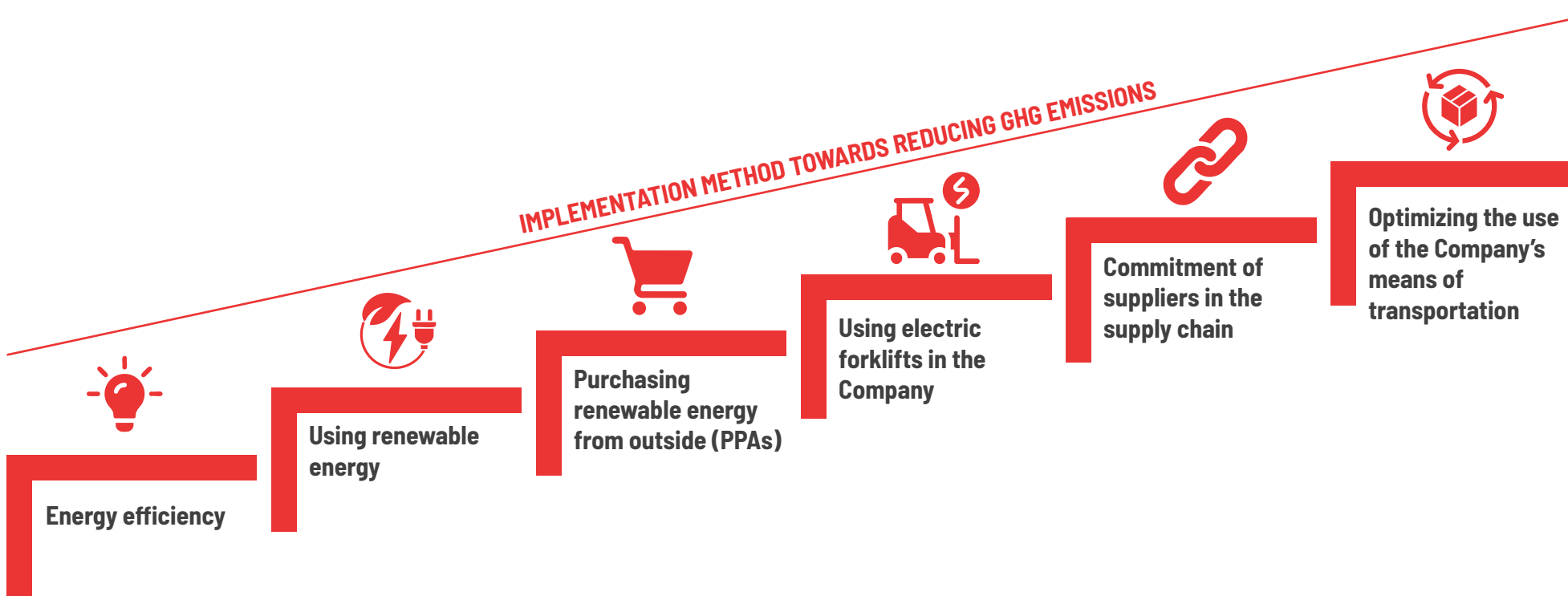
Regularly maintaining vehicles, machines, equipment using fuel, DO oil to minimize polluting emission

REDUCING GREENHOUSE EMISSIONS (GRI 305-4, GRI 305-5)

The Company does not generate emissions from using boilers or coal because it does not use them in production.

Century is one of the leading Polyester Filament yarn enterprises in Vietnam. The company steadfastly implements measures to reduce energy and water consumption. In addition, Century is always limiting the rate of emissions and waste products to maintain stable production and effective business, helping Century to get much closer to the goal of “greening” the fashion industry.

In addition, the Company has taken a comprehensive approach and deployed solutions to achieve sustainable development goals, aligning with the general goal of net zero emissions by 2050.



REDUCING GHG EMISSIONS IN THE COMPANY'S ENTIRE VALUE CHAIN

(GRI 305-4, GRI 305-5)

SCOPE 1 DIRECT Greenhouse gas emissions from sources owned or controlled by the company.	SCOPE 2 INDIRECT Greenhouse gas emissions from electricity purchased by the company.	SCOPE 3 INDIRECT GHG emissions from sources not directly owned or controlled by the company but related to its operations.
Century does not own boilers or use coal materials to generate steam and produce greenhouse gases. The company only uses a small amount of DO oil to run the generator during power outages and to charge fire protection pumps. In addition, the wastewater treatment system, cooling systems, and fire extinguishers are also sources of Scope 1 emissions.	The company operates in the field of manufacturing Polyester Filament yarn from PET chips. The Company's factories only use electrical energy as the main source of energy to operate the production machine.	The company has recently increased the proportion of recycled PET chips in production.

In 2025, Century completed the preparation and submission of greenhouse gas inventory reports for the Trang Bang and Cu Chi plants in accordance with Decree No. 06/2022/NĐ-CP, and submitted the reports to the relevant authorities before the deadline of March 31, 2025. Following the appraisal process, the Company also proactively updated and revised the report contents based on feedback from regulatory authorities. In addition, Century developed a greenhouse gas emission reduction plan for the 2026–2030 period to guide emission reduction solutions in production activities and submitted the plan on time to the relevant authorities and departments.

The energy audit reports and greenhouse gas (GHG) inventory reports are prepared in accordance with international standards such as ISO 14064-1:2018, the GHG Protocol, and IPCC Guidelines, as well as Vietnamese regulations including Circular 17/2022/TT-BTNMT and Decree 06/2022/NĐ-CP. These activities are intended to promote sustainable energy solutions and carbon emission reduction initiatives toward a “Net Zero” future, while also proposing appropriate recommendations (such as GHG emission reduction roadmaps) for the Company to implement in order to reduce CO₂ emissions and contribute to climate change mitigation in line with Vietnamese and international regulations.

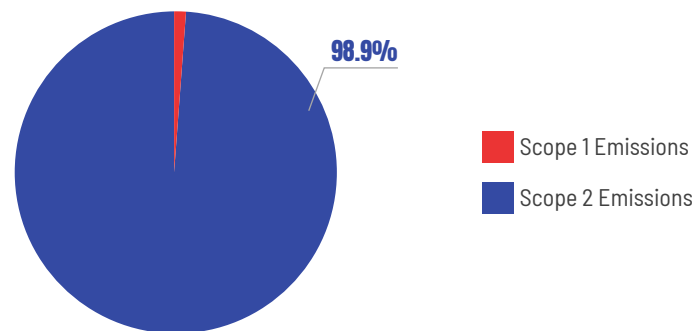
Based on the methodology and calculation approach applied by the consulting unit in previous years, the Company conducted a greenhouse gas inventory and consolidated greenhouse gas emission data in 2025 for its three plants: Cu Chi, Trang Bang, and Unitex, as follows:

Greenhouse gas emissions of Cu Chi factory in 2025

EMISSION ACTIVITIES		EMISSIONS COMPONENT (TONS)				TOTAL EMISSIONS	PROPORTION
		(TONS OF CO ₂ TD)				(TONS OF CO ₂ TD)	
		CO ₂	CH ₄	N ₂ O	HFCs		
1	Scope 1: Direct emissions	0.00	17.54	0.00	62.42	79.96	1%
1.1	Emissions from stationary combustion sources	0.00	0.000	0.000	-	0.00	0%
1.2	Domestic wastewater treatment	-	17.54	-	-	17.54	0%
1.3	Emissions from Refrigerants	-	-	-	62.42	62.42	1%
1.4	Emissions from fire extinguishers	0	-	-	-	0.00	0%
2	Scope 2: Indirect emissions	7,211	-	-	-	7,211	99%
2.1	Emissions generated from purchased electricity	7,211	-	-	-		
Total						7,291	100.00%

Source: Century's calculation based on the methodology of the consulting company

Scope 1 and Scope 2 emissions proportion of Cu Chi factory in 2025

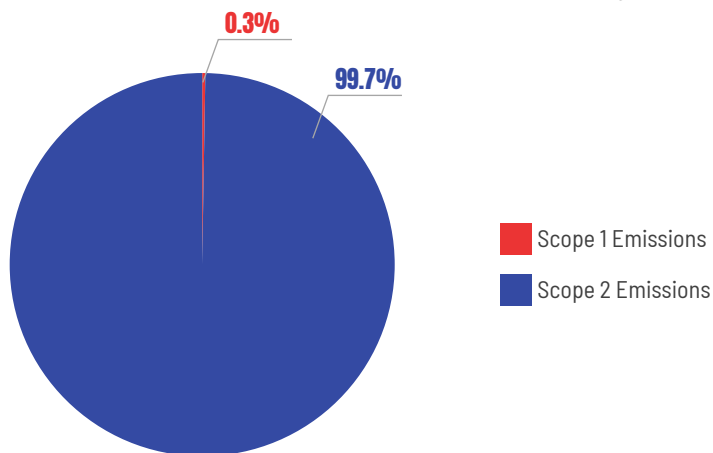


Greenhouse gas emissions of Trang Bang factory in 2025

EMISSION ACTIVITIES		EMISSIONS COMPONENT (TONS)				TOTAL EMISSIONS	PROPOR-TION
		(TONS OF CO ₂ TD)				(TONS OF CO ₂ TD)	
		CO ₂	CH ₄	N ₂ O	HFCs		
1	Scope 1: Direct emissions	18.74	51.11	0.04	62.42	132.31	0.3%
1.1	Emissions from stationary combustion sources	18.74	0.028	0.041	-	18.80	0%
1.2	Domestic wastewater treatment	-	51.1	-	-	51.08	0%
1.3	Emissions from Refrigerants	-	-	-	62.42	62.42	0%
1.4	Emissions from fire extinguishers	0	-	-	-	0.00	0%
2	Scope 2: Indirect emissions	39,401	-	-	-	39,401	99.7%
2.1	Emissions generated from purchased electricity	39,401	-	-	-		
Total						39,532.85	100.00%

Source: Century's calculation based on the methodology of the consulting company

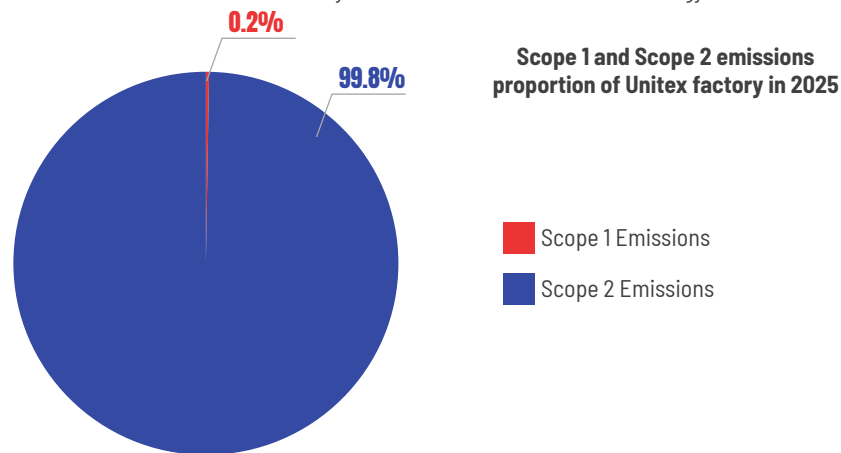
Scope 1 and Scope 2 emissions proportion of Trang Bang factory in 2025



Greenhouse gas emissions of Unitex factory in 2025:

EMISSION ACTIVITIES		EMISSIONS COMPONENT (TONS)				TOTAL EMISSIONS	PROPOR-TION
		(TONS OF CO ₂ TD)				(TONS OF CO ₂ TD)	
		CO ₂	CH ₄	N ₂ O	HFCs		
1	Scope 1: Direct emissions	8.03	37.16	0.02	3.44	48.64	0.2%
1.1	Emissions from stationary combustion sources	8.03	0.01	0.02	-	8.06	0.0%
1.2	Domestic wastewater treatment	-	37.1	-	-	37.15	0.1%
1.3	Emissions from Refrigerants	-	-	-	0.00	0.00	0.0%
1.4	Emissions from fire extinguishers	0	-	-	3.4	3.44	0.0%
2	Scope 2: Indirect emissions	29,226	-	-	-	29,226	99.8%
2.1	Emissions generated from purchased electricity	29,226	-	-	-		
Total						29,274.98	100.00%

Source: Century's calculation based on the methodology of the consulting company

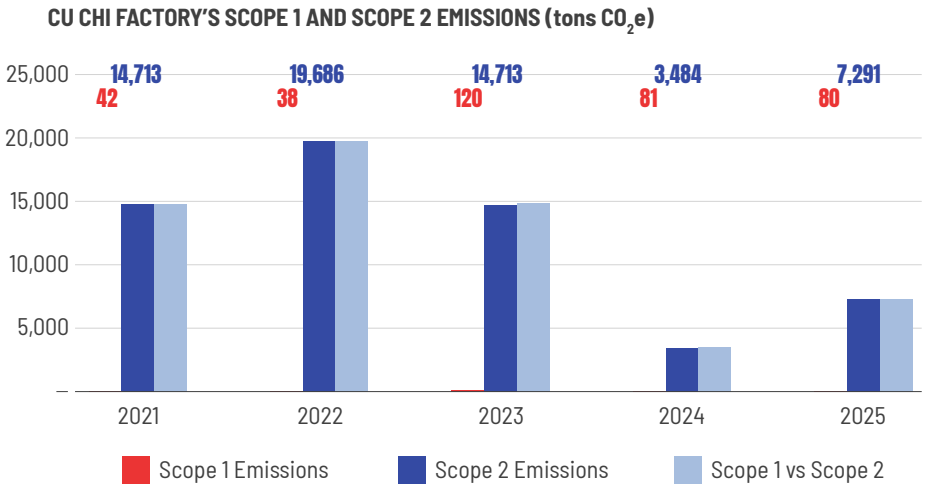


It can be seen that Scope 2 emissions (electricity consumption) account for a dominant share of greenhouse gas (GHG) emissions, representing more than 99.7% of the total GHG emission structure of Trang Bang factory, 99% of Cu Chi factory's GHG emissions, and 99.8% of Unitex factory's GHG emissions.

Based on the greenhouse gas emission calculation methodology applied by the consulting company for Cu Chi and Trang Bang factories (during 2023–2024), Century implemented GHG emission calculations for Cu Chi, Trang Bang, and Unitex factories throughout the 2021–2025 period.

Scope 1 and Scope 2 emissions of Cu Chi factory.

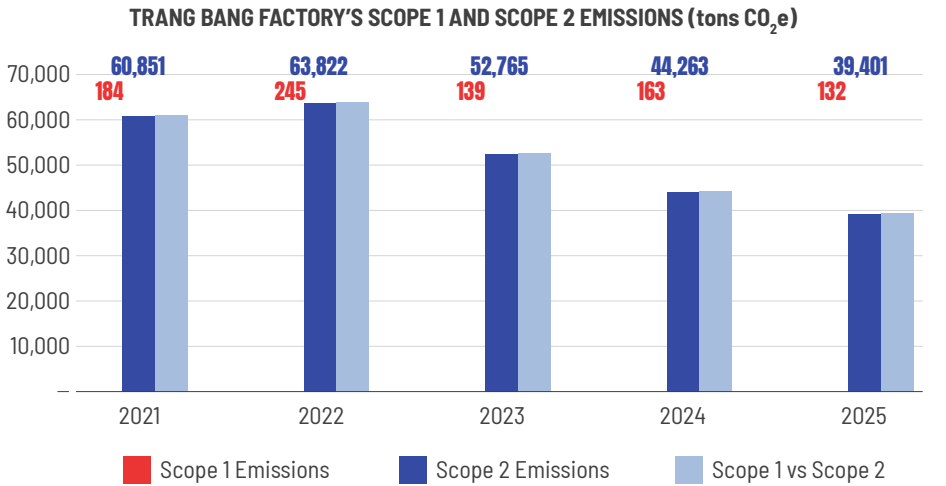
GHG'S CU CHI FACTORY		UNIT: (TONS OF CO ₂ E)				
No.	Emission Activities	2021	2022	2023	2024	2025
1	Scope 1: Direct emissions	42.43	38.03	120.06	81	79.96
1.1	Emissions from stationary combustion sources	0.00	0.00	1.61	-	0,00
1.2	Domestic wastewater treatment	42.16	37.76	34.95	33	17.54
1.3	Emissions from Refrigerants	0	0	83,23	47	62.42
1.4	Emissions from fire extinguishers	0.27	0.27	0.27	1	0,00
2	Scope 2: Indirect emissions	14,712.55	19,685.75	14,712.55	3,484	7,211
2.1	Emissions generated from purchased electricity	14,712.55	19,685.75	14,712.55	3,484	7,211
Scope 1 + Scope 2		14,754.98	19,723.78	14,832.62	3,565	7,291



Note: The calculation methodology is based on the formulas and data collection methods applied by the consulting company.

Scope 1 and Scope 2 emissions of Trang Bang factory.

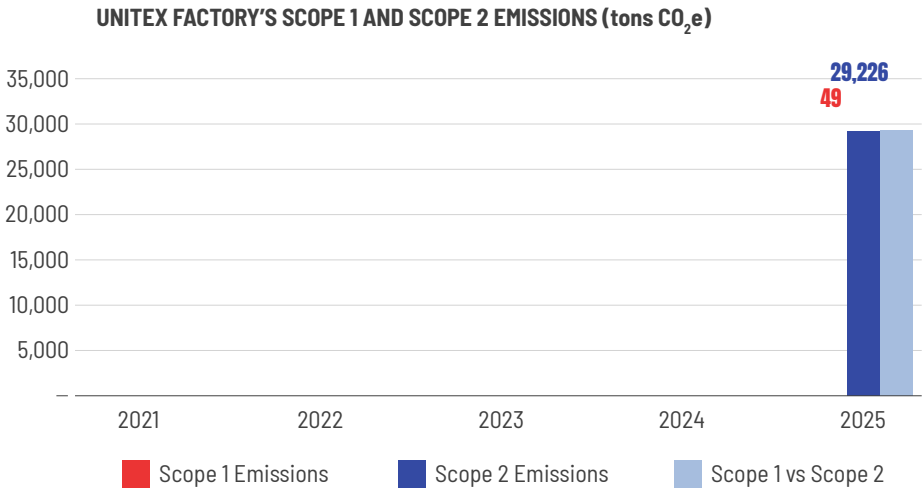
GHG'S TRANG BANG FACTORY		UNIT: (TONS OF CO ₂ E)				
No.	Emission Activities	2021	2022	2023	2024	2025
1	Scope 1: Direct emissions	183.62	244.95	139.24	163	132.31
1.1	Emissions from stationary combustion sources	7.52	7.52	13.43	20	18.80
1.2	Domestic wastewater treatment	71.12	70.02	62.45	59	51.08
1.3	Emissions from Refrigerants	104.04	166.46	62.42	83	62.42
1.4	Emissions from fire extinguishers	0.94	0.94	0.94	1	0,00
2	Scope 2: Indirect emissions	60,850.83	63,822.18	52,765.40	44,263	39,401
2.1	Emissions generated from purchased electricity	60,850.83	63,822.18	52,765.40	44,263	39,401
Scope 1 + Scope 2		61,034.45	64,067.12	52,904.63	44,426	39,532.85



Note: The calculation methodology is based on the formulas and data collection methods applied by the consulting company.

Scope 1 and Scope 2 emissions of Unitex factory.

