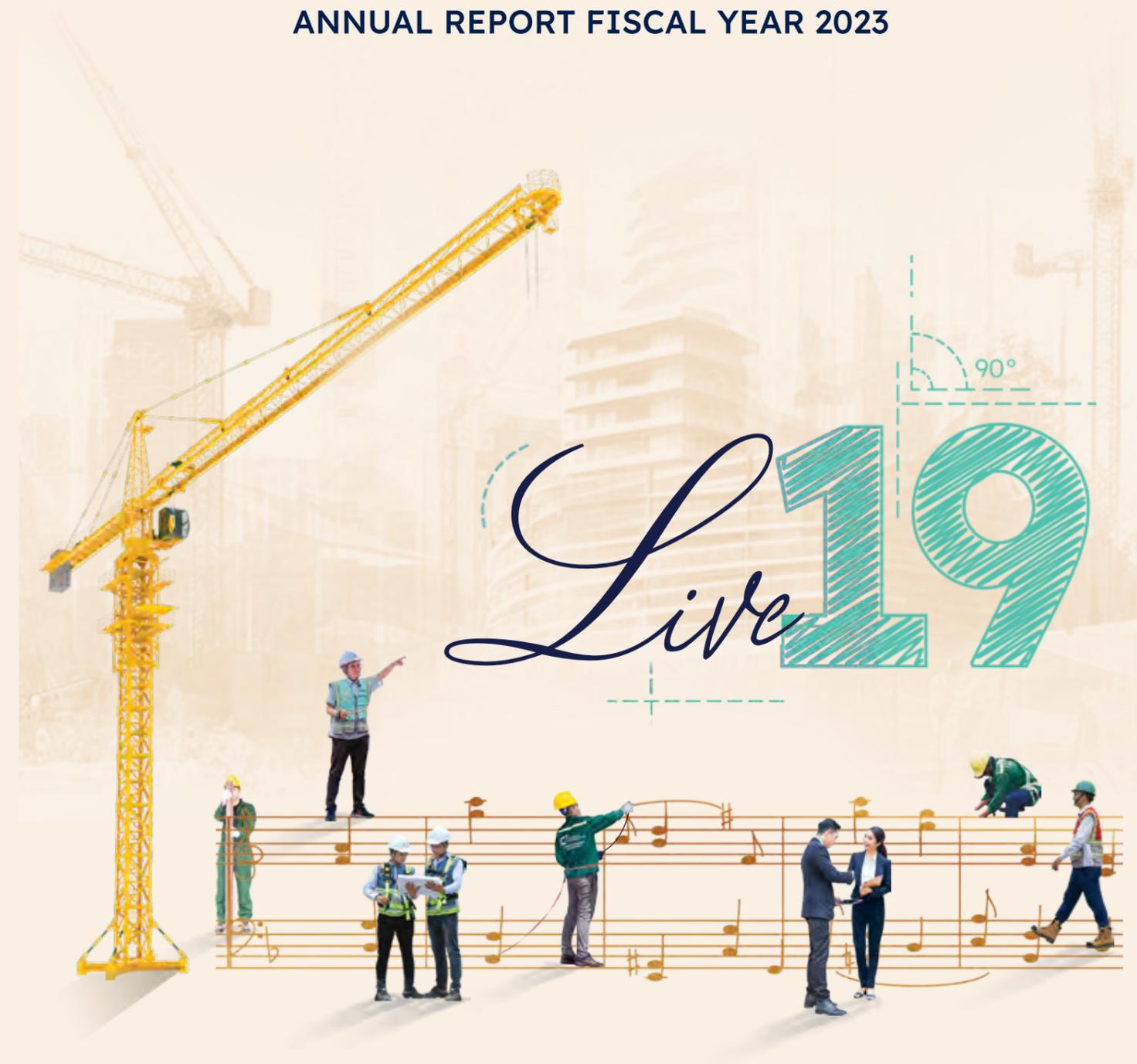


ANNUAL REPORT FISCAL YEAR 2023



COTECCONS CONSTRUCTION JOINT STOCK COMPANY

A. Coteccons Building, No. 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, HCMC

T. (84) (28) 3514 2255/66

F. (84) (28) 3514 2277

E. contact@coteccons.vn

W. www.coteccons.vn

TABLE OF CONTENTS



INTRODUCTION

- 03 Abbreviations
- 05 Live 19 Theme
- 06 Message of the Chairman
- 10 Dialogue with CEO
- 14 Accolades - Awards