GHG'S UNITEX FACTORY		UNIT: (TONS OF CO ₂ E)				
No.	Emission Activities	2021	2022	2023	2024	2025
1	Scope 1: Direct emissions					48.64
1.1	Emissions from stationary combustion sources					8.06
1.2	Domestic wastewater treatment					37.15
1.3	Emissions from Refrigerants					0.00
1.4	Emissions from fire extinguishers					3.44
2	Scope 2: Indirect emissions					29,226
2.1	Emissions generated from purchased electricity					29,226
Scope 1 + Scope 2					29,274.98	29,274.98



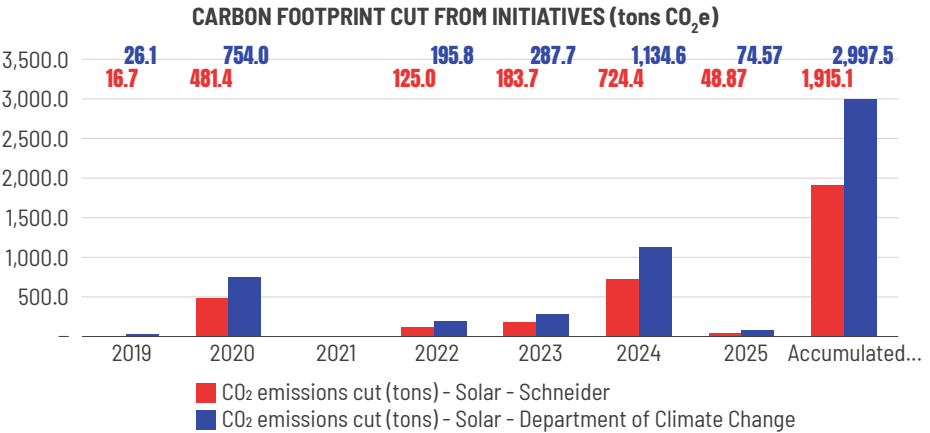
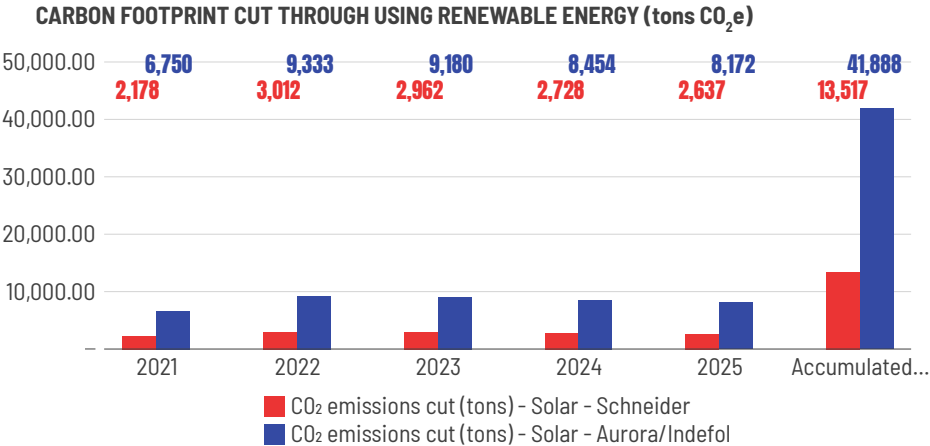
In 2025, Scope 2 emissions showed significant variations among the plants, with Cu Chi plant being a notable example. Specifically, Scope 2 emissions at this plant increased from more than 3,565 tons CO₂e in 2024 to 7,211 tons CO₂e in 2025. The main reason was the difference in production operating periods between the two years. In 2025, the Cu Chi plant maintained operations until July before scaling down production. Meanwhile, in 2024, the plant had already reduced its operating scale from the first quarter through the end of the third quarter, resulting in a longer production suspension period compared to 2025. As a result, electricity consumption in 2025 increased accordingly, leading to higher Scope 2 emissions than in the previous year.

Similarly, the actual operating capacity of the Trang Bang plant did not reach its maximum level, causing many machines to operate below full capacity and contributing to lower overall electricity consumption during the year. Consequently, emissions decreased from more than 44,426 tons CO₂e in 2024 to 39,401 tons CO₂e in 2025.

In particular, the Unitex plant underwent trial operations during 2025 and officially commenced operations in early 2026. During this period, energy consumption data were also collected and used for greenhouse gas emission calculations to ensure that emission monitoring and management were conducted comprehensively and consistently.



Details of scope 2: Carbon footprint reduction due to electricity saving measures and using renewable electricity.

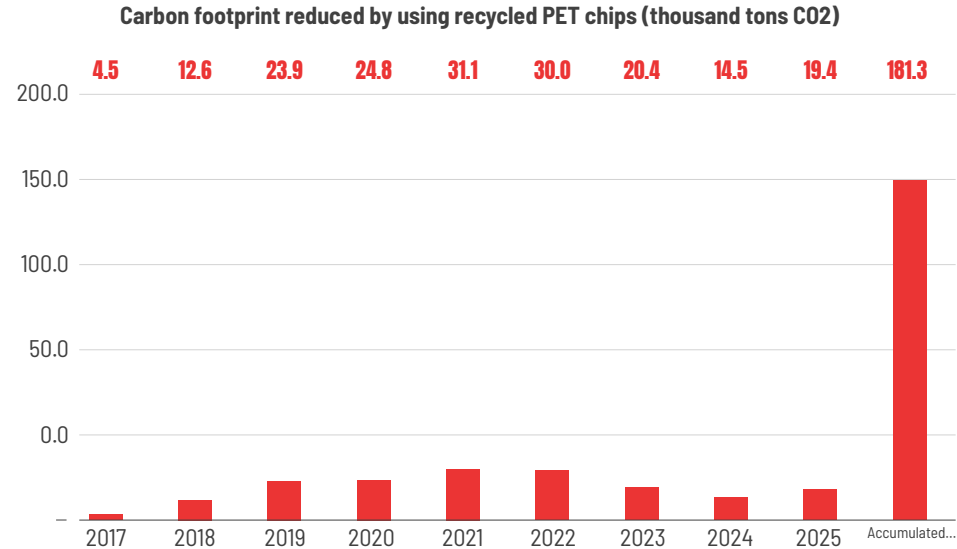


Thanks to the use of **renewable energy**, the cumulative carbon footprint reduction by 2025 was **13,517** tons CO₂e, according to **Schneider**⁸ emission factor and **41,888** tons CO₂e, according to the **Indefol/Aurora**⁹ emissions factor.

Thanks to **electricity-saving initiatives**, the cumulative carbon footprint reduction by 2025 was **1,915** tons CO₂e according to **Schneider's** emission factor and **2,998** tons CO₂e according to **the Department of Climate Change's emission factor**¹⁰

⁸ Schneider Electric's emission factor is 0.432 tons CO₂/Mwh.
⁹ Indefol/Aurora's emission factor is 1,3387 ton CO₂e/Mwh
¹⁰ Department of Climate Change's emissions factor is 0.6766 tons CO₂/Mwh.

Details of scope 3: carbon footprint reduced by using recycled PET chips.



Notes: According to Century's PET chips suppliers, the emission factors of recycled PET chips and virgin PET chips are 0.5 tons CO₂e/ton of chips and 2.36 tons of CO₂e/ton of chips, respectively

The cumulative carbon footprint reduction from 2017 to 2025 due to using recycled PET chips was **181.3 thousand tons CO₂e**

CENTURY'S CARBON FOOTPRINT INDEX IN 2025 AS BELLOWS (GRI 302-5, GRI 305-4, GRI 305-5)

Carbon emissions (Schneider Electric)

	CONSUMPTION AMOUNT IN 2025	EMISSION FACTOR CO2 (SCHNEIDER ELECTRIC)	CARBON EMISSIONS 2022	CARBON EMISSIONS 2023	CARBON EMISSIONS 2024	CARBON EMISSIONS 2025	INCREASE/ DECREASE (%) 2025/2024
Electricity Consumption volume	115,809 MWh/year	0.432 (tCO ₂ e/MWh)	53,266 (tCO ₂ e/ year)	42,853 (tCO ₂ e/ year)	33,484 (tCO ₂ e/ year)	50,029 (tCO ₂ e/ year)	49%

In which, carbon emission per 1 kilogram of polyester filament yarn (Scope 2)

DTY	1.96 kwh/kg	0.432 (kgCO ₂ e/kWh)	0.69 (kgCO ₂ e/kg)	0.79 (kgCO ₂ e/kg)	0.85 (kgCO ₂ e/kg)	0.78 (kgCO ₂ e/kg)	-8.6%
FDY	1.11 kwh/kg	0.432 (kgCO ₂ e/kWh)	0.45 (kgCO ₂ e/kg)	0.48 (kgCO ₂ e/kg)	0.48 (kgCO ₂ e/kg)	0.76 (kgCO ₂ e/kg)	58.2%
POY	1.05 kwh/kg	0.432 (kgCO ₂ e/kWh)	0.40 (kgCO ₂ e/kg)	0.44 (kgCO ₂ e/kg)	0.45 (kgCO ₂ e/kg)	0.45 (kgCO ₂ e/kg)	0%

Notes: Scope 2 emission is based only on EVN Electricity consumption/kilogram of yarn (and it does not include solar power because the emission factor of solar power is 0).

Carbon Emissions (Department of Climate Change)

	CONSUMPTION AMOUNT IN 2025	EMISSION FACTOR CO2 DCC	CARBON EMISSIONS 2022	CARBON EMISSIONS 2023	CARBON EMISSIONS 2024	CARBON EMISSIONS 2025	INCREASE/ DECREASE (%) 2025/2024
Electricity Consumption volume	115,809 MWh/year	0.6592 (tCO ₂ e/MWh)	88,587 (tCO ₂ e/ year)	71,756 (tCO ₂ e/ year)	51,093 (tCO ₂ e/ year)	76,341 (tCO ₂ e/ year)	46%

In which, carbon emission per 1 kilogram of polyester filament yarn (Scope 2)

DTY	1.96 kwh/kg	0.6592 (kgCO ₂ e/kWh)	1.05 (kgCO ₂ e/kg)	1.20 (kgCO ₂ e/kg)	1.29 (kgCO ₂ e/kg)	1.18 (kgCO ₂ e/kg)	-8%
FDY	1.11 kwh/kg	0.6592 (kgCO ₂ e/kWh)	0.69 (kgCO ₂ e/kg)	0.74 (kgCO ₂ e/kg)	0.73 (kgCO ₂ e/kg)	1.16 (kgCO ₂ e/kg)	58%
POY	1.05 kwh/kg	0.6592 (kgCO ₂ e/kWh)	0.62 (kgCO ₂ e/kg)	0.67 (kgCO ₂ e/kg)	0.69 (kgCO ₂ e/kg)	0.69 (kgCO ₂ e/kg)	0%

Notes (1) Scope 2 emission is based only on EVN Electricity consumption/kilogram of yarn (it does not include solar power because the emission factor of solar power is 0). (2) The emission factor used to calculate carbon emissions in 2024 is 0.6592, according to Official Dispatch No. 1726/ĐKHKH-PTCBBT regarding the calculation of the emission factor of Vietnam's electricity grid in 2023.

Total emissions in 2025 increased by 46% compared to 2024, rising from 51,093 to 76,341 tCO₂e/year. The main reason was that the Unitex plant began trial operations in 2025, leading to a significant increase in electricity consumption (44,336 MWh). This increase in electricity usage consequently resulted in a corresponding rise in Scope 2 emissions.

During the 2024–2025 period, the CO₂ emission factor per kilogram of yarn (Scope 2) showed different trends among DTY, FDY, and POY product lines.

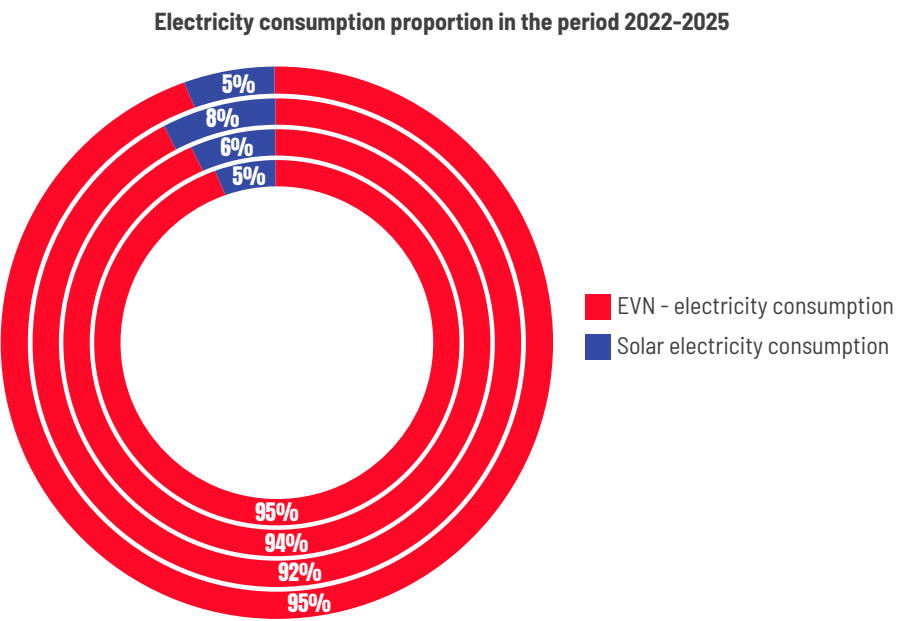
For DTY, the emission factor decreased from 1.29 to 1.18 kgCO₂e/kg (equivalent to a reduction of approximately 8%). This result was mainly driven by improvements in electricity efficiency, particularly at the Unitex plant. By applying modern machinery and advanced technologies, Unitex optimized

electricity consumption per kilogram of yarn and achieved the targeted electricity consumption norms. Although the Trang Bang plant did not fully meet the target, the overall average efficiency across the three plants still improved. For FDY, the emission factor increased significantly from 0.73 to 1.16 kgCO₂e/kg (an increase of approximately 58%). The main reason was operational adjustments, whereby certain compressors and supporting equipment were prioritized for FDY lines, while some POY lines were temporarily suspended. This increased the amount of electricity allocated to FDY per unit of product, resulting in a sharp increase in the emission factor. For POY, the emission factor remained almost unchanged at 0.69 kgCO₂e/kg between the two years. The reduced use of supporting equipment (due to prioritization for FDY) helped offsetting other fluctuating factors, thereby maintaining a stable emission level.

CARBON FOOTPRINT REDUCTION GOAL

1. THROUGH USING RENEWABLE ENERGY- SOLAR ENERGYI (GRI 302-5)

Rooftop solar project at Cu Chi and Trang Bang factories with a capacity of 7.4 Mwp. The company has cooperated with a partner to install rooftop solar power systems for both Cu Chi and Trang Bang factories since 2020. In the coming time, the Company plans to increase the proportion of renewable energy use by signing contracts with a strategic partner to deploy rooftop solar power projects at Unitex factory and DDPA¹¹ projects at Trang Bang and Unitex factories.



Note: From the innermost to the outermost ring corresponds to the years 2022-2025

¹¹ DPPA (Direct Power Purchase Agreement) is a direct agreement between the power producer and the power buyer on the purchase and sale of electricity without going through EVN's power companies bilateral; the electricity price and duration are agreed upon by both parties. Therefore, businesses can manage electricity price fluctuations, reduce the amount of electricity bills, and enhance their reputation.

FROM THE BEGINNING OF THE PROJECT TO THE END OF 2025	
Amount of CO2 (tons) reduced by the solar systems	41,888
Electricity generated by solar systems (Mwh)	31,290

FROM 2026 UNTIL THE END OF THE PROJECT LIFECYCLE (TRANG BANG AND CU CHI-SOLAR SYSTEM)	
Amount of CO2 (tons) reduced by the solar systems	494,268
Electricity generated by solar systems (Mwh)	310.442
Increase the total capacity of the Solar systems to 75 MWp (2026-2027).	
Amount of CO2 (tons) reduced thanks to the Solar systems over the entire project lifecycle.	3,686,760
Electricity generated by solar systems (Mwh)	2,753,985

Note: Indefol/Aurora emission factor: 1.3387ton CO₂e/Mwh



2. THROUGH LIFTING THE TARGETED CONTRIBUTION OF RECYCLED YARN IN TOTAL SALES REVENUE BY 2027-2029 (GRI 302-5)

The company aims to increase the proportion of consumption of environmentally friendly products-“Recycle yarn”, from 49.9% in 2025 to 60%-70% in 2027-2029 in existing factories.

	2025	2027-2029
The proportion of Recycled yarn in total sales revenue	49.9%	60%-70%
The amount of CO2 (tons) can be reduced by using recycled materials - Recycle PET chips from post-consumer-used plastic bottles.	35.1 thousand tons	around 123.05 thousand tons

3. PARTICIPATE IN CARBON DATA REPORT AND ASSESSMENT INVENTORIES



In 2022, in order to improve and monitor activities related to environmental impact, the Company has participated in the Carbon Disclose Project (CDP) program. The company provides relevant information and data through detailed questionnaires on climate change topics (emission data scope 1,2,3), announcement of system administration methods for identifying risks and opportunities of the enterprise, corporate governance mechanism, matters of energy consumption and development strategy of the Company.

With the above results, the Company has identified areas where it needs to improve in the coming time: increasing the reliability of carbon footprint scope 1,2 and 3 emissions data through assessment and certification by reputable organizations, strengthening the implementation of energy planning and energy efficiency initiatives at the organization, increasing the engagement of supply chain participation in the commitment to reduce carbon emissions and the strategy to combat climate change.

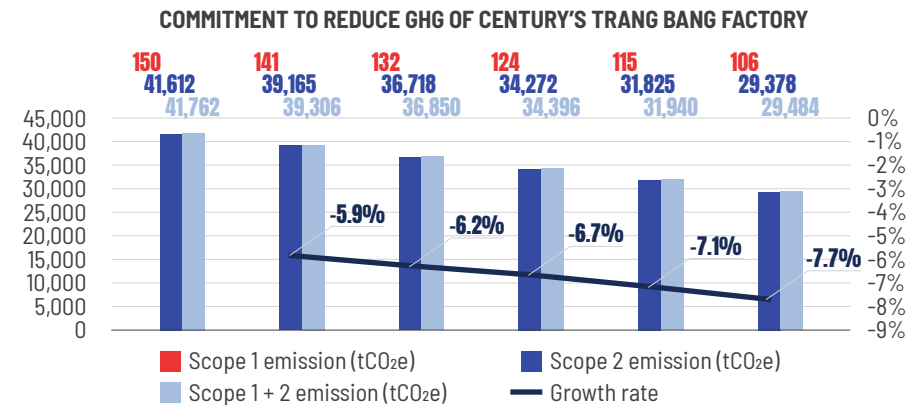
4. WE SIGNED THE SBTI COMMITMENT WITH A BRAND CUSTOMER.



In addition, the Company's Trang Bang Factory has joined with Decathlon brand to commit to SBTi¹² in 2023, accompanying this brand in setting greenhouse gas reduction goals. Century recognized the critical role of the business communities in minimizing the risks caused by climate change to the planet's future.

Details of the SBTi commitment between Decathlon and the company's Trang Bang factory. The target is to reduce greenhouse gas emissions by 2027.

BASE YEAR 2022		TARGET YEAR 2027	
Scope 1 Emission(tCO ₂ e)	150	Scope 1 Emission (tCO ₂ e)	106
Scope 2 Emission(tCO ₂ e)	46,612	Scope 2 Emission(tCO ₂ e)	29,378



The Company provided data about the energy consumption of Trang Bang factory on the “Resource Advisor” platform to verify whether the greenhouse gas reduction results at the factory are following the commitment roadmap. This disclosure will help the Company to make timely and appropriate adjustments to achieve its initial commitment to reduce emissions.

¹² SBTi stands for Science Based Targets initiative. The objective of SBTi is to ensure that companies, organizations, and governments set their greenhouse gas (GHG) emission reduction targets based on climate science.

5. SHORT-, MEDIUM-, AND LONG-TERM CARBON EMISSION REDUCTION MEASURES.

The details of potential greenhouse gas (GHG) emission reduction measures for Cu Chi factory are presented as follows:

NO.	SOLUTIONS	ELECTRICITY SAVINGS	COST SAVINGS	ESTIMATED INVESTMENT	IMPLEMENTATION PERIOD	PAYBACK PERIOD	EMISSION REDUCTION
		(kWh/year)	(million VND/year)	(million VND)	(Period)	(years)	(tCO ₂ e/year)
1	Use high-efficiency LED lighting	4,497	18	64	2025 - 2030	3.6	3
2	Replace belt-driven fans with direct-drive fans	7,876	31	Not much	2025 - 2028	Immediately	5.2
3	Install variable frequency drives (VFDs) for oil exhaust fans	18,903	75	38	2025 - 2026	0.5	12.5
4	Install VFDs for pumps and fans in air-conditioning (AC) systems	80,233	317	210	2025 - 2026	0.7	52.9
5	Install VFDs for cooling tower pumps and fans	117,869	466	310	2026 - 2028	0.7	77.7
6	Invest in new centrifugal and screw air compressor systems	409,869	1,620	4,500	2026 - 2027	2.8	270.2
7	Install smart electricity meters and energy management software, and establish an Energy Management System (EnMS)	58,672	232	450	2026 - 2030	1.9	38.7
Total		229,378	906	5,572		1.4	460

Source: Greenhouse Gas Emission Reduction Plan Report for Cu Chi factory, 2026-2030 Period.

The details of potential greenhouse gas (GHG) emission reduction measures for Trang Bang factory are presented as follows:

NO.	SOLUTIONS	ELECTRICITY SAVINGS	COST SAVINGS	ESTIMATED INVESTMENT	IMPLEMENTATION PERIOD	PAYBACK PERIOD	EMISSION REDUCTION
		(kWh/year)	(million VND/year)	(million VND)	(Period)	(years)	(tCO ₂ e/year)
1	Use high-efficiency LED lighting	51,102	95	62	2025 -2030	0.6	33.7
2	Replace belt-driven fans with direct-drive fans	101,807	190	Not much	2025 - 2028	Immediately	67.1
3	Install variable frequency drives (VFDs) for oil exhaust fans	61,364	114	90	2025 - 2026	0.8	40.5
4	Reduce the inlet air temperature of air compressors at Trang Bang 3 & 4	225,400	420	Zero	2025 - 2026	Immediately	148.6
5	Optimize the control of chilled water pumps, cooling water pumps, and cooling tower fans for energy efficiency	251,282	469	477	2026 - 2028	1.0	165.6
6	Install VFDs for pumps and fans in air-conditioning (AC) systems	629,366	1,174	1.047	2026 - 2027	0.9	414.9
7	Purchase carbon credits, I-REC certificates, or renewable electricity from renewable energy suppliers	-	-	379	2025 - 2026	-	16,676.9
Total		1,320,322	2,462	2,055		0.8	870

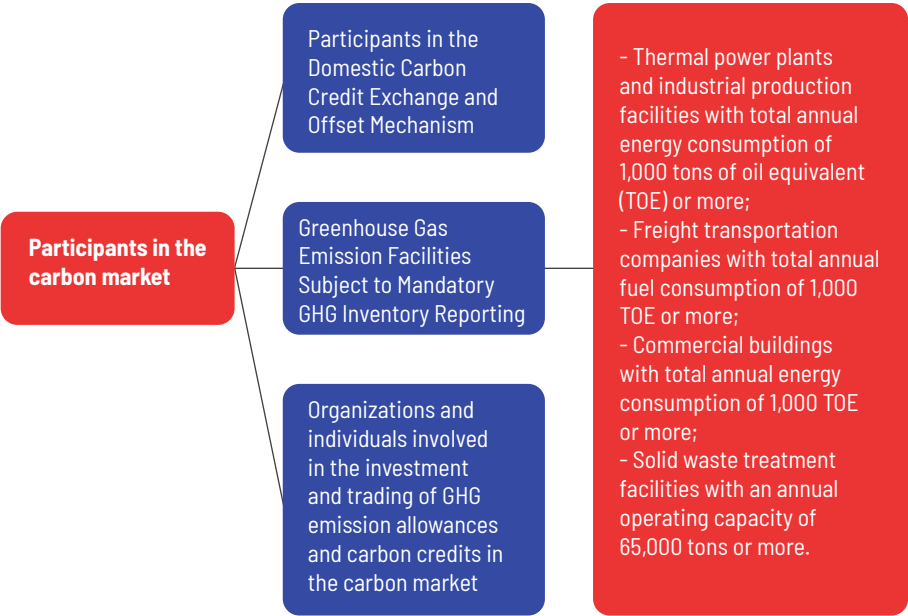
Source: Greenhouse Gas Emission Reduction Plan Report for the Trang Bang factory, 2026-2030 Period

UPDATE ON VIETNAM'S CARBON CREDIT MECHANISM

The carbon credit trading market in Vietnam is an economic mechanism that allows enterprises to trade emission allowances and carbon credits, thereby optimizing the cost of greenhouse gas emission reductions. It is considered an important tool for achieving the country's emission reduction targets, particularly in the context of Vietnam's commitment to achieving net-zero emissions by 2050.

Under the provisions of Decree No. 06/2022/NĐ-CP, Vietnam is gradually developing the legal framework and operational infrastructure for its carbon market, with a pilot phase scheduled to begin in 2025 and full-scale operation expected from 2028 onward.

PARTICIPANTS IN THE CARBON MARKET



ROADMAP FOR IMPLEMENTING THE CARBON CREDIT MECHANISM

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Preparation Phase: • Develop regulations on carbon credit management, greenhouse gas (GHG) emission allowance trading, and carbon credit transactions; establish operating rules for the carbon credit trading exchange. • Develop guidelines for measurement, reporting, and verification (MRV). • Establish the carbon credit trading exchange. • Develop the national GHG inventory system. • Pilot carbon credit exchange and offset mechanisms in potential sectors, and provide guidance on the implementation of domestic and international carbon credit exchange and offset mechanisms. • Develop communication materials and conduct capacity-building activities for participants in the carbon market.									
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
				Pilot Phase: - Establish and operate the carbon credit trading exchange on a pilot basis starting from 2025. - Pilot implementation in three sectors: Cement, Iron & Steel, and Thermal Power.					
2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
							Operational Phase: • Officially launch and operate the carbon trading exchange in 2028.		

LEGAL FRAMEWORK AND REGULATIONS FOR VIETNAM'S CARBON CREDIT TRADING MARKET

ITEM	INFORMATION	REFERENCE
Pilot operation period	2025	Clause 1(c), Article 17, Decree No. 06/2022/NĐ-CP
Official operation period	2028	Clause 2(a), Article 17, Decree No. 06/2022/NĐ-CP
Covered sectors	Industry and Trade, Transportation, Construction, and Natural Resources & Environment	Decision No. 01/2022/QĐ-TTg promulgating the list of sectors and facilities required to conduct GHG inventories
Allowance allocation	Based on greenhouse gas emission intensity per unit of product	Clause 3(a), Article 19 and Clause 2, Article 12, Decree No. 06/2022/NĐ-CP
Transfer and borrowing of allowances	The transfer and borrowing of GHG emission allowances are permitted within the domestic carbon market	Clause 3(b), Article 19 and Clause 3(c), Article 19, Decree No. 06/2022/NĐ-CP
Emission offsetting	Facilities may use carbon credits generated from projects under carbon credit exchange and offset mechanisms to compensate for GHG emissions exceeding their allocated emission allowances during a commitment period. The amount of carbon credits used for offsetting must not exceed 10% of the total GHG emission allowances allocated to the facility.	Clause 5(d), Article 19, Decree No. 06/2022/NĐ-CP
Allowance surrender and compliance obligations	At the end of each commitment period, facilities must pay for GHG emissions exceeding their allocated allowances or apply mechanisms such as auctioning, transferring, borrowing allowances, or using carbon credits for offsetting. In addition to any required payment, excess emissions will be deducted from the allowances allocated for the subsequent commitment period.	Clause 5(b), Article 19, Decree No. 06/2022/NĐ-CP

EXAMPLE OF EMISSION ALLOWANCE ALLOCATION METHODOLOGY

INDICATOR	EMITTING FACILITY A	EMITTING FACILITY B
GHG emission allowance allocated to the facility based on the benchmark emission limit issued by the government (tCO ₂ e)	10	20
Actual GHG emissions of the facility (tCO ₂ e)	15	10
Allowance surplus/(deficit) (tCO ₂ e)	-5	10
Emission reduction cost/profit (USD) (assuming a market price of USD 100 per allowance)	-500	+1000

Parameters and results of emission monitoring in 2025:

(See more results of air quality monitoring in Appendix 1)

IMPACTS OF THE CARBON CREDIT MARKET ON BUSINESSES AND CENTURY

The carbon credit trading market is expected to have significant impacts on business operations, particularly in emission-intensive industries such as textiles and apparel. Once this mechanism is fully implemented, companies will be required to comply with greenhouse gas (GHG) inventory, reporting, and verification requirements, while also being subject to allocated emission allowances. If actual emissions exceed the allocated allowances, companies will need to purchase carbon credits or incur additional compliance costs, thereby increasing operational cost pressures. However, this mechanism creates strong incentives for businesses to improve energy efficiency, invest in cleaner technologies, and optimize production processes in order to reduce emissions. In addition, companies with emission performance better than the industry average may benefit from selling surplus allowances or participating in carbon credit generation projects, thereby creating new revenue opportunities. Furthermore, participation in the carbon market can enhance corporate competitiveness, particularly as ESG requirements and carbon border adjustment mechanisms become increasingly widespread in international markets.

For Century, the carbon market presents both opportunities and challenges. Through its sustainable development strategy, the Company has continuously increased the proportion of recycled yarn products, utilized solar power, and plans to further increase the share of renewable electricity in the coming years. These initiatives may enable Century to maintain emissions below its allocated allowance, creating opportunities to participate in carbon market transactions and generate additional economic value from its emission reduction efforts.

At the same time, the expansion of “green” manufacturing activities strengthens Century’s position within the global supply chain, particularly among major brands with stringent environmental requirements. However, to fully capitalize on these opportunities, Century will need to continue investing in emission management systems, enhancing data transparency, and implementing long-term decarbonization measures, including optimizing energy consumption and increasing the use of renewable energy. In this context, the carbon credit market is not only a compliance mechanism but also an important lever that can help Century enhance its competitiveness and support its long-term sustainable development objectives.

EFFLUENT AND SOLID WASTES *(GRI 306)*

THE TOTAL VOLUME OF EFFLUENT BY LOCATIONS *(GRI 306-1)*

		UNIT	2017	2018	2019	2020	2021	2022	2023	2024	2025
Wastewater	Cu Chi	m ³	6,188	6,173	8,304	5,843	8,607	5,541	4,885	322	772
	Trang Bang 1,2	m ³	12,988	11,222	9,496	14,907	11,802	13,744	12,481	9,166	6,617
	Trang Bang 3	m ³	12,786	9,537	8,817	13,520	8,224	13,807	11,015	12,393	13,027
	Unitex	m ³								15,466	13,867
	Total	m ³	31,961	26,932	26,617	34,269	28,633	33,092	28,380	37,347	34,283

The Company's wastewater is primarily generated from two main sources: domestic wastewater from employees and production wastewater. In 2025, total wastewater discharge amounted to 34,283 m³, representing a decrease of 8.2% compared to 37,347 m³ in 2024. This reduction was mainly due to the trial operation of the Unitex plant.

In 2024, the Company's wastewater volume increased significantly by 31.6% compared to 2023. The primary reason was the commissioning and trial operation of the Unitex plant, which led to increased demand for clean water and a corresponding rise in wastewater generation. During the trial operation period, production equipment had to be operated repeatedly for technical adjustments and system optimization, resulting in higher water consumption than under normal commercial operations.

By 2025, as the Unitex plant gradually achieved more stable operations, both clean water consumption and wastewater generation were better controlled. As a result, wastewater discharge decreased by 8.2% year-on-year, reflecting the Company's efforts to optimize operations and improve water resource management efficiency.

The parameters and result of wastewater inspection in 2025:

(Refer further to the wastewater inspection result at attached Appendix 2)



TOTAL AMOUNT OF WASTE BY TYPE AND TREATMENT METHODS

(GRI 306-2, GRI 306-5)

WASTE TYPES	HAZARDOUS WASTE CODE	QUANTITY (KG)	ORGANIZATIONS AND INDIVIDUALS RECEIVING WASTE
TRANG BANG			
Waste fuel oil	170601	10,489	Moi Truong Xanh Vietnam Joint Stock Company
Waste diesel oil	170601	5,043	
Absorbent filtering material	180201	3,080	
Plastic rigid packaging waste: Empty 1,000-liter plastic containers	180103	16,524	
Plastic rigid packaging waste: Empty 200 L blue plastic drums	070109	2,652	
Sludge waste	120605	0	
Waste bulbs	160106	0	
Metal rigid packaging waste: Empty 200-liter steel drums	180103	0	
Total quantity		37,788	
CU CHI			
Plastic rigid packaging waste: Intact empty 1,000 L plastic containers	180103	3,402	Moi Truong Xanh Vietnam Joint Stock Company
Fuel oil	170601	3,646	
Waste diesel oil	170601	896	
Plastic rigid packaging waste: Empty 200 L blue plastic drums	180103	1,566	
Metal rigid packaging waste: Empty 200 L steel drums	180102	192	
Total quantity		9,702	

WASTE TYPES	HAZARDOUS WASTE CODE	QUANTITY (KG)	ORGANIZATIONS AND INDIVIDUALS RECEIVING WASTE
UNITEX			
Plastic rigid packaging waste: Cut 1,000 L plastic containers	180103	378	Moi Truong Xanh Vietnam Joint Stock Company
Plastic rigid packaging waste: Empty 1,000 L plastic containers	180103	14,190	
Plastic rigid packaging waste: Empty 200 L blue plastic drums	180103	0	
Waste fuel oil	170601	6,012	
Total Quantity		20,580	

- At Century, solid wastes from production and operation activities are strictly collected, classified and monitored in accordance with the regulation of wastes classification of GRS 4.0 – waste management
- The Company has signed contracts with waste collecting Companies, in which:
 - Collecting, transporting and treating of hazardous waste – Responsible Service Moi Truong Xanh Vietnam Joint Stock Company.
 - Domestic and industrial solid waste are collected, transported, and treated by authorized service providers, including Gia Dinh Duong Trading and Services Co., Ltd., My Phuoc Environmental Technology Trading and Services One Member Co., Ltd., Tui Xanh Environmental Trading and Services Co., Ltd., and Moi Truong Xanh Vietnam Joint Stock Company.
- The Company also makes the waste management report and submits it to the department of natural resources and environment of Ho Chi Minh city and Tay Ninh province.
- The Company registered as the hazardous waste owner with registration no.- QLCTNH79,002938, T (3rd issuance).

SIGNIFICANT SPILLS (GRI 306-3)

- The Company did not have any record of chemical spilling or wastewater leaking in 2024.
- The Company strictly adheres to the procedure of collecting, storing, transporting, and processing the Company's wastes following the GRS regulations and prevailing environment law.

TRANSPORT OF HAZARDOUS WASTE (GRI 306-4)

- For hazardous waste, the Company has separate storage with a hazardous warning sign under the regulations.
- The company labels each type of hazardous waste and strictly manages them accordingly.
- The company has contracted with a licensed service provider (Vietnam Green Environment JSC) to collect, transport, and treat this waste See also [Total waste by type and disposal method \(GRI 306-2\)](#).

ENVIRONMENT COMPLIANCE (GRI 307)

NON-COMPLIANCE TO ENVIRONMENTAL REGULATIONS AND LAWS (GRI 307-1)

- As shown in the environmental measurement reports which are prepared quarterly (conducted 4 times/year) and the annual environmental impact assessment of Century, measured environmental indicator are within the acceptable range under environmental laws.
- The Industrial Management Board and local environmental officers did not record any violations of environmental regulations.
- The cases of violation of environmental regulations and laws: 0 cases.

ENVIRONMENTAL PROTECTION TARGETS IN 2026

- The reuse rate of POY paper tubes is 3.0 times;
- Circulated water accounts for 2% of the total amount of water used;
- Target water consumption level m3/kg yarn: 0.0039;
- The portion of renewable energy in the total energy used is 10%;
- The contribution of recycled yarn in total sales revenue is 68%;
- Target electricity consumption kW/kg yarn: POY: 1.13 kW/kg yarn; DTY:1.95 kW/kg yarn; FDY: 1.89 kW/kg yarn
- Occurrence of violations on OSH, Fire Prevention and Environment when the inspection team of the State agency came to inspect the company: 0 cases;

SUPPLIER ENVIRONMENTAL ASSESSMENT (GRI 308)

RESPONSIBLE SUPPLIER ENGAGEMENT AND BUSINESS PRACTICES (GRI 308-1)

Century Synthetic Fiber Corporation selects and evaluates suppliers based on a comprehensive set of criteria, with particular emphasis on sustainability, transparency, and responsibility toward people and the environment. In addition to pricing considerations, the Company prioritizes partnerships with suppliers that demonstrate strong environmental and social performance, in line with its commitment to promoting sustainable development throughout the supply chain.

Suppliers are reviewed and evaluated periodically based on the following key criteria:

Product and service quality		Production conditions and technological capabilities
Operational capability and industry experience	Environmental and Social Responsibility Practices	
Price competitiveness		Compliance with Century Synthetic Fiber Corporation's Code of Conduct

By applying these criteria, Century Synthetic Fiber Corporation aims to build a responsible supplier ecosystem that contributes to ensuring product quality, optimizing operational efficiency, and enhancing sustainable value throughout the supply chain.

For essential service providers such as catering and security services, Century applies additional management requirements to strengthen transparency and compliance with labor policies. Specifically, the Company requests these suppliers to provide information related to employee wages, working hours, and participation in mandatory social insurance and health insurance schemes.

Through this approach, Century gradually promotes compliance with labor and social welfare regulations throughout its supply chain, while demonstrating its commitment to the working conditions and well-being of employees not only within the Company but also among its service providers.

NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN *(GRI 308-2)*

Environmental Impact Assessment from Suppliers

Suppliers' operations within the supply chain can result in various negative environmental impacts. Assessing these impacts enables Century to select appropriate partners, minimize risks, and implement its sustainable development strategy.

Below are the potential environmental impacts that Century's suppliers may cause.

NO	ENVIRONMENTAL IMPACTS	DETAILS
1	Greenhouse Gas (GHG) Emissions and Air Pollution	- Suppliers' manufacturing activities may generate CO₂, CH₄, and N₂O—greenhouse gases that contribute to climate change. - The transportation of raw materials and finished products using fossil fuels increases CO₂ and NO_x emissions. - The use of boilers, generators, and chemicals during production may release hazardous air pollutants such as SO₂ and volatile organic compounds (VOCs), impacting air quality.
2	Water Pollution and Resource Depletion	- Discharging untreated wastewater from production activities containing heavy metals and toxic chemicals can pollute water sources. - Excessive use of groundwater and surface water during manufacturing processes may deplete water resources and affect local communities. - Wastewater from the dyeing, washing, and processing stages can cause severe pollution if not treated properly.
3	Soil Pollution and Solid Waste	- Industrial waste such as plastic packaging, metals, residual chemicals, and sludge from wastewater treatment can cause soil contamination if not properly managed. - Chemical, oil, or fuel leaks during storage and operations may pollute the soil, affecting surrounding ecosystems. - Solid waste from production processes (packaging, scrap materials, defective products) can increase waste burdens if not recycled.
4	Impacts on Biodiversity and Ecosystems	- Extraction of raw materials (such as minerals, and petroleum) can lead to environmental degradation and harm biodiversity. - Unsustainable manufacturing practices may disrupt ecological balance and negatively affect flora and fauna. - Land use changes for factory expansion can threaten the natural habitats of native species.
5	Use of Natural Resources and Product Life Cycle	- Suppliers that consume large amounts of energy and raw materials significantly increase their carbon footprint. - Use unsustainable materials from unmanaged forests, such as virgin plastic, non-organic cotton, and paper. - Products that are not easily recyclable or reusable contribute to increased post-consumer waste.
6	Waste Management and Extended Producer Responsibility (EPR)	- Suppliers lacking effective recycling or waste treatment policies may cause environmental pollution and violate legal regulations. - Insufficient responsibility for product take-back after use leads to greater waste generation and environmental burden.

Century prioritizes the analysis of PET chip suppliers, as this is a core raw material that plays a vital role in the production process of Century's final products.