LEADERSHIP TEAM

- 18 Board of Directors, Board of Management and Board of Supervisors
- 22 Brief Biographies of Leaders

COMPANY OVERVIEW

- 30 General information
- 34 Core values

REPORT ON CORPORATE GOVERNANCE

- 42 Report of the Board of Directors
- 56 Report of the Board of Supervisors
- 66 Risk Oversight
- 78 Investor Relations

REPORT OF THE BOARD OF MANAGEMENT

- 94 2023 in number highlights
- 97 Business performance and organizational development

SUSTAINABLE DEVELOPMENT

- 152 Message on sustainable development
- 158 Typical sustainable development activities
- 184 Reference to GRI standards

FINANCIAL STATEMENTS

- 199 Consolidated Financial Statements
- 255 Separate Financial Statements

LIST OF ACRONYMS & ABBREVIATIONS

AR	Annual report
CAGR	Compound Annual Growth Rate
IT	Information Technology
COMPANY/COTECCONS	Coteccons Construction Joint Stock Company
CSR	Corporate Social Responsibility
JSC	Joint Stock Company
D&B	Design and Build
AGM	Annual General Meeting
ESG	Environmental, Social and Governance
ESOP	Employee Stock Ownership Plan
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
BoD	Board of Director
HNX	Hanoi Stock Exchange
HOSE	Ho Chi Minh Stock Exchange
IR	Investor Relations
IA	Internal Audit
LEED	Leadership in Energy and Environmental Design
NPAT	Profit after tax
EBT	Earnings before tax
M&A	Mergers and acquisitions
M&E	Mechanical and Electrical Systems
MD	Managing Director
PD	Project Director
CG	Corporate governance
ROAA	Return on Average Assets
ROEA	Return on Average Equity
CEO	Chief Executive Officer
CIT	Corporate Income Tax
HCMC	Ho Chi Minh City
SSC	State Securities Commission
USD	U.S. dollar

TRANSFORMATION FOR PROSPERITY

This is the first Annual Report prepared under the new financial year cycle of Coteccons, covering the reporting period from January 1, 2023 to June 30, 2023. In addition, the contents of this report also help to inform and target strong momentum in FY 2023 - 2024.

Changing the financial year and reporting cycle is one of the specific steps towards a professional, transparent, sustainable Coteccons, building upon solid foundations, both internal and external, and well-considered choices.

According to the long-term roadmap for 2020 - 2025, 2023 is considered the pivotal year to **TRANSFORM** Coteccons so that 2024 can become a year of brilliant **PROSPERITY**, with new heights in scale, internal strength and achievements.

Throughout the past journey from 2020 to 2023, Coteccons has persistently demonstrated its determination, will and vision, overcome most critical challenges to achieve a “new version” full of vitality, earnest readiness for breakthroughs and steadfast pursuit of great aspirations.

With that foundation and experience, Coteccons is confident to embrace a new journey, by further promoting the pace and quality of development in FY 2023 - 2024 ahead.



Coteccons



19 YEARS IN THE MARKET

Coteccons chooses to embark on a challenging path and never gets discouraged, keep following on the journey...
...to do the right things

- 19 -

A fine combination of number 1 - Start strong and number 9 - Symbol of success.

WE ARE ACCOMPLISHING A MILESTONE IN GROWTH AND DEVELOPMENT

COTECCONS - LIVE 19
COURAGE and RESPONSIBILITY
STRENGTH and PASSION
SELF-EMPOWERMENT to MOVE FORWARD





BOLAT DUISENOV
The Board Chairman

Coteccons is changing to become more innovative and stronger every day. Driving and managing changes effectively is also a demanding task. We are appreciative of the trust and engagement of all parties on the Coteccons' present-day journey and believe in our long-lasting and strong partnership in the future.

MESSAGE OF THE CHAIRMAN

OUTCOMES OF INVESTMENT IN AND DEVELOPMENT OF CORE STRENGTHS

Prior to assessment of our business performance in 2022, I would like to talk a little bit about what came before. As you might remember, for 2021, Coteccons focused on building business stability. Despite a new development journey then charted for Coteccons, we understood that it would only be possible to pursue long-term goals by developing core pillars as our internal strengths.