PET chip suppliers can have various environmental impacts throughout the product's life cycle, from raw material extraction, manufacturing, and transportation to end-of-life treatment. Evaluating these impacts helps Century to identify potential risks and promote more sustainable solutions across the supply chain.

NO	ENVIRONMENTAL IMPACTS	DETAILS
1	Greenhouse Gas (GHG) Emissions	- The production of PET chips—especially from fossil-based feedstocks such as oil and natural gas—consumes a large amount of energy and generates significant CO₂ emissions. - The transportation of PET chips also contributes to emissions, particularly when sourced from distant international suppliers.
2	Natural Resource Consumption	- Raw materials: Virgin PET chips are produced from petrochemical by-products, which are non-renewable resources. - Water: PET chip production requires substantial water usage, which may lead to water scarcity in manufacturing regions.
3	Environmental Pollution	- Water Pollution: Wastewater from PET chip production processes may contain hazardous chemicals, potentially contaminating groundwater and harming aquatic life. - Air Pollution: Manufacturing activities can emit harmful gases such as SO₂, volatile organic compounds (VOCs), and other pollutants, degrading air quality. - Microplastic Pollution: Small plastic particles may leak into the environment during production, transport, or disposal, negatively impacting ecosystems and human health.
4	Impact on Biodiversity	- Expansion of PET chip production facilities without proper controls can lead to deforestation or land degradation. - Microplastics entering the environment may infiltrate the food chain, affecting marine ecosystems and wildlife.
5	Inefficient Waste Management and Recycling Practices	- Recycled PET chips help reducing environmental impacts compared to virgin PET chips. - Some PET chip suppliers may not effectively manage waste or recycling processes due to the lack of advanced recycling technologies. As a result, post-consumer plastics are not recycled into new materials but instead become waste, leading to resource inefficiency and negative environmental impacts.

Every six months, the company conducts supplier evaluations based on pricing and prioritizes partners with reputable environmental certifications such as ISO 14001, GRS, etc. At the same time, the company encourages the use of recycled PET chips to reduce carbon emissions and improve resource efficiency. In addition, the company has established supplier assessment criteria based on sustainability standards and environmental-social policies to ensure alignment with corporate responsibility commitments and long-term development goals.

Century's Supplier Group Assessment (Latest Evaluation – Second Half of 2025)

CENTURY'S SUPPLIER GROUP ASSESSMENT (07/2025 - 12/2025)

NO	ITEM GROUP	NUMBER OF SUPPLIERS ASSESSED	AVERAGE EVALUATION SCORE (POINTS)
1	Adhesive Tape	2	66.5
2	Carton Boxes	7	65.0
3	Chips	6	71.7
4	Imported Oil	4	71.5
5	Subcontracting Services	5	64.6
6	Imported Chemicals	2	72.0
7	Domestic Chemicals	5	69.4
8	Imported Components	7	65.9
9	Domestic Components	11	68.3
10	Nylon	2	67.5
11	Paper Tubes	4	65.8
12	Pallets	4	66.0
13	Ink Labels	2	69.5

Note: Suppliers scoring above 50 points will continue to be considered, maintained for collaboration, and eligible for future purchase orders.

TABLE OF SUPPLIERS' ESG EVALUATION FROM JULY 2025 TO DECEMBER 2025

NO	ITEM GROUP	NUMBER OF SUPPLIERS ASSESSED	AVERAGE EVALUATION SCORE (POINTS)
1	Paper Tube	3	90
2	Carton Box	5	91
3	Chip	1	97
4	Imported Oil	1	97

Note: The maximum score is 100, and suppliers who score 90 points or above in the Social and Environmental Responsibility (S&E) assessment will be prioritized for larger orders or subsidiary contracts.

Suppliers will continue collaborating with Century if they meet the minimum required score, depending on each supplier category, per the Company’s regulations.

In the case that a supplier causes a negative environmental impact, Century may implement the following corrective actions:

- Request for Improvement: Century will work directly with the supplier to identify the issue and require them to implement corrective measures, such as upgrading the production process, improving waste management systems, or obtaining environmental certifications like ISO 14001, GRS, etc.
- Enhanced Monitoring and Evaluation: Suppliers found in violation will be placed on a special watchlist and evaluated more frequently to ensure they meet their environmental commitments and comply with the Company’s standards.





Continuously improving labor policies, improving working skills and developing careers for employees, the Company focuses on attracting and maintaining a stable workforce for production activities



2025 OBJECTIVES	2025 RESULTS
• Ensuring welfare policy for employees; reduce employee turnover rate; • Increasing average training hours; developing many advanced training programs for employees; • Creating promotion opportunities for employees; reducing the number of cases of labor accidents and occupational diseases; • Ensuring that all employees are equipped with occupational safety-sanitation-knowledge and a safe working environment for employees; • Providing quality and safe products for customers; • Local community development; ensuring anti-corruption; • Employee turnover rate 25%; • Failed recruitment rate 20%; • Meeting 95% of human resource needs; • Salary Budget Management 97%;	• Tet bonus for more than 1 month's average salary for employees; • The employee turnover rate in 2025 is 35.3 % compared to 40.99% in 2024. The average training hours increased significantly by 27% compared to the previous year; • Organizing more than 39 training courses to improve employee skills; the ratio of employees assessed for career development is 90%; • Number of accidents and occupational diseases: 0 cases; rate of employees trained in occupational safety, health and hygiene: 100%; • The inspection report results are qualified with the standards of the working environment according to the regulations of the State; • There have been no incidents of non-compliance regarding the health and safety impacts of products and services; • Number of corruption cases: 0 cases; • Employee turnover rate 35.3%; • Failed recruitment rate 25.43%; • Meeting human resources needs 62.59%; • Salary Budget Management 113.85%;

1. THE MANAGEMENT APPROACH (GRI 2-12)

The objectives are to maintain and develop the labor recruitment policy and to ensure sufficient human resources for the Company's production activities. Century is always committed to transparency in the recruitment process and ensures a fair and transparent working environment for applicants, creating opportunities for employees to develop themselves and their careers; adhering to the Government legal requirements on occupational health and safety for all employees, suppliers and interested parties.

In addition, the Company always balances sustainable economic growth with activities that contribute to the benefit of the local community and society where the factories are located.

Policies	- Recruitment policy and procedure at the Company; - Reward regulations in 2025; - Training plan in 2025; - Safety - hygiene - labor policies according to GRS 4.0 standards; - Regulations on occupational safety according to Decree 44/2016/ND-CP; - Procedures and policies of the system ISO 9001-2015, GRS v4.0, 5s, Reach 168, OEKO – TEX 100; - Local community development policy according to GRS v4.0 social responsibility standards;
Commitments	- The Company commits to provide a transparent recruitment process and an impartial working environment to the candidates; - The Company commits to provide the most comfortable and safest working environment to all employees; - The Company commits to provide high quality and safe products to customers; - The Company commits to contribute to the development of the local community where the Company is operating;
Goals and Targets	- Ensuring stable human resources for the Company; - Conserving and developing stable human sources with good working skills for the Company; - Reducing the labor safety risks for employees working at the Company; - Satisfying the customer demand and enhancing the Company's prestige in the market; - Enhancing the average income, improving knowledge level and the living conditions of local workers;

Responsibilities	- Board of management
Management resources	- Administration team, Human resources team, Training team, Board of management, ISO team, production team, Recruitment team, Full-time in-charge person of occupational health and safety, health and safety network, Trade Union.
Grievance mechanisms	- Human resources team;

2. EVALUATION OF THE MANAGEMENT APPROACH (GRI 2-18)

- During the 2024–2025 period, business performance did not meet expectations due to continued weak market demand and intense price competition, resulting in lower order volumes, reduced production output, and lower revenue. In 2025, the Company implemented selective salary adjustments for certain positions rather than applying a company-wide salary increase as it did in 2024. This decision was made in the context of business results falling short of expectations in 2025, while 2026 is expected to remain a challenging year for Century. Despite these challenges, the Company continues to support and encourage its employees, improve their well-being, create employment opportunities, and align the interests of employees with those of the business.
- The employee turnover rate in 2025 was 35.3%, a decrease from 40.99% in 2024, indicating a more stable trend despite still being higher than the target of 25%. The primary reason was the adjustment in production scale at Cu Chi and Trang Bang factories due to economic fluctuations and market demand, which impacted human resources in 2025. Nevertheless, the Company continues to try to retain talent and adjust its human resource strategy to ensure long-term stability.
- The Company's training programs and courses have contributed to improving employee performance by supporting the achievement of the Company's overall KPIs as planned.
- No occupational accidents have been recorded in recent years, and employees' average overtime hours have significantly decreased.
- Community and local contributions have been further strengthened through sponsorships for scholarship funds at local schools and by creating more job opportunities for local workers through the Company's new projects.

EMPLOYMENT (GRI 401)

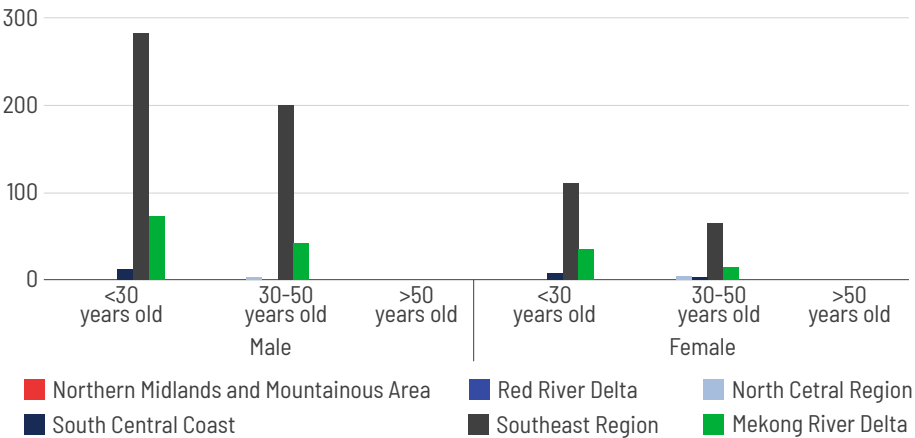
NUMBER OF NEW HIRES AND EMPLOYMENT TURNOVER RATE (GRI 401-1, GRI 405)

The number of full-time employees at 31/12/2025 was **968** people

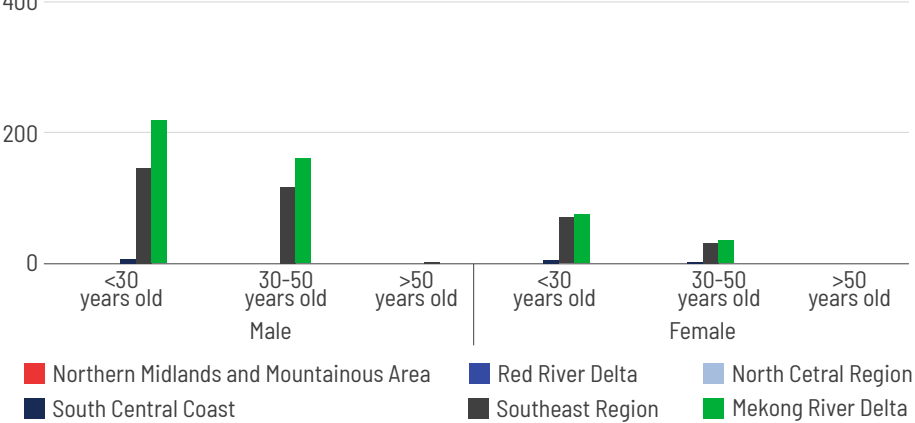
100% of employees are covered by a Collective Labor Agreement (CLA).		968 Total employees	0 0 cases of child labor or forced labor violations
22% Employees Participating in the Trade Union	1% Percentage of Female Managers		0 Code of Conduct Violations and Corruption Cases
26% Female employees			0 Number of Discrimination Incidents
			0 Number of Complaints and Grievances Raised

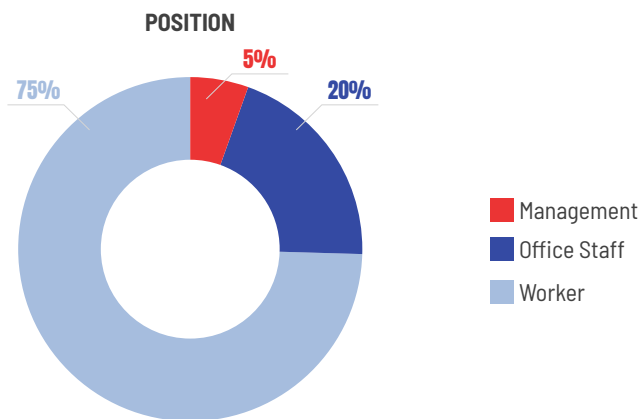
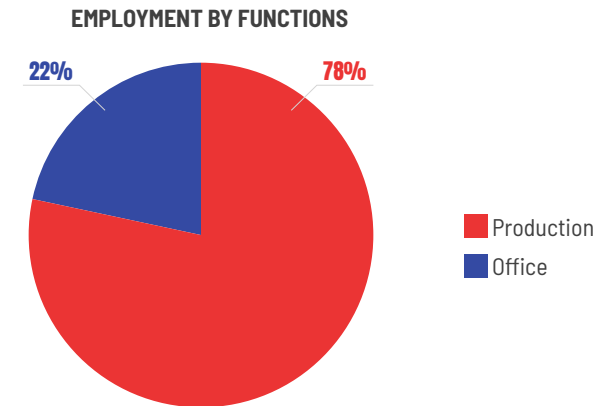
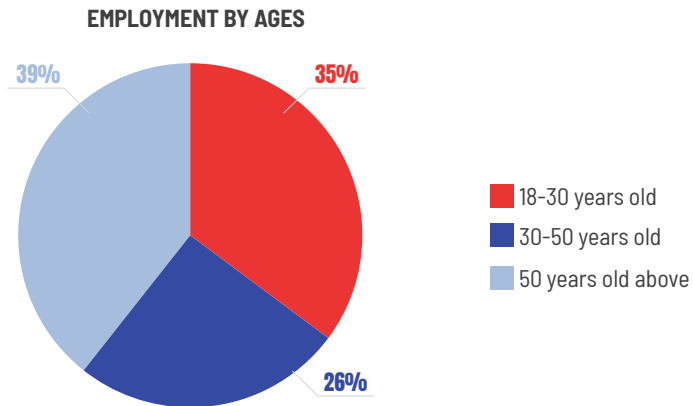
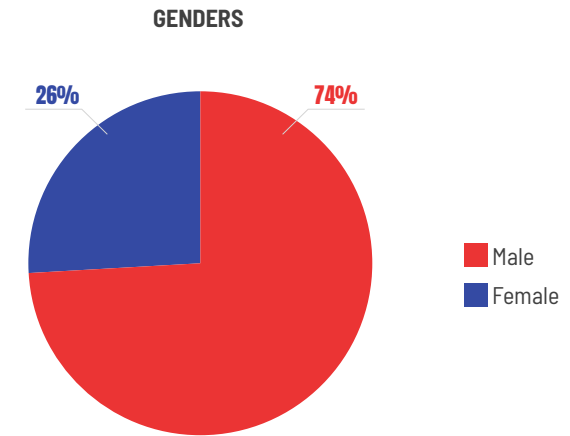
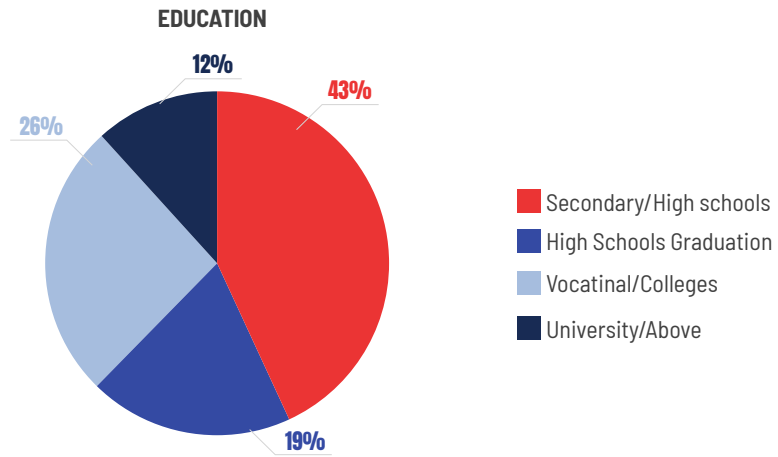
In 2025, Vietnam’s textile and garment industry showed positive signs of recovery; however, the domestic yarn sector remained in a phase of adaptation to ongoing market challenges. Amid fluctuating demand and intense price competition, the Company proactively optimized its production operations. This included scaling down operations at Cu Chi factory from July 2025 and flexibly managing activities at Trang Bang factory. These adjustments enabled the Company to enhance operational efficiency, control costs, and remain well-positioned to seize opportunities as the market improves.

THE TOTAL NUMBER OF NEW HIRES IN THE REPORTING PERIOD



THE NUMBER OF EMPLOYEES LEAVING IN REPORTING PERIOD

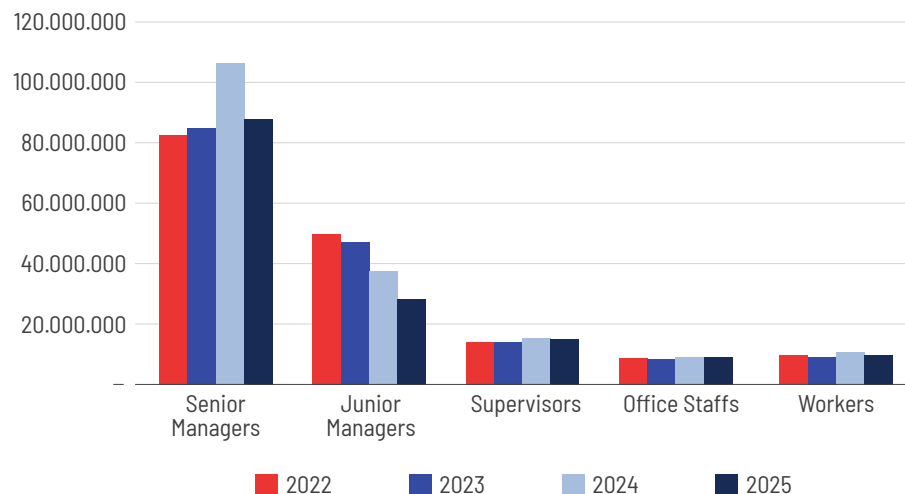




BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES (GRI 401-2)

POLICY ON WORKING TIME	BASIC SALARY POLICY
- The company does not use part-time and temporary employees. - The Company commits that all of the Company's employments adhere to Vietnam's labor law. - Official working time is 8 hours per day and 6 days per week. Office staffs work from 08:00 to 17:00, from Monday to Saturday. - Due to the nature of production (24 hours per day), the production staff will work on Sundays, holidays, and the TET festival on 03 shifts. The workers will then have compensatory leaves on other days in a week. - At some points in time, due to the need to speed up production schedule or, fulfill contracted orders or other unplanned requirements, working overtime is performed in accordance with the following principles: (1) Based on worker's voluntary; (2) Not frequent and not over 12 hours per week; (3) Total number of over-times working hours should not exceed 200 hours per year; (4) Salary paid for over-time working should be higher than the one for official working time and complies with the laws.	- The Company always sets and updates salary scales based on a prevailing minimum basic salary of the region and regulations. The basic salary is updated annually to be aligned with the market conditions and the government regulations - The basic salary to calculate insurance contribution is based on the Company's salary scales. - Commitment not to apply the form of deduction of staff salaries for labor disciplinary measures, except for material compensation for causing damage according to the judgment of the Board of Disciplinary of Company and the Trade Union at the grassroots level.
BONUS POLICY	INSURANCE POLICY
According to the Company's salary and bonus policy, a staff will receive a bonus every month if that individual achieves the business target. There are different types of bonuses as follows: - Performance bonus - Bonus for compliance with working rules - Bonus for the fulfillment of duties - Extra performance bonus for production workers - Extra performance bonus for sales staff - Extra performance bonus for purchasing staff - Extra performance bonus of stevedoring/ warehouse/ forklift truck driver's positions - Bonus on national holidays Besides the monthly bonus as mentioned above, at the end of the year, Century will pay the following bonuses to staff: - Tet holidays bonus - Bonus on annual business performances;	- The Company pays for social insurance, medical insurance, and unemployment insurance in accordance with the State's regulations (the Company's insurance participation rate is 100%). - In addition, Century also buys accident insurance 24/24 for all the staffs.
WELFARE POLICY	ACTUAL SALARY POLICY
- Provision of free accommodation to the employee whose home is more than 30 kilometers from the workplace. - the Company also provides meals between work shifts, supplementary foods and drinks for heavy and/or hazardous jobs, annual leaves, periodic health examination... and all kinds of allowances: night shift, phone bill, gasoline, etc. - The Company signed and registered the collective labor agreement with the Labor Administration Authority in accordance with the laws. - At Century, all the policies on salaries, bonuses, rewards and welfares are promulgated in writing and reflected fully in the collective labor agreement, in accordance with the current regulations and announced publicly. - Vacation trip to all employees.	- OFFICE: Based on the nature of each position, Century will determine the salary scales. - PRODUCTION: Staff will receive the salary, which is based on productivity. The productivity wages will be adjusted in accordance with Century's business performances from time to time.

AVERAGE INCOME OF EMPLOYEES AT CENTURY (VND/YEAR)



In 2025, the Company implemented selective salary adjustments for specific positions rather than applying a company-wide salary increase as it did in 2024. This decision was made in light of business performance in 2024 falling short of expectations, while 2025 continued to present significant challenges for Century. Nevertheless, the Company continued to prioritize salary reviews and income adjustments for key positions and high-performing employees in order to maintain employee motivation and ensure workforce stability during this challenging period.

The Company continued to conduct the Employee Engagement & Wellbeing (EWB) Survey in 2025, marking the third consecutive year since the program was launched in 2023. The survey serves as an important tool for measuring employee engagement and overall wellbeing in the workplace. Through the EWB Survey, the Company systematically gathers employee feedback on various aspects, including working conditions, compensation, career development opportunities, corporate culture, and employees' physical and mental well-being. The survey results provide Management with valuable insights into employees' needs, expectations, and areas of concern, while also serving as a basis for developing initiatives to improve the working environment, enhance employee satisfaction, and strengthen retention. The continued implementation of the EWB Survey demonstrates the Company's commitment to sustainable human capital development and its people-centric approach to long-term growth.

Despite the challenges, the Company strived to sustain its operations while preparing for new opportunities in 2026, when the textile and garment industry is expected to recover strongly. Additionally, the Company continued to ensure timely payment of salaries and bonuses, strengthening employees' confidence in the Company and maintain a stable livelihood.

MATERNITY LEAVING (GRI 401-3)

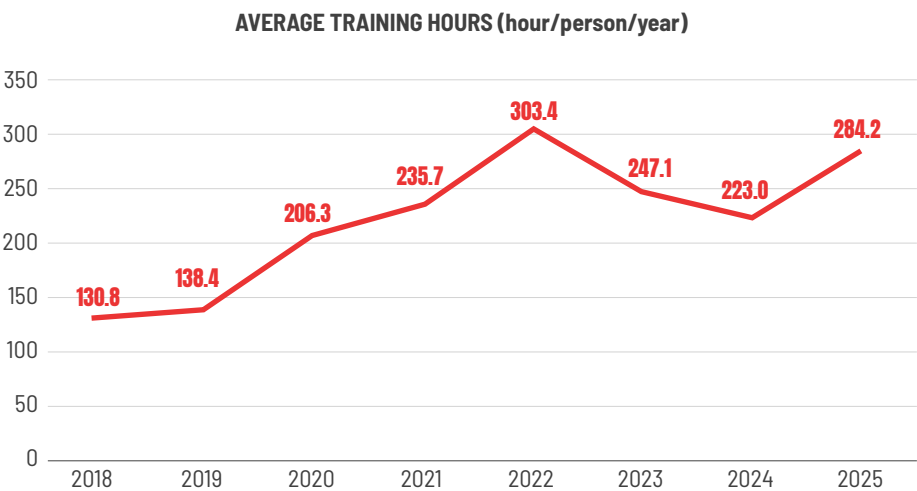
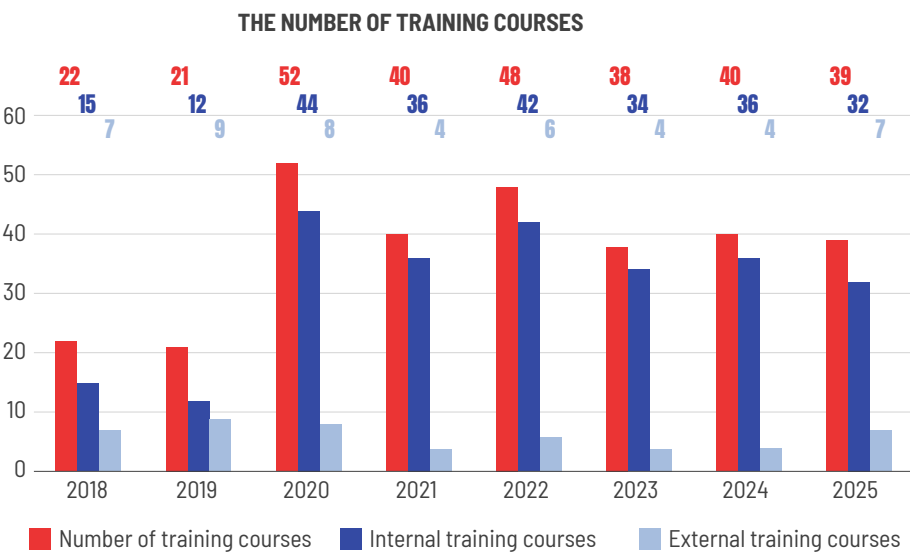
Total number of employees entitled to maternity leave	Male	34
	Female	22
Total number of employees who took maternity leave	Male	34
	Female	22
Total number of employees who returned to work in 2025 after completing maternity leave	Male	34
	Female	11
Total number of employees who returned to work after maternity leave during the reporting period and remained employed for at least 12 months	Male	20
	Female	7
Return-to-work rate or employee retention rate after maternity leave	Male	100%
	Female	50%



TRAINING AND EDUCATION (GRI 404)

THE AVERAGE TRAINING HOURS PER YEAR PER EMPLOYEE (GRI 404-1)

The Company organizes training courses for all employees, whereby the average training hours by employee levels and gender is equal:



PROGRAMS FOR ENHANCING EMPLOYEE SKILLS AND INTERNAL INTERNSHIP PROGRAMS (GRI 404-2)

The Company periodically conducts training programs on basic knowledge about the Company's culture, Company's products, ISO/ 5S/ KAIZEN/ LEAN/ SAP /POC, occupational safety, prevention of occupational diseases, occupational consciousness, skills improvement training, shift leaders training.

Training form: internal training and external training.

In addition to the standard training programs, in 2025 the Company offered special training courses as follows:

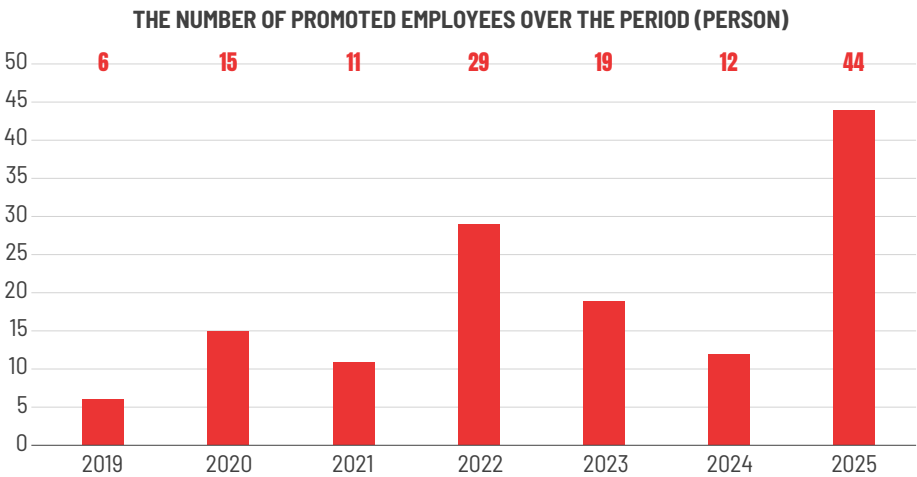
TRAINING COURSES	TRAINED DIVISIONS	TRAINING HOURS (HOURS)	NUMBER OF PARTICIPANTS (PERSON)						FORM OF TRAINING	
			MANAGERS		OFFICE STAFFS		WORKERS			
			QTY	TIME	QTY	TIME	QTY	TIME	INT	EXT
Skill training for new joiners in the production	Production	173.91					699	121,561	12	
Training programs for new employees such as Company Regulations (NQCT), Occupational Safety (ATLĐ), Chemical Safety (ATHC), Fire Prevention and Fighting (PCCC), 5S Workplace Organization, and Product Respect and Handling (TTSP).	All	2.0	12	24	149	298	699	1,398	12	
Social policies.	All	0.25	25		168	42	749	187.25	6	
Chemical Safety Training	All	16					30	480	2	
Energy Management Training	Utility Dept	40					1	40		1
Training on Export and Import Goods Origin Verification Procedures	Sales Dept	8			1	8				1
Training on Updates to Certificates of Origin (C/O) Regulations and Trade Risk Mitigation Solutions	Sales Dept	4			2	8				1
First Aid Training	All	8					20	160		1
Occupational safety training for groups 1 - 6	All	8	25	200	168	1344	749	5992		2
ISO Awareness and Internal Audit Training for Managers.	Managers	24	22	528						1

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (GRI 404-3)

PROMOTION POLICY:

- The company is committed to encouraging and maintaining a transparent and rigorous policy for the promotion and appointment of its employees.
- Qualified employees can apply for higher positions. The HR department will coordinate with the manager to monitor, orient and evaluate the candidate's ability for a new position. If their skills reach 70% of the standards, they will be trained and placed on probation for 2 or 3 months before being officially appointed to higher positions.
- In 2025, 44 employees were promoted to higher positions, 13 at Cu Chi factory, 14 at Trang Bang factory, and 17 at Unitex factory.

The proportion of employees receiving regular performance and career development reviews: 80%.



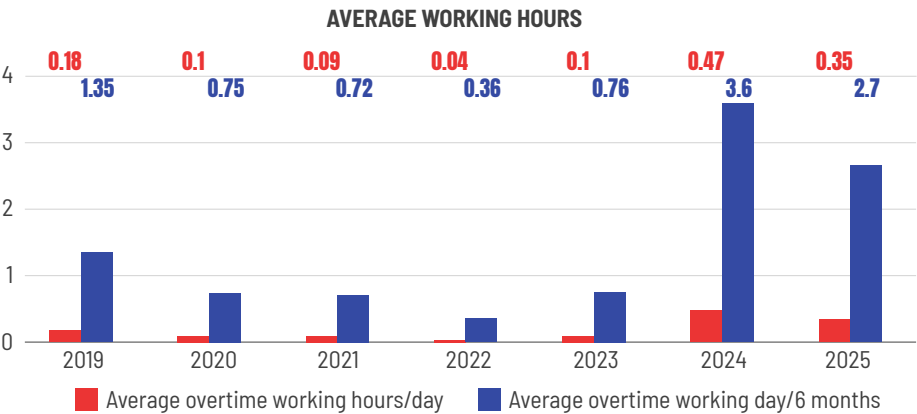
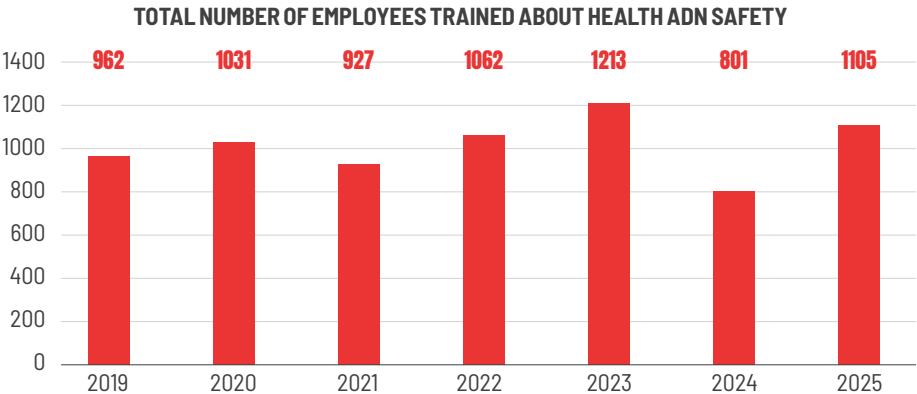
OCCUPATIONAL HEALTH AND SAFETY (GRI 403)

WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY (GRI 403-1)

- The Company's health and safety committee consist of one full-time occupational safety officer and the occupational safety network.
- The Company's health and safety committee are responsible to ensure that all production and operation activities at the Company comply with the health and safety regulations and policies.
- Periodically, the occupational health and safety committee will organize training and propaganda regarding labor safety at workplaces, fire drills, first aid drills and periodic health checks for the Company's employees; preparing health and safety report of the Company to submit to the Department of Labor, War Invalids and Social Affairs of Ho Chi Minh City and Tay Ninh about labor safety activities and the number of labor accident cases of the Company.
- + Health and safety network: 59 members (males: 49 people, females: 10 people)
- + The percentage of the Company's employees having representation in the official occupational health and safety committees: 100%.

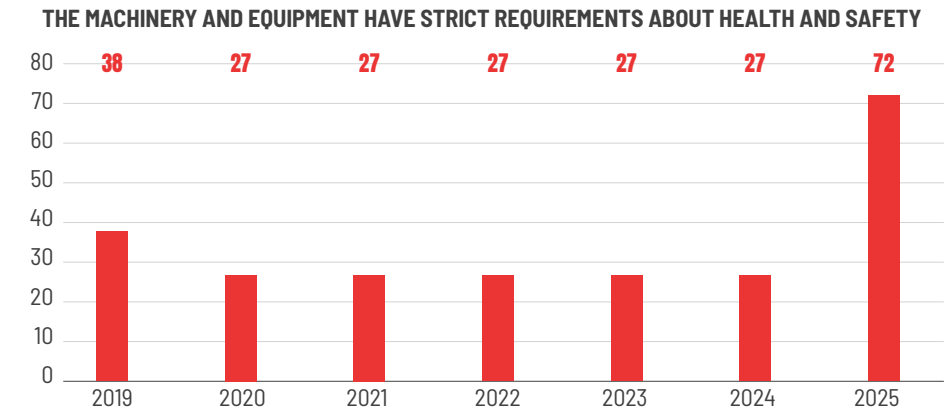
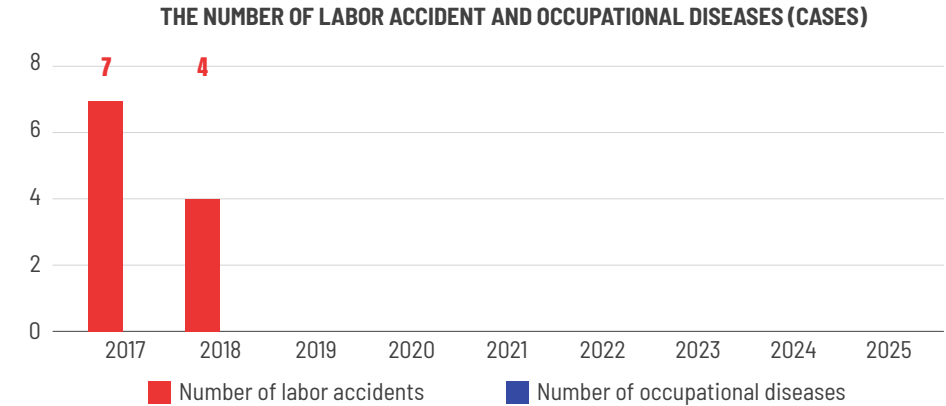


TYPES OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, ABSENTEEISM, AND NUMBER OF WORK-RELATED FATALITIES *(GRI 403-2, GRI 403-9, GRI 403-10)*



The number of machinery and equipment subject to stringent occupational safety and health (OSH) requirements changed significantly in 2025. The total number of such equipment at Trang Bang and Cu Chi plants remained unchanged compared to 2024. However, the new Unitex plant commenced trial operations in 2025 and officially began commercial operations in January 2026, resulting in an additional 45 pieces of equipment being classified as subject to stringent OSH requirements.

In 2025, the Company recorded no occupational accidents and no work-related injuries. Occupational health and safety performance indicators remained at optimal levels, with the occupational disease rate, lost-time injury rate, and work-related fatality rate all maintained at zero.



NUMBER OF LABOR ACCIDENT IN 2025		TYPE OF INJURY AND RATE OF INJURY	OCCUPATIONAL DISEASES RATE	LOST DAYS RATE	ABSENTEEISM RATE	WORK-RELATED FATALITY RATE
0 cases	Male	None	0%	0%	0%	0
	Female	None	0%	0%	0%	0

(Under the Company's report of occupational health and safety in 2025 to the Department of Labor, War Invalids and Social Affairs of Ho Chi Minh City and Tay Ninh – December 31st, 2025).

OCCUPATIONAL HEALTH SCREENING SERVICES AND OCCUPATIONAL SAFETY TRAINING FOR EMPLOYEES *(GRI 403-3, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8)*

The Company conducts two employee health examination programs annually, in June and December. The December program integrates both periodic health check-ups and occupational health examinations, allowing the Company to optimize implementation time and resources.

Occupational health examinations are designed to assess health risks related to workplace exposure, with audiometric testing (hearing assessments) being one of the primary examination items.

For periodic health examinations, the assessment includes measurements of height, weight, blood pressure, and heart rate; vision testing; blood glucose testing; blood and urine analyses; liver and kidney function assessments; and gynecological examinations for female employees).

By integrating both types of examinations into a single program, the Company not only ensures compliance with employee health care requirements but also enhances the effectiveness of monitoring and early detection of occupational health issues.



In addition, Century Synthetic Fiber Corporation conducts annual first aid training programs to equip employees with the knowledge and skills necessary to respond effectively to workplace emergencies. The training covers first aid safety practices and infection prevention measures, as well as essential first aid techniques, including safe casualty handling and transportation, airway obstruction management, emergency response for unconscious individuals, wound dressing, fracture immobilization, and burn treatment.

Through these training programs, Century aims to enhance employees' awareness of the importance of first aid and ensure they are equipped with the practical skills needed to respond promptly in emergency situations. This contributes to minimizing risks and promoting health and safety in the workplace.

WORKING ENVIRONMENT MEASUREMENTS:

- Century proactively implements measurement of the working environment to prevent occupational diseases and ensure health for employees.
- In 2025, the Company cooperated with the Southern Environmental Health Joint Stock Company to conduct an assessment of the working environment to identify the risks, hence proposing measures to minimize the impact of these risks in the working environment.

Measuring method: measure the indicators including microclimate, light, noise, dust, toxicant gas at certain technical positions in accordance with the standard measuring procedures developed by Institute for Occupational and Environmental Health – and published by the Medical Publishers in 2002.

Applicable standards:

- Conduct occupational hygiene monitoring in accordance with applicable regulations and technical standards issued by the Ministry of Health, including QCVN 22:2016/BYT, QCVN 24:2016/BYT, QCVN 26:2016/BYT, and other relevant legal requirements.
- Measure and monitor workplace microclimate conditions in accordance with TCVN 5508:2009 and the applicable requirements of QCVN 26:2016/BYT.

The testing result of the working environment measurement report in 2025:

(Refer further to [the testing result of microclimate, light, noise, dust, toxicant gas at attached appendix 3](#))

HEALTH AND SAFETY TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS *(GRI 403-4)*

- The Company's collective labor agreement covers health and safety matters. In the Company's collective labor agreement, headlines related to health and safety topics account for 11% of the total number of headlines.