Therefore, we were determined to rebuild stability from within after serious disturbances. In 2021, the Covid-19 pandemic shook up the socio-economic order. After managing daily stress to keep Coteccons alive, I then still asked myself **what was the most important in building true stability.**

With all of my research and experience at Coteccons, I was certain that Coteccons must be a human-based company. This is not something new indeed as most businesses understand how important people are in their chances of growth and success. However, in order to harness people power to drive growth, they should refresh their mindset and actions. This must be a long-term investment and development journey, not an overnight success.

In 2021, Coteccons consistently made efforts in business restructuring following such a vision and achieved certain stability. In 2022, we moved into the innovation phase. For sustainable business development, now and in the future, Coteccons' people should acquire new qualities and competencies.

New and externally sourced employees will be needed; though, existing people form our core HR strengths. Yet, it is not about new hires or existing employees but about how relevant they are to our operations. We should have the right people and the right talents with chances to contribute their parts. Therefore, to be a right person, in addition to talents, one must also be mentally strong to be able to overcome challenges, adapt themselves to changes, work under high pressure and be open to work on and contribute to our overall goals.



Meanwhile, for the same person to perform efficiently based on clear expectations and requirements, the employer should devise individualized personal development strategies, roadmap, tools, objectives and approaches.

We are well aware of this and determined to take actions, step by step.

After more than one year developing our core strengths, our 2022 performance is the best testament to our choices and efforts.

Market stress was piling up, especially in Q3 and Q4/2022. Yet, Coteccons proudly ended the year with impressive achievements in almost every aspect.

In terms of sales and profits, we were close to fulfill our targets while still upgrading our quality and safety standards. We also had a large backlog volume for the following years.

Market-wise, Coteccons was successful diversifying our portfolio of customers by winning new domestic and international ones for huge projects, coupled with repeat sales by existing customers. Coteccons is confident to have the largest customer portfolio in the construction industry. Our key outstanding projects include Lego, Vinfast Factory, Ecopark and Diamond Crown Hai Phong.

A rich customer portfolio and solid relationship with them help generate positive business outcomes while reducing our dependence on a certain group of customers. That also enables us to minimize the negative impacts of shocks in the real estate industry.

In terms of operations, we now have a higher market position, with a secure supply system and a stable network of partners.

Financially, the balance sheet can best tell Coteccons' solidity. Given challenging market conditions, the Company ensures cash flow and liquidity, in addition to healthy operations in other indicators such as corporate assets or debt ratio.

Yet, what makes me most proud is undoubtedly **our employee maturity and customer satisfaction with completed projects**.

I have been asked about my feelings when Coteccons has regained its leading position in the Vietnamese construction industry in terms of sales. That's an awe-inspiring achievement. We feel no fear of comparison and competition as, like it or not, a business has to face them. However, I often wonder if short-term sales and profits should be indicators of a market leader? Or if a brand's appearance in the media would be the most important aspect to a business?

I personally hold a belief that a good business, apart from its business performance, must pursue a greater mission and create positive influence on the market through its initiated standards. The same business must build sustainable values for itself and a wider society. Coteccons has coined "Building Futures" as our slogan for this purpose.

For 2023, Coteccons is more confident and optimistic although market challenges remain. We have drawn up a long-term strategy and action plan based on our available resources, people and customers. Our next task is to further drive business results and promote corporate culture, with a particular focus on our team- people development for more demanding requirements. In terms of sales, Coteccons will promote repeat sales, upgrade quality standards and boost labor productivity at construction sites. Besides, risk management and corporate governance are areas where we will set higher requirements.

This is also time for Coteccons to review its long-term strategy for refinements that fit market developments. A long-term vision and strategy provides a foundation to lead Coteccons on a new journey. But such a long-term strategy should regularly be revisited and updated when necessary to adapt to volatile market conditions. On each stage of development, a business should focus on

developing its core values and internal strengths. Fear of making mistakes and embracing challenges will hold us back.

We have at least two options, either sitting back and waiting for our circumstances to change or actively taking actions and changing our entire trajectory. Strong-willed people and sustainable businesses