CUSTOMER HEALTH AND SAFETY (GRI 416)

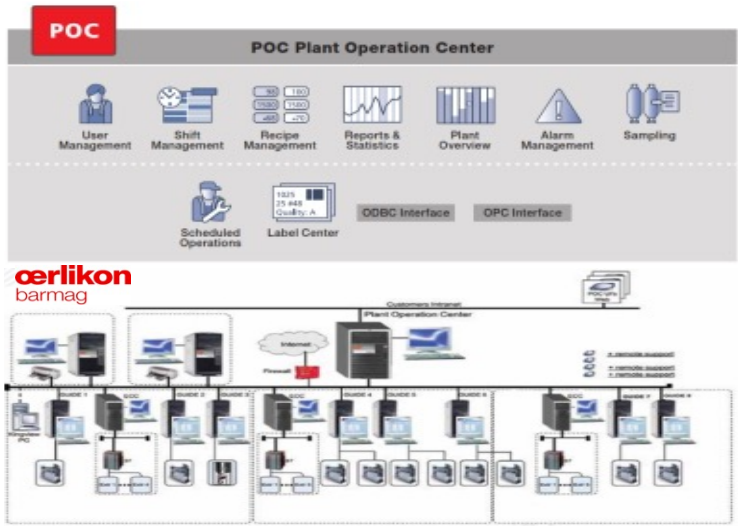
ASSESSMENT OF THE HEALTH AND SAFETY IMPACTS OF PRODUCTION AND SERVICE CATEGORIES (GRI 416-1)

Century's commitment to providing high-quality products is demonstrated through strict quality control of raw material input, production process, a quality check of finished products to ensure meeting the order requirements.

QUALITY CONTROL IS CARRIED OUT BY THE FOLLOWING DEPARTMENTS

PURCHASING DEPARTMENT	PRODUCTION, MECHANICAL & ELECTRICAL AND MAINTENANCE DEPARTMENTS:	QUALITY CONTROL DEPARTMENTS (QC)
They are responsible for checking and taking over raw materials, identifying and eliminating defective materials before production, evaluating the quality of raw materials during production, and requesting the suppliers to fix minor defects to ensure the stability of raw materials and product quality. Besides, the purchasing department has to ensure that raw materials meet the requirements set out in Material Safety Data Sheet (MSDS).	They are responsible for controlling the quality of work and product in the production process to identify errors and eliminate substandard products.	QC (Quality Control) is responsible for conducting 100% quality inspections for semi-finished products such as POY and final products like DTY and FDY. This department is also in charge of monitoring and controlling the technical parameters of the machinery.

THROUGH INVESTMENT IN MODERN MACHINERY AND PRODUCTION MANAGEMENT SYSTEM (POC)



Our existing factories are equipped with machines from Oerlikon Barmag, Germany. The production quality in terms of tension and yarn breakage is monitored by Unitens and actual output is controlled by the Plant Operations Center ("POC"). The POC and Unitens systems are the premise to upgrade our existing factories into smart factories, helping the production department to achieve higher production efficiency by eliminating errors right in the production process.

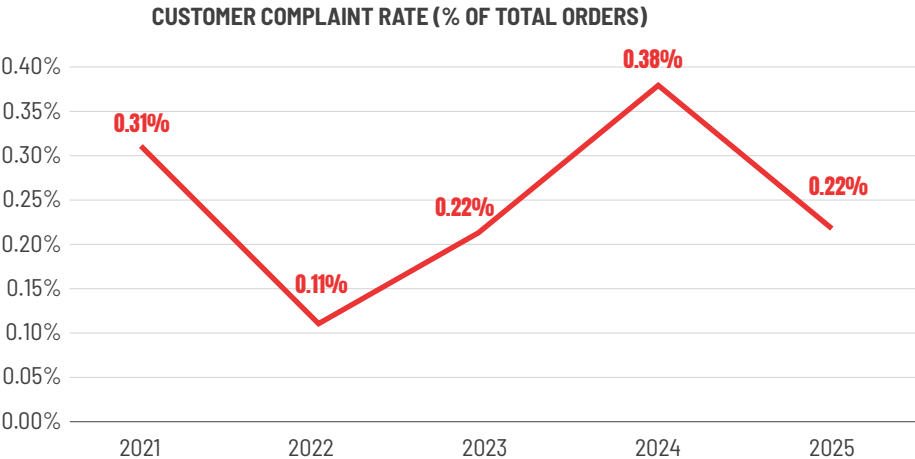
The collection of production data over time from Unitens and POC will be integrated and gradually transferred to the AI function as the "Smart factory", the system will learn from production experiences based on which it could know exactly what kind of manufacturing defect and how to fix it without direct technical experts onsite, furthermore, Smart factory with AI function could greatly help Company in ensuring product quality by remembering data production over time, it is possible to know exactly which production settings are best for which production products, helping the Company to maintain a consistently high quality in products.

CENTURY IS CERTIFIED WITH GRS, OEKO-TEX, AND REACH – LEADING THE TREND IN SUSTAINABLE DEVELOPMENT



Percentage of significant product and service categories for which health and safety impacts are assessed for improvement: **100% of all products at the Company are assessed about health and safety matters.**

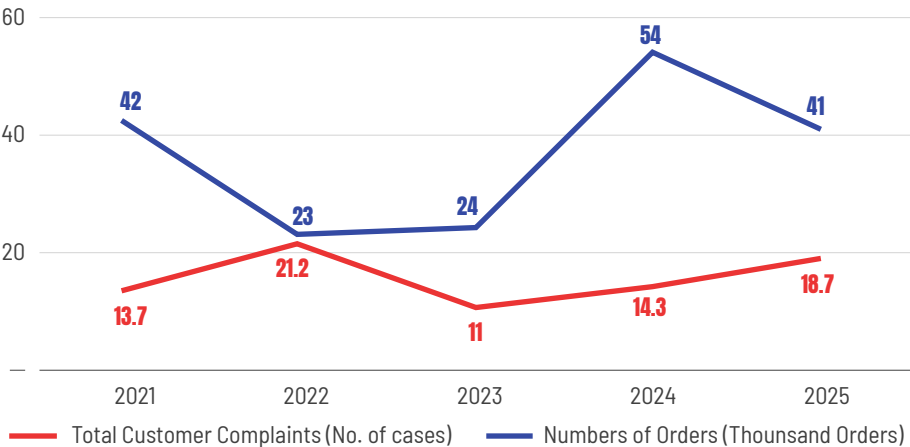
CUSTOMER COMPLAINTS RELATED TO CENTURY’S PRODUCTS AND SERVICES



The Company’s customer complaint rate fluctuated during the 2021-2025 period. After declining significantly from 0.31% in 2021 to 0.11% in 2022, the rate increased again and reached its highest level of 0.38% in 2024. In 2025, the complaint rate decreased to 0.22%, indicating improvements in the Company’s quality control processes and its ability to meet customer requirements.

The chart shows that the number of customer complaints was not directly proportional to the number of orders over the years. In 2024, the Company recorded the highest number of customer complaints, with 54 cases, despite processing only 14.3 thousand orders. This suggests increased quality-related challenges or higher customer expectations during the period. In 2025, the number of customer complaints declined to 41 cases, while the number of orders increased to 18.7 thousand. This trend reflects improvements in the Company’s quality management processes and customer service practices.

CORRELATION BETWEEN CUSTOMER COMPLAINTS AND ORDER VOLUME



INCIDENTS OF NON-COMPLIANCE CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES (GRI 416-2)

In 2025, the total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period:

- 1. No incidents of non-compliance with regulations resulting in a fine or penalty;
- 2. No incidents of non-compliance with regulations resulting in a warning;
- 3. No incidents of non-compliance with voluntary regulations;

LOCAL COMMUNITY (GRI 413)

OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVELOPMENT PROGRAMS (GRI 413-1)

1. Social impact assessments, including gender impact assessments, based on participatory processes:

- Quarterly, the Company carries out periodical dialogue with its employees to share information and to foster better understanding between the employer and the employees to ensure democracy at working place.

2. Environmental impact assessments and ongoing monitoring:

- Periodically, the industrial zone authority will conduct inspection and assessment on the environmental impacts of the Company,
- The Company also proactively makes the environmental inspection report, aiming to ensure that all production and operation activities do not have bad impacts on the environment and the local community.

3. Public disclosure of environmental and social impact assessments:

- Reports and related information on environmental and social matters are disclosed publicly on the Company's website - Sustainable development tab.
- Related information on environmental and social matters is also presented in the Annual report and Sustainable report, disclosing to all interested parties.

4. Formal local community grievance processes:

- The Company receives the contributed comments of interested parties (including the local community) via emails and telephone number as posted on the Company's website.

5. Comply and support the government policy:

- Century is committed to and strictly adhered to the government's policies and regulations.
- In addition, with commitments from the Chairman, Century has always strictly and fully complied with the requirements regarding social policies, the Laws of Vietnamese and other business codes of conduct:
 - Commitment to comply with the policy of voluntary workers, no deposit, no bond;
 - Commitment to comply with a policy of no child labor;
 - Commitment to comply with a policy of freedom to establish associations and collective negotiation;
 - Commitment to comply with a policy of no discrimination, sexual harassment and abuse;
 - Commitment to a policy on health and occupational safety;
 - Commitment to comply with a policy on salary-reward in accordance with the regulations;
 - Commitment to a policy on working hours and break hours;

ANTI-CORRUPTION AND BRIBERY (GRI 2-23, GRI-205)

- Century commits to doing business honestly and ethically, acting professionally, fairly and with integrity in all business dealings and relationship.
- In the entire operating system, the Company always ensures compliance with the regulations of the law as well as the basic ethical principles to create integrity in operations.
- Any staff found receiving bribes or improper benefits or asking for personal benefits from customers and suppliers will be strictly disciplined. Periodically, the Company requests its suppliers to sign a commitment for not making bribery to the Company's staffs.

OPERATIONS WITH SIGNIFICANTLY ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES;

- The Company commits to not having any significant actual and potential negative impacts on local communities.

TRADITIONAL CULTURE OF THE COMPANY.

EVALUATION OF 2025 RESULTS:

The Company designed the vision & mission program in 2025, besides with evaluating the performance of each department's work performance, the departments also experienced the opportunity to give a presentation to share more topics about the good and bad virtues of Vietnamese people, thereby applying that useful information to improve the actual working environment inside the Company.

OTHER INTERNAL ACTIVITIES



International Women's Day Celebration – March 8, 2026

On the occasion of International Women's Day on March 8, 2026, Century Synthetic Fiber Corporation organized an internal cooking competition to honor the important role and contributions of its female employees. A unique feature of the event was the meaningful role reversal: male employees took the lead in preparing and cooking the dishes, while female employees acted as mentors and supporters, providing guidance throughout the process. The activity created a lively, engaging, and collaborative atmosphere, fostering stronger connections among employees.



The program helped promoting messages of appreciation, equality, and teamwork in the workplace, while also demonstrating Century Synthetic Fiber Corporation's commitment to supporting the well-being of its employees. Through such initiatives, the Company aims to build a positive and sustainable corporate culture.



The competition was not only a recreational activity but also an opportunity for employees from different departments to interact, strengthen mutual understanding, and foster team spirit. By working together to prepare and complete the dishes, participants had the opportunity to share experiences, collaborate closely, and build stronger relationships both in the workplace and in their daily lives.



2025 Year-End Company Trip.

In addition to maintaining a professional and productive working environment, Century Synthetic Fiber Corporation places great importance on the well-being of its employees through various employee engagement activities. As part of these efforts, the Company organized a year-end retreat in Phan Thiet for all employees in late 2025.



The trip not only provided employees with an opportunity to relax and recharge after a period of dedicated work, but also served as a valuable occasion to strengthen connections among colleagues across the Company. Through activities such as outdoor team-building exercises and a gala dinner, employees were able to interact, share experiences, and foster team spirit in a friendly and open atmosphere.

This activity reflects Century Synthetic Fiber Corporation's commitment to fostering a harmonious workplace where employees are supported not only in their professional development but also in their overall well-being. By promoting a positive and engaging work environment, the Company aims to strengthen employee loyalty, enhance engagement, and encourage long-term commitment to the organization.



COMMUNITY SPIRIT/SOLIDARITY OF COMPANY

OBJECTIVES IN 2025:	RESULT IN 2025:
- Support to employee having difficult circumstances working at the Company; - Helping and supporting other colleagues;	- Providing Lunar New Year bonuses and Tet gifts to employees through the Trade Union. - Organizing fundraising activities to support employees facing financial hardship due to traffic accidents. - Reviewing and compiling a list of employees affected by the 2025 Central Vietnam floods (Typhoons Wipha and Bualoi), and submitting the necessary information to the Labor Federation to facilitate timely support and assistance programs. - Awarding scholarships to Cu Chi Vocational School, Tay Ninh Technical and Economic Vocational School, and Tay Ninh Vocational College.

LABOR-COMMUNITY DEVELOPMENT TARGETS IN 2026
- Staff turnover rate of 25%; - Unsuccessful recruitment rate of 20%; - Meeting 95% of staffing demand; - Management of Salary Budget by 97%; - Increase average salary by more than 5% for employees;

COMPANY'S GREEN PROJECTS

Towards the green capital market in line with the Company's sustainable development goals, Century has strongly invested and implemented green projects for the purpose of building and developing the Company in the direction of contributing to green growth, enhancing the value of economic development and protect and reduce the impact on the environment, in which:

RECYCLED YARN

Century has been producing Recycled Yarn since 2016. In 2025, the proportion of recycled yarn on total sales revenue reached 49.9%. Through the production of recycled yarn, the Company has indirectly recycled more than 6 billion used bottles, contributing to environment protection from plastic bottle waste, which is one of the globe's alarming environmental problems.

SOLAR PROJECT

Since 2020, the Company has cooperated with a strategic partner to install rooftop solar power systems for Cu Chi and Trang Bang factories. The rooftop solar power system has an actual capacity of 7.4 Mwp/year. In 2025, the rooftop solar power system met about 5% of the Company's electricity needs. The Company plans to expand solar energy capacity by 15 Mwp/year for Trang Bang factory and 15 Mwp/year for Unitex factory through the DPPA project with strategic partners.

DOPE DYED YARN

The company continues to expand its dope-dyed yarn portfolio with new colors such as grey, black, and navy blue. The share of colored yarn revenue in total revenue has also grown significantly, increasing from 0.2% in 2021 to 0.9% in 2022, before slightly declining to 0.83% in 2023. The ratio then rose sharply and remained above 4% in both 2024 and 2025. The Company is actively expanding its customer base for this product line and expects the contribution of colored yarn revenue to continue increasing in the coming years. Sample development has been carried out for both domestic and export markets. Dope-dyed yarn products are designed to meet the growing demand for environmentally friendly materials. This also aligns with the global fashion industry trend—especially among leading brands like Nike, Adidas, Puma, H&M, and Inditex—towards reducing the release of harmful chemicals into the environment.

RECYCLING THE WASTE YARN FROM PRODUCTION PROCESSES

The Company has continued to maintain a production line of 1,500 tons of recycled PET chips/ year, raising the Company's profitability, cutting the cost of input material (through recycling waste yarn into PET chips), and protecting the environment. The recycling proportion of wasted yarn reached 67.5% of the total wasted yarn produced.

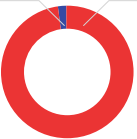
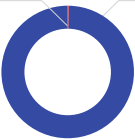
GREEN FINANCE

- In the context of growing attention to Environmental, Social, and Governance (ESG) factors among financial institutions, Century recognizes that sustainability-related requirements are becoming an increasingly important component of banks' credit assessment processes. During discussions with a major joint-stock commercial bank in Vietnam, the Company was requested to provide various documents and records related to its environmental and social management practices to support the bank's ESG risk assessment prior to the approval of credit facilities.

- The requested documents included supplier social responsibility assessments, appointment decisions for environmental management personnel, environmental management plans, occupational health and safety records, periodic environmental monitoring reports covering dust, noise, and temperature, renewable energy purchase agreements, recycled raw material procurement contracts, as well as policies related to working hours, rest periods, and child labor. In addition, the bank reviewed the certifications and standards adopted by the Company, including GRS, RCS, ISO 9001:2015, and OEKO-TEX® Standard 100, to assess Century's level of compliance with sustainability and governance requirements.

- Following the review process and the submission of all required documentation, Century was granted credit approval by the bank. This outcome demonstrates the increasingly important role that ESG considerations play in the Company's access to financing and financial activities. Century views this as a strong incentive to further strengthen its environmental and social management practices, while continuing to uphold its commitment to sustainable development, transparency, and responsible business operations.

SUMMARY OF 2025 ESG PERFORMANCE INDICATORS

ENERGY	EMISSION	WATER	WASTE	MATERIAL	OHS
Total Consumption	Total Emission	Total water	Total waste water	Chip consumption volume	Number of Training Courses
Electricity: 121,914 Mwh DO: 10,000 Litter	76,341 Ton CO ₂ e	261,177 m ³	34,283 m ³	34,742,837 Kg	39 Courses
Energy Structure	Emission Reduction	Water Consumption per kg of Yarn	Waste Water Cost	Number of T-shirts produced (each T-Shirt needs 0.188 kg of yarn)	Average Training Hours per Employee per Year
 100% ■ Total electricity consumption (Solar and EVN-Kwh) ■ Diesel oil (DO-LITERS)	CO₂ Reduction from Solar-DCC: 4,024 Ton CO₂e. CO₂ Reduction from Improvement Initiatives -DCC: 2,922 Ton CO₂e.	0.0043 m ³ /kg	529 VND Mil	98.31 mil T-shirts	260.16 hour/person/year
Energy Type	Emission structure by Scope	Water Recycling and Reuse Rate	Waste Yarn Recycling Rate	Number of POY Paper Tubes Used	Total number of employees trained in OHS
 5% 95% ■ EVN electricity consumption ■ Solar electricity consumption	 0.34 99.66% ■ Scope 1 ■ Scope 2	0.86%	67.5%	902,970.4 Tubes	1105 Empolyees
Energy Saving from Improvement Initiatives	Scope 3 Emissions from Recycled PET CHIP Usage	Cost Saving from Water Recycling and Reuse		Number of Reuse Cycles	Number of labor acidents
113,122 Kwh	35.2 Thousand ton CO ₂ e	17.86 Mil VND		3 Times	0 Cases

Please refer to Century's ESG indicators [here](#)

ABBREVIATION LIST.

BHXH:	SOCIAL INSURANCE
BHYT:	HEALTH INSURANCE
BKS:	SUPERVISOR COMMITTEE
BTNMT:	MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT
CBCNV:	EMPLOYEES
CC:	CU CHI FACTORY
TB:	TRANG BANG FACTORY
CTCP:	JOINT STOCK COMPANY
AT-VS-LĐ:	SAFETY, HYGIENE, LABOR
DTY:	DRAWN TEXTURED YARN
FDY:	FULLY DRAWN YARN
FTA:	FREE TRADE AGREEMENT
GTGT:	VALUE-ADDED
HĐQT:	BOARD OF DIRECTORS
INVERTER:	INVERTER
KCN:	INDUSTRIAL PARK
LEAN:	LEAN SYSTEM
POY:	PARTIAL ORIENTED YARN
QCVN:	VIETNAM STANDARD
QĐ-BYT:	REGULATION OF MINISTRY OF HEALTH
SX POY:	POY FACTORY
SX DTY:	DTY FACTORY
QLCL:	QUALITY MANAGEMENT
NVTD:	RECRUITMENT STAFF
NVVP:	OFFICE STAFF

QL:	MANAGERS
SPINNING:	DRAWING MACHINE
SSR:	RESISTOR
STK, CENTURY:	CENTURY SYNTHETIC FIBER CORPORATION
SXKD:	MANUFACTURING AND OPERATION
TCVN:	VIETNAM STANDARD
TCVS:	SANITARY STANDARDS
TCVSLĐ:	LABOR HYGIENE STANDARDS
TGD:	GENERAL DIRECTOR
BOD:	BOARD OF DIRECTOR MEMBERS
BOS:	SUPERVISOR COMMITTEE MEMBERS
TNCN:	PERSONAL INCOME
TNDN:	CORPORATE INCOME
TNHH:	LIMITED
DOPE DYE:	COLOR YARN
CARBON FOOTPRINT:	CO2 EMISSION
WINDER:	WINDING MACHINE
SGDCK:	STOCK EXCHANGE AGENCY
HOSE:	HO CHI MINH STOCK EXCHANGE
QC:	QUALITY CONTROL
SOP:	STANDARD OPERATION PROCEDURES
PDCA:	PLAN-DO-CHECK-ACT
ESOP:	EMPLOYEE STOCK OWNERSHIP PLAN
DPPA	DIRECT POWER PURCHASE AGREEMENT

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDS

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 2: GENERAL DISCLOSURES 2021		
2-1	Organizational details	
2-2	Entities included in the organization's sustainability reporting	
2-3	Reporting period, frequency and contact point	
2-4	Restatements of information	
2-5	External assurance	
2-6	Activities, value chain and other business relationships	
2-7	Employees	
2-8	Workers who are not employees	
2-9	Governance structure and composition	
2-10	Nomination and selection of the highest governance bod	
2-11	Chair of the highest governance body	
2-12	Role of the highest governance body in overseeing the management of impacts	
2-13	Delegation of responsibility for managing impacts	
2-14	Role of the highest governance body in sustainability reporting	
2-15	Conflicts of interest	
2-16	Communication of critical concerns	
2-17	Collective knowledge of the highest governance body	
2-18	Evaluation of the performance of the highest governance body	
2-19	Remuneration policies	
2-20	Process to determine remuneration	
2-21	Annual total compensation ratio	

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDS¹ *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
2-22	Statement on sustainable development strategy	SUSTAINABILITY DEVELOPMENT MESSAGE FROM MD
2-23	Policy commitments	
2-24	Embedding policy commitments	
2-25	Processes to remediate negative impacts	
2-26	Mechanisms for seeking advice and raising concerns	
2-27	Compliance with laws and regulations	
2-28	Membership associations	
2-29	Approach to stakeholder engagement	
2-30	Collective bargaining agreements	
GRI 3 MATERIAL TOPICS 2021		
3-1	Process to determine material topics	
3-2	List of material topics	
3-3	Management of material topics	
GRI 200: ECONOMIC STANDARDS		
GRI 201: ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	
201-2	Financial implications and other risks and opportunities due to climate change	
201-3	Defied benefit plan obligations and other retirement plans	
GRI 202: MARKET PRESENCE		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	
GRI 203: INDIRECT ECONOMIC IMPACTS		
203-1	Infrastructure investments and services supported	
203-2	Significant indirect economic impacts	

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDSI *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 204: PROCUREMENT PRACTICES		
204-1	Proportion of purchase from local suppliers	
GRI 205: ANTI-CORRUPTION		
205-1	Operations assessed for risks related to corruption	
205-2	Communication and training about anti-corruption policies and procedures	
205-3	Confirmed incidents of corruption and actions taken	
GRI 206: ANTI- COMPETITIVE BEHAVIOR		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	
GRI 300: ENVIRONMENT STANDARDS		
GRI 301: MATERIALS		
301-1	Materials used by weight or volume	
301-2	Recycled input materials used	
301-3	Reclaimed products and their packaging materials	
GRI 302: ENERGY		
302-1	Energy consumption within the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	
GRI 303: NƯỚC		
GRI 303: WATER	Lượng nước đầu vào theo nguồn	
303-2	Những nguồn nước chịu ảnh hưởng đáng kể bởi lượng nước đầu vào	
303-3	Tuần hoàn và tái sử dụng nước	

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDSI *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 304: BIODIVERSITY		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
304-2	Significant impacts of activities, products, and services on biodiversity	
304-3	Habitats protected or restored	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 305: EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable
305-7	Nitrogen oxides (NOx) sulfur oxides (SOx), and others significant air emissions	
GRI 306: EFFLUENTS AND WASTE		
306-1	Water discharge by quality and destination	
306-2	Waste by type and disposal method	
306-3	Significant spills	No records
306-4	Transport of hazardous waste	
306-5	Water bodies affected by water discharges and/or runoff	No records
GRI 307: ENVIRONMENTAL COMPLIANCE		
307-1	Non-compliance with environmental laws and regulations	

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDSI *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT		
308-1	New suppliers that were screened using environmental criteria	
308-2	Negative environmental impacts in the supply chain and actions taken	
GRI 400: SOCIAL STANDARDS		
GRI 401: EMPLOYMENT		
401-1	New employee hires and employee turnover	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	
GRI 402: LABOR/MANAGEMENT RELATIONS		
402-1	Minimum notice periods regarding operational changes	The Company commits to notice time in accordance with the labor law
GRI 403: OCCUPATIONAL HEALTH AND SAFETY		
403-1	Worker's representation in formal joint management-worker health and safety committees	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	
403-3	Workers with high incidence or high risk of diseases related to their occupation	None
403-4	Health and safety topics covered in formal agreements with trade unions	
GRI 404: TRAINING AND EDUCATION		
404-1	Average hours of training per year per employee	
404-2	Programs for upgrading employee skills and transition assistance programs	
404-3	Percentage of employees receiving regular performance and career development reviews	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	
405-2	Ratio of basic salary and remuneration of women to men	

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDSI *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 406: NON- DISCRIMINATION		
406-1	Incidents of discrimination and corrective actions taken	No records
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No records
GRI 408: CHILD LABOR		
408-1	Operations and suppliers at significant risk for incidents of child labor	The Company commits not to use employees <18 years old
GRI 409: FORCED OR COMPLUSORY LABOR		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No records
GRI 411: RIGHTS OF INDIGENOUS PEOPLES		
411-1	Incidents of violations involving rights of indigenous peoples	No records
GRI 412: HUMAN RIGHTS ASSESSMENT		
412-1	Operations that have been subject to human rights reviews or impact assessments	
412-2	Employee training on human rights policies or procedures	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	
GRI 413: LOCAL COMMUNITIES		
413-1	Operations with local community engagement, impact assessments, and development programs	
413-2	Operations with significantly actual and potential negative impacts on local communities	No records
GRI 414: SUPPLIER SOCIAL ASSESSMENT		
414-1	New suppliers that were screened using social criteria	
414-2	Negative social impacts in the supply chain and actions taken	No records

REFERENCE TABLE OF REPORT CONTENTS TO GRI STANDARDSI *continued*

GRI STANDARDS	DISCLOSURE ITEMS	PAGE
GRI 416: CUSTOMER HEALTH AND SAFETY		
416-1	Assessment of the health and safety impacts of product and service categories	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No records
GRI 417: MARKETING AND LABELING		
GRI 417-1	Requirements for product and service information and labelling	
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	No records
GRI 417-3	Incidents of non-compliance concerning marketing communications	
GRI 418: CUSTOMER PRIVACY		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No records
GRI 419: SOCIOECONOMIC COMPLIANCE		
GRI 419-1	Non-compliance with laws regulations in the social and economic area	No records

APPENDIX 1: AIR MONITORING RESULTS AT THE COMPANY

Parameters and results of air quality monitoring:

COMPANY GATE AREA					
NO	PARAMETER	STANDARD-QCVN 05:2023/BTNMT	STANDARD-QCVN 26:2010/BTNMT	UNIT	2025
A CU CHI Factory					
1	Temperature	-		OC	29.6
2	Noise level	-	70(")	dBA	57.8
3	Dust	300		µg/Nm ³	164
4	NO ₂	200		µg/Nm ³	Not detected
5	SO ₂	350		µg/Nm ³	Not detected
6	CO	30,000		µg/Nm ³	6,202
B TRANG BANG 1,2 Factory					
1	Temperature	-		OC	31.8
2	Noise level	-	70(")	dBA	73.4
3	Dust	300		µg/Nm ³	160
4	NO ₂	200		µg/Nm ³	23.3
5	SO ₂	350		µg/Nm ³	Not detected
6	CO	30,000		µg/Nm ³	4,755

COMPANY GATE AREA					
NO	PARAMETER	STANDARD-QCVN 05:2023/BTNMT	STANDARD-QCVN 26:2010/BTNMT	UNIT	2025
B TRANG BANG 3 Factory					
1	Temperature	-		OC	31
2	Noise level	-	70(")	dBA	63.8
3	Dust	300		µg/Nm ³	226
4	NO ₂	200		µg/Nm ³	Not detected
5	SO ₂	350		µg/Nm ³	Not detected
6	CO	30,000		µg/Nm ³	4,158
C UNITEX Factory					
1	Temperature	-		OC	30.8
2	Noise level	-		dBA	81.5
3	Dust	300		µg/Nm ³	217
4	NO ₂	200		µg/Nm ³	610
5	SO ₂	350		µg/Nm ³	59
6	CO	30,000		µg/Nm ³	< 9,000
7	Naphthalene	8			Not detected

→ The results of air monitoring parameters at the Company's gate area meet the standards of QCVN 05:2023/BTNMT and QCVN 26:2010/BTNMT.

NO	PARAMETER	STANDARD	UNIT	2025	
				POY SECTION	DTY SECTION
CU CHI Factory					
1	Temperature	18-32 QCVN 26:2016/BYT	°C	30.1	29.3
				30.4	29.5
2	Noise level	≤85 QCVN 24:2016/BYT	dBA	74.4	61.8
				84.7	72.4
3	Dust	8 QCVN 02:2019/BYT	mg/m³	0.115	0.101
				0.123	0.118
4	NO ₂	10 QCVN 03:2019/BYT	mg/m³	Not detected	Not detected
				Not detected	Not detected
5	SO ₂	10 QCVN 03:2019/BYT	mg/m³	Not detected	Not detected
				Not detected	Not detected
6	CO	40 QCVN 03:2019/BYT	mg/m³	3.5	6.05
				3.17	4.26
7	Toluen	300	mg/m³	Not detected	Not detected
				Not detected	Not detected
TRANG BANG 1,2 Factory					
1	Temperature	18-32 QCVN 26:2016/BYT	°C	31.2	31.8
2	Noise level	≤85 QCVN 24:2016/BYT	dBA	88.1	82.7
3	Dust	8 QCVN 02:2019/BYT	mg/m³	0.128	0.107
4	NO ₂	10 QCVN 03:2019/BYT	mg/m³	Not detected	Not detected
5	SO ₂	10 QCVN 03:2019/BYT	mg/m³	Not detected	Not detected
6	CO	40 QCVN 03:2019/BYT	mg/m³	5.42	3.79
7	Toluen	300	mg/m³	Not detected	Not detected

NO	PARAMETER	STANDARD	UNIT	2025	
				POY SECTION	DTY SECTION
TRẢNG BÀNG 3,4					
1	Temperature	18-32 QCVN 26:2016/BYT	°C	31.5	31.8
2	Noise level	≤85 QCVN 24:2016/BYT	dBA	88.3	89.2
3	Dust	8 QCVN 02:2019/BYT	mg/m ³	0.111	0.120
4	NO ₂	10 QCVN 03:2019/BYT	mg/m ³	Not detected	Not detected
5	SO ₂	10 QCVN 03:2019/BYT	mg/m ³	Not detected	Not detected
6	CO	40 QCVN 03:2019/BYT	mg/m ³	4.94	4.46
7	Toluen	1000	mg/m ³	Not detected	Not detected
UNITEX Factory					
1	Temperature	18-32 QCVN 26:2016/BYT	°C	30.8	30.6
2	Noise level	≤85 QCVN 24:2016/BYT	dBA	81.5	84.1
3	Dust	8 QCVN 02:2019/BYT	mg/m ³	0.217	0.235
4	NO ₂	10 QCVN 03:2019/BYT	mg/m ³	0.61	0.062
5	SO ₂	10 QCVN 03:2019/BYT	mg/m ³	0.0059	0.061
6	CO	40 QCVN 03:2019/BYT	mg/m ³	<9	<9
7	Naphthalene	1000	mg/m ³	Not detected	Not detected

➔ **The results of air monitoring parameters at the Company's gate area meet the standards of QCVN 26:2016/BYT, QCVN 24:2016/BYT, QCVN 02:2019/BYT and QCVN 03:2019/BYT10**

APPENDIX 2: RESULTS OF MONITORING THE COMPANY'S WASTEWATER QUALITY IN 2025

NO	NAME OF PARAMETERS	COLUMN B-QCVN 40:2011/BTNMT	UNIT	2025
CU CHI Factory				
1	pH	5.5-9	-	7.14
2	BOD5	50	mg/l	3
3	COD	150	mg/l	13
4	TSS	100	mg/l	Not detected
5	Copper (Cu)	2		0.038
6	Total N	40	mg/l	5.94
7	Total P	6	mg/l	0.111
8	Total Coliform/100ml	5,000	MPN/100 ml	40
TRANG BANG 1,2 Factory				
1	pH	5.5-9	-	7.21
2	BOD5	50	mg/l	17
3	COD	150	mg/l	46
4	TSS	100	mg/l	38
5	Copper (Cu)	2	mg/l	0.024
6	Total N	40	mg/l	27.1
7	Total P	6	mg/l	1.64
8	Total Coliform/100ml	5.000	MPN/100 ml	130

NO	NAME OF PARAMETERS	COLUMN B-QCVN 40:2011/BTNMT	UNIT	2025
TRANG BANG 3,4 Factory				
1	pH	5.5-9	-	7.33
2	BOD5	50	mg/l	4
3	COD	150	mg/l	18
4	TSS	100	mg/l	19
5	Copper (Cu)	2		0.154
6	Total N	40	mg/l	27.1
7	Total P	6	mg/l	1.64
8	Total Coliform/100ml	5.000	MPN/100 ml	130
UNITEX Factory				
1	pH	5.5-9	-	6.57
2	BOD5	50	mg/l	4
3	COD	150	mg/l	12.8
4	TSS	100	mg/l	19.8
5	Total N	40	mg/l	< 6
6	Total P	6	mg/l	1.83
7	Total Coliform/100ml	5.000	MPN/100 ml	700

→ Parameter results of wastewater analysis after the treatment system, before connecting to the general wastewater collection system of the industrial park, are completely up to standard.

APPENDIX 3: TEST RESULTS OF THE COMPANY'S WORKING ENVIRONMENT IN 2025

- DUST CONCENTRATION - MICROCLIMATE - LIGHT - NOISE - TOXIC GASES.

CU CHI FACTORY

1. Microclimate.

APPLICABLE STANDARD: QCVN 26:2016/BYT		TEMPERATURE (°C)		HUMIDITY (%)		AIR VELOCITY (M/S)	
		18 – 32		40 – 80		0.2 – 1.5 (AREAS WITH LARGE MACHINERY MAY ALLOW VALUES BELOW 0.2 M/S)	
No.	LOCATION OF MEASUREMENTS	Temperature - Compliant Samples	Temperature - Non-compliant Samples	Humidity - Compliant Samples	Humidity - Non-compliant Samples	Air Velocity - Compliant Samples	Air Velocity - Non-compliant Samples
	Outside 8h00	30.5		66.6		0.38	
	Spinning workshop						
1	- Production line 2	31.3		57.3		0.24	
2	- Production line 1	31.2		56.8		0.26	
	Winder workshop						
3	- Production line 5	31.0		58.1		0.22	
4	- Production line 6	31.1		57.2		0.24	
	DTY workshop						
	- Production line 3						
5	+ Machine 15	31.8		54.2		0.24	
6	+ Machine 13	31.6		54.7		0.26	
	Production 1+2						
7	+ Machine 10	31.7		52.4		0.24	
8	+ Machine 9	31.8		53.0		0.24	
9	+ Machine 6	31.5		52.1		0.26	
10	Laboratory area	28.4		52.0		0.12	
11	Testing room	28.7		51.3		0.11	
	Total	11	0	11	0	11	0

2. Illumination.

APPLICABLE STANDARD: QCVN 22:2016/BYT		ILLUMINATION (LUX)		GIỚI HẠN CHO PHÉP
No.	LOCATION OF MEASUREMENTS	Number of samples meeting the OSH standards	Number of samples not meeting the OSH standards	
	Spinning Workshop			
1	- Production line 2	315		≥ 300
2	- Production line 1	313		≥ 300
	Winder workshop			
3	- Production line 5	325		≥ 300
4	- Production line 6	310		≥ 300
	DTY Workshop			
	- Production line 3			
5	+ Production line 15	317		≥ 300
6	+ Machine 13	311		≥ 300
	Production line 1+2			
7	+ Machine 10	314		≥ 300
8	+ Machine 9	316		≥ 300
9	+ Machine 6	314		≥ 300
10	Laboratory area	517		≥ 500
11	Test dyeing room	514		≥ 500
	Total	11	0	

3. Noise

APPLICABLE STANDARD QCVN 24:2016/BYT			SOUND LEVELS IN FREQUENCIES (HZ)							
No.	LOCATION OF MEASUREMENTS	General sound level (dBA)	63	125	250	500	1K	2K	4K	8K
1	Production area	≤ 85	≤ 99	≤ 92	≤ 86	≤ 83	≤ 80	≤ 78	≤ 76	≤ 74
2	Testing area	≤ 80	≤ 94	≤ 87	≤ 82	≤ 78	≤ 75	≤ 73	≤ 71	≤ 70
3	Office area	≤ 65	≤ 83	≤ 74	≤ 68	≤ 63	≤ 60	≤ 57	≤ 55	≤ 54
4	Production line 3									
5	+ Machine 15	90.4	75	78	80	83	85	82	79	76
6	+ Machine 13	91.2	76	78	81	83	85	83	80	77
	Production line 1+2									
7	+ Machine 10	94.6	78	80	83	85	86	84	82	79
8	+ Machine 9	91.7	76	78	81	83	85	83	80	77
9	+ Machine 6	87.3	71	75	77	80	82	79	76	72
10	Laboratory area	66.8	37	42	50	55	61	56	50	41
11	Test dyeing room	72.8	45	48	56	63	68	64	59	51

Summary of Monitoring Results:

- Total number of overall noise samples: 11
- Number of samples exceeding the permissible limit: 9
- Total number of octave-band noise samples: 11
- Number of samples exceeding the permissible limit: 9

4. Dust

APPLICABLE STANDARD QCVN 02:2019/BYT		TOTAL DUST (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 6,250	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples
	Spinning Workshop		
1	- Production line 2	0.388	
2	- Production line 1	0.422	
	Winder Workshop		
3	- Production line 5	0.878	
4	- Production line 6	0.880	
	DTY Workshop		
	- Production line 3		
5	+ Machine 15	0.421	
6	+ Machine 13	0.418	
	- Production line 1+2		
7	+ Machine 10	0.430	
8	+ Machine 9	0.398	
9	+ Machine 6	0.623	
10	Laboratory area	0.110	
11	Test dyeing room	0.324	
	Total	11	0

5. Hazardous Gases.

APPLICABLE STANDARD QCVN 03:2019/BYT		CO ₂ (MG/M ³)		ETHYLEN (*) (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 7031		≤ 898,44	
TT	Monitoring Location	Compliant Samples	Non-compliant Samples	Compliant Samples	Non-compliant Samples
	Spinning workshop				
1	- Workshop head area	927		-	
2	- Workshop end area	927		-	
	Winder workshop				
3	- Workshop head area	918		-	
4	- Workshop end area	925		-	
	DTY workshop				
5	- Workshop head area	936		-	
6	- Workshop end area	932		-	
7	Laboratory area	1143		6.41	
8	Test dyeing room	1119		7.10	
	Total	08	0	02	0

SUMMARY OF OCCUPATIONAL WORKING ENVIRONMENT MONITORING RESULTS - CU CHI FACTORY

NO.	ENVIRONMENTAL FACTOR	TOTAL NO. OF SAMPLES	COMPLIANT SAMPLES	NON-COMPLIANT SAMPLES
1	Microclimate			
	- Temperature	11	11	0
	- Relative Humidity	11	11	0
	- Air Velocity	11	11	0
2	Illumination			
3	Noise			
	- Overall Noise	11	02	09
	- Octave-band Noise	11	02	09
4	Total Dust	11	11	0
5	Hazardous Gases			
	- Carbon Dioxide (CO ₂)	08	08	0
	- Etylen	02	02	0

TRANG BANG FACTORY

1. Microclimate.

APPLICABLE STANDARD QCVN 26:2016/BYT		TEMPERATURE (°C)		HUMIDITY (%)		AIR VELOCITY (M/S)	
		18 – 32		40 – 80		0.2 – 1.5 (AREAS WITH LARGE MACHINERY MAY ALLOW VALUES BELOW 0.2 M/S)	
No.	LOCATION OF MEASUREMENTS	Temperature - Compliant Samples	Temperature - Non-compliant Samples	Humidity - Compliant Samples	Humidity - Non-compliant Samples	Air Velocity - Compliant Samples	Air Velocity - Non-compliant Samples
	Outside 9h20	31.5		62.4		0.38	
	Factory 1+2						
	Winder workshop						
1	- Production line 11	30.8		54.3		0.22	
2	- Production line 17	31.0		52.1		0.22	
3	- Production line 13	30.3		55.2		0.24	
	Spinning workshop						
4	- Production line 17	31.8		53.3		0.24	
5	- Production line 13	31.6		54.0		0.22	
6	- Production line 11	31.8		53.8		0.24	
	DTY workshop						
7	- Machine 22	28.6		62.3		0.22	
8	- Machine 19	28.8		62.1		0.22	
9	- Machine 26	28.4		63.2		0.21	
10	Laboratory area	28.6		56.4		0.20	
	Factory 5						
	DTY workshop						
11	- Machine 54	28.4		68.3		0.22	
12	- Machine 57	28.5		67.1		0.21	
13	- Machine 55	29.1		68.0		0.22	
	Inspection Area						
14	- Weaving Machine No. 4 Area	29.3		61.2		0.22	

APPLICABLE STANDARD QCVN 26:2016/BYT		TEMPERATURE (°C)		HUMIDITY (%)		AIR VELOCITY (M/S)	
		18 – 32		40 – 80		0.2 – 1.5 (AREAS WITH LARGE MACHINERY MAY ALLOW VALUES BELOW 0.2 M/S)	
15	- Inspection Area	29.3		62.0		0.21	
	Packing Area						
16	- Packing Preparation Area	29.2		64.2		0.24	
17	- Packing Area	30.1		60.1		0.22	
18	Finished Goods Warehouse	29.8		59.2		0.20	
	Recycling Area						
19	- Workshop head area	29.5		53.1		0.20	
20	- Workshop end area	29.5		53.2		0.20	
	Factory 3+4						
	DTY workshop						
21	- Machine 42	31.8		52.1		0.22	
22	- Machine 48	31.3		52.6		0.26	
23	- Machine 53	31.8		52.2		0.24	
	Winder workshop						
24	- Production line 22	28.5		59.3		0.24	
25	- Production line 20	28.4		53.1		0.22	
26	- Production line 18	28.5		51.0		0.26	
	Spinning workshop						
27	- Production line 19	29.7		52.1		0.22	
28	- Production line 21	29.4		53.3		0.22	
29	- Production line 18	30.3		48.6		0.24	
30	Laboratory area	29.8		50.7		0.13	
31	Test dyeing room	30.0		53.1		0.24	
	Total	31	0	31	0	31	0

2. Illumination

APPLICABLE STANDARD : QCVN 22:2016/BYT		ILLUMINATION (LUX)		PERMISSIBLE LIMIT
No.	LOCATION OF MEASUREMENTS	Compliant Samples	Non-compliant Samples	
	Factory 1+2			
	Winder workshop			
1	- Production line 11	312		≥ 300
2	- Production line 17	324		≥ 300
3	- Production line 13	922		≥ 300
	Spinning workshop			
4	- Production line 17	321		≥ 300
5	- Production line 13	388		≥ 300
6	- Production line 11	473		≥ 300
	DTY workshop			
7	- Machine 22	313		≥ 300
8	- Machine 19	312		≥ 300
9	- Machine 26	315		≥ 300
10	Laboratory area	516		≥ 500
	Factory 5			
	DTY Workshop			
11	- Machine 54	308		≥ 300
12	- Machine 57	316		≥ 300
13	- Machine 55	317		≥ 300
	- Inspection Area			
14	- Weaving Machine No. 4 Area	518		≥ 500
15	- Inspection Area	1074		≥ 1000

APPLICABLE STANDARD : QCVN 22:2016/BYT		ILLUMINATION (LUX)		PERMISSIBLE LIMIT
	Packing Area			
16	- Packing Preparation Area	326		≥ 300
17	- Packing Area	316		≥ 100
18	Finished Goods Warehouse	147		≥ 100
	Recycling Area			
19	- Workshop head area	330		≥ 300
20	- Workshop end area	324		≥ 300
	Factory 3+4			
	DTY workshop			
21	- Machine 42	322		≥ 300
22	- Machine 48	331		≥ 300
23	- Machine 53	315		≥ 300
	Winder workshop			
24	- Production 22	310		≥ 300
25	- Production 20	311		≥ 300
26	- Production 8	319		≥ 300
	Spinning workshop			
27	- Production 19	318		≥ 300
28	- Production 21	312		≥ 300
29	- Production 18	311		≥ 300
30	Laboratory area	522		≥ 500
31	Test dyeing room	516		≥ 500
	Total	31	0	

3. Noise

APPLICABLE STANDARD: QCVN 24:2016/BYT			SOUND LEVELS IN FREQUENCIES (HZ)							
No.	LOCATION OF MEASUREMENTS	General sound level (dBA)	63	125	250	500	1K	2K	4K	8K
	Production area	≤ 85	≤ 99	≤ 92	≤ 86	≤ 83	≤ 80	≤ 78	≤ 76	≤ 74
	Testing area	≤ 80	≤ 94	≤ 87	≤ 82	≤ 78	≤ 75	≤ 73	≤ 71	≤ 70
	Office area	≤ 65	≤ 83	≤ 74	≤ 68	≤ 63	≤ 60	≤ 57	≤ 55	≤ 54
	Factory 1+2									
	Winder workshop									
1	- Production line 11	85.8	67	71	74	77	81	78	74	70
2	- Production line 17	90.7	75	78	80	83	85	82	79	76
3	- Production line 13	91.0	76	78	81	83	85	83	80	77
	Spinning workshop									
4	- Production line 17	74.9	48	51	60	65	70	66	61	54
5	- Production line 13	75.3	49	52	60	65	70	66	62	55
6	- Production line 11	75.5	49	52	60	65	70	66	62	55
	DTY workshop									
7	- Machine 22	88.2	72	76	78	81	83	80	77	73
8	- Machine 19	91.6	76	78	81	83	85	83	80	77
9	- Machine 26	92.0	76	79	82	84	85	83	81	78
10	Laboratory area	76.1	51	54	62	67	71	67	63	56
	Factory 5									
	DTY workshop									
11	- Machine 54	94.1	78	80	83	85	86	84	82	79

APPLICABLE STANDARD: QCVN 24:2016/BYT			SOUND LEVELS IN FREQUENCIES (HZ)							
No.	LOCATION OF MEASUREMENTS	General sound level (dBA)	63	125	250	500	1K	2K	4K	8K
12	- Machine 57	84.2	65	68	71	75	79	75	71	67
13	- Machine 55	86.8	71	74	76	79	81	78	75	72
	- Inspection Area									
14	- Weaving Machine No. 4 Area	68.3	40	44	52	58	63	58	53	44
15	- Inspection Area	68.1	-	-	-	-	-	-	-	-
	Packing Area									
16	- Packing Preparation Area	62.8	-	-	-	-	-	-	-	-
17	Packing Area	74.1	47	50	59	64	69	65	60	53
18	Finished Goods Warehouse	62.2	-	-	-	-	-	-	-	-
	Recycling Area									
19	- Workshop head area	74.3	47	50	59	64	69	65	60	53
20	- Workshop end area	84.8	65	69	72	76	80	76	73	68
	Factory 3+4									
	DTY workshop									
21	- Machine 42	91.6	76	78	81	83	85	83	80	77
22	- Machine 48	92.3	76	79	82	84	85	83	81	78
23	- Machine 53	90.8	75	78	80	83	85	82	79	76
	Winder workshop									
24	- Production line 22	86.5	71	74	76	79	81	78	75	72

3. Noise *continued*

APPLICABLE STANDARD: QCVN 24:2016/BYT			SOUND LEVELS IN FREQUENCIES (HZ)							
No.	LOCATION OF MEASUREMENTS	General sound level (dBA)	63	125	250	500	1K	2K	4K	8K
25	- Production line 20	90.8	75	78	80	83	85	82	79	76
26	- Production line 18	91.3	76	78	81	83	85	83	80	77
	Spinning workshop									
27	- Production line 19	73.2	46	49	57	63	68	64	59	52
28	- Production line 21	73.0	-	-	-	-	-	-	-	-
29	- Production line 18	76.1	51	54	62	67	71	67	63	56
30	Laboratory area	64.1	-	-	-	-	-	-	-	-
31	Test dyeing room	71.6	-	-	-	-	-	-	-	-

Summary of Monitoring Results:

- Total number of overall noise samples: 31
- Number of samples exceeding the permissible limit: 14
- Total number of octave-band noise samples: 25
- Number of samples exceeding the permissible limit: 14

4. Dust

APPLICABLE STANDARD: QCVN 02:2019/BYT		TOTAL DUST (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 6,250	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples
TT	Vị trí quan trắc	Mẫu đạt	Mẫu không đạt
	Factory 1+2		
	Winder workshop		
1	- Production line 11	0.482	
2	- Production line 17	0.494	
3	- Production line 13	0.490	
	Spinning workshop		
4	- Production line 17	0.788	
5	- Production line 13	0.672	
6	- Production line 11	0.732	
	DTY workshop		
7	- Machine 22	0.374	
8	- Machine 19	0.386	
9	- Machine 26	0.398	
10	Laboratory area	0.096	
	Factory 5		
	DTY Workshop		
11	- Machine 54	0.378	
12	- Machine 57	0.374	
13	- Machine 55	0.376	
	- Inspection Area		
14	- Weaving Machine No. 4 Area	0.362	
	Packing Area		
15	- Packing Area	0.341	

4. Dust continued

APPLICABLE STANDARD: QCVN 02:2019/BYT		TOTAL DUST (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 6,250	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples
	Recycling Area		
16	- Workshop head area	0.412	
	Factory 3+4		
	DTY Workshop		
17	- Machine 42	0.662	
18	- Machine 48	0.658	
19	- Machine 53	0.782	
	Winder workshop		
20	- Production line 22	0.438	
21	- Production line 20	0.462	
22	- Production line 18	0.451	
	Spinning workshop		
23	- Production line 19	0.533	
24	- Production line 21	0.530	
25	- Production line 18	0.576	
	Total	25	0

5. Hazardous Gases.

APPLICABLE STANDARD: QCVN 03:2019/BYT		CO ₂ (mg/m ³)		ETHYLEN (*) (mg/m ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 7031		≤ 898,44	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples	Compliant Samples	Non-compliant Samples
	Factory 1+2				
1	Center of the Winder Workshop	939		-	
2	Center of the Spinning Workshop	956		-	
3	Center of the DTY Workshop	927		-	

APPLICABLE STANDARD: QCVN 03:2019/BYT		CO ₂ (mg/m ³)		ETHYLEN (*) (mg/m ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 7031		≤ 898,44	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples	Compliant Samples	Non-compliant Samples
4	Labortary Area	1283		8.59	
	Factory 5				
5	Center of the DTY Workshop	972		-	
6	Inspection Area	947		-	
7	Packing Area	939		-	
8	Finished Goods Warehouse	927		-	
9	Recycling Area	930		-	
10	Center of the DTY Workshop	975		-	
11	Center of the Winder Workshop	968		-	
12	Center of the Spinning Workshop	979		-	
13	Laboratory Area	1479		11.22	
14	Test dyeing Area	1098		3.78	
	Total	14	0	03	0

SUMMARY OF OCCUPATIONAL WORKING ENVIRONMENT MONITORING RESULTS – TRANG BANG FACTORY

ENVIRONMENTAL FACTOR	TOTAL NO. OF SAMPLES	COMPLIANT SAMPLES	NON-COMPLIANT SAMPLES
Microclimate			
- Temperature	31	31	0
- Relative Humidity	31	31	0
- Air Velocity	31	31	0
Illumination	31	31	0
Noise			
- Overall Noise	31	17	14
- Octave-band Noise	25	11	14
Total Dust	25	25	0
Hazardous Gases			
- Carbon Dioxide CO ₂	14	14	0
- Etylen	03	03	0

UNITEX FACTORY.

1. Microclimate.

APPLICABLE STANDARD: QCVN 26:2016/BYT		TEMPERATURE (°C)		HUMIDITY (%)		AIR VELOCITY (M/S)	
No.	LOCATION OF MEASUREMENTS	Temperature - Compliant Samples	Temperature - Non-compliant Samples	Humidity - Compliant Samples	Humidity - Non-compliant Samples	Air Velocity - Compliant Samples	Air Velocity - Non-compliant Samples
		18 – 32		40 – 80		0.2 – 1.5 (areas with large machinery may allow values below 0.2 m/s)	
	Outside 8h30	32.3		61.5		0.35	
	DTY workshop						
1	Center of Line 64	30.8		60.1		0.22	
2	Center of Line 69	30.6		63.0		0.21	
3	Center of Line 66	31.0		60.1		0.29	
	POY workshop						
	Winder workshop						
4	Winder Area - Front	29.3		57.7		0.22	
5	Winder Area -Center	29.8		55.1		0.22	
6	Winder Area -Rear	29.7		58.4		0.24	
	Spinning workshop						
7	- Spinning Area-Front	28.7		57.2		0.14	
8	- Spinning Area -Center	28.9		60.3		0.12	
9	- Spinning Area -Rear	29.0		60.9		0.11	
	Preparation Room Area						
10	Ultrasonic Room	30.5		78.7		0.22	
11	Material Feeding Area (Chip Conveyor Bridge)	31.7		69.1		0.22	
	Quality Control (QC) Area						
12	DTY Laboratory	29.0		60.8		0.11	
13	Weaving Area	30.3		65.3		0.23	
14	Dyeing Area	31.8		59.3		0.24	
	Wastewater Treatment Plant (WWTP)						
15	Wastewater Treatment Plant Area	32.0		68.3		0.22	
	Office						
16	Main Office	28.3		42.0		0.11	
	Total	16	0	16	0	16	0

2. Illumination.

APPLICABLE STANDARD : QCVN 22:2016/BYT		ILLUMINATION (LUX)		PERMISSIBLE LIMIT
No.	LOCATION OF MEASUREMENTS	Compliant Samples	Non-compliant Samples	
	DTY Production Area (Draw Texturing Machine)			
1	Line 64 – Center	352		≥ 300
2	Line 69 – Center	366		≥ 300
3	Line 66 – Center	303		≥ 300
	POY Production Area (Spinning Machine)			
	Winder			
4	- Winder-Front	302		≥ 300
5	- Winder-Center	328		≥ 300
6	- Winder-Rear	317		≥ 300
	Spinning Area			
7	- Spinning-Front	757		≥ 300
8	- Spinning-Center	523		≥ 300
9	- Spinning-Rear	890		≥ 300
	Preparation Room Area			
10	- Ultrasonic Cleaning Room	423		≥ 300
11	Chip Feeding Area (Chip Conveyor Bridge)	332		≥ 300
	Quality Control (QC) Area			
12	DTY Laboratory	508		≥ 500
13	Weaving Area	518		≥ 500
14	Dyeing Area	593		≥ 500
	Wastewater Treatment Plant (WWTP)			
15	Wastewater Treatment Plant Area	524		≥ 300
	Office			
16	Main Office	845		≥ 300
	Total	16	0	

3. Noise

APPLICABLE STANDARD: QCVN 24:2016/BYT		GENERAL SOUND LEVEL (DBA)	
		- PRODUCTION AREA: ≤ 85 - TESTING AREA: ≤ 80	
No.	LOCATION OF MEASUREMENTS	Compliant Samples	Non-compliant Samples
	DTY Area		
1	Production line 64-Center		86.8
2	Production line 69-Center		86.7
3	Production line 66-Center		86.8
	POY Area		
	Winder Area		
4	- Winder area-Front		85.4
5	- Winder area-Center		86.7
6	- Winder area-Rear		85.8
	Spinning Area		
7	- Spinning area-Front	72.5	
8	- Spinning area-Center	73.8	
9	- Spinning area-Rear	72.9	
	Preparation Room Area		
10	- Ultrasonic Cleaning Room		88.3
11	Chip Feeding Area (Chip Conveyor Bridge)	71.3	
	Quality Control (QC) Area		
12	DTY Laboratory	63.7	
13	Weaving Area	76.1	
14	Dyeing Area	68.0	
	Wastewater Treatment Plant (WWTP)		
	Wastewater Treatment Plant Area	84.6	
	Office		
16	Main Office	50.1	
	Total	09	07

4. Dust

APPLICABLE STANDARD: QCVN 02:2019/BYT		TOTAL DUST (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 6,250	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples
	DTY AREA		
1	Production line 64-Center	0.430	
2	Production line 69-Center	0.432	
3	Production line 66-Center	0.428	
	POY AREA		
	Winder Area		
4	- Winder Area-Front	0.424	
5	- Winder Area-Center	0.430	
6	- Winder Area-Rear	0.428	
	Spinning Area		
7	- Spinning area-Front	0.453	
8	- Spinning-Center	0.440	
9	- Spinning-Rear	0.420	
	Preparation Room Area		
10	- Ultrasonic Cleaning Room	0.347	
11	Chip Feeding Area (Chip Conveyor Bridge)	0.324	
	Quality Control (QC) Area		
12	DTY Laboratory	0.110	
13	Weaving Area	0.430	
14	Dyeing Area	0.342	
	Wastewater Treatment Plant (WWTP)	0.360	
15	Wastewater Treatment Plant Area		
	Office		
	Main Office	0.088	
	Total	16	0

5. Hazardous Gases

APPLICABLE STANDARD: QCVN 03:2019/BYT		CO ₂ (MG/M ³)	
OCCUPATIONAL EXPOSURE LIMIT (OEL), ADJUSTED TO AN 8-HOUR WORKDAY AND A 6-DAY WORKWEEK		≤ 7031	
No.	Monitoring Location	Compliant Samples	Non-compliant Samples
	DTY AREA		
1	Line 69-Center	1074	
	POY AREA		
	Winder area		
2	- Winder area-Center	1037	
	Spinning area		
3	- Spinning area-Center	1224	
4	POY Laboratory	1404	
	Preparation Room Area		
5	- Ultrasonic Cleaning Room	1134	
6	Chip Feeding Area (Chip Conveyor Bridge)	954	
	Quality Control (QC) Area		
7	DTY Laboratory	1569	
8	Weaving Area	972	
9	Dyeing Area	947	
	Wastewater Treatment Plant (WWTP)		
10	Wastewater Treatment Plant Area		
	Office		
11	Main Office		
	Total	11	0

SUMMARY OF OCCUPATIONAL WORKING ENVIRONMENT MONITORING RESULTS - UNITEX FACTORY

YẾU TỐ MÔI TRƯỜNG	TỔNG SỐ MẪU	SỐ MẪU ĐẠT	SỐ MẪU KHÔNG ĐẠT
1. Microclimate			
- Temperature	16	16	0
- Relative Humidity	16	16	0
- Air Velocity	16	16	0
2. Illumination	16	16	0
3. Noise	16	09	07
4. Total Dust	16	16	0
5. Hazardous Gases			
- CO ₂	11	11	0
- CO	08	08	0
- SO ₂	08	08	0
- NO ₂	08	08	0
- NaOH	09	09	0
- Phenol	09	09	0



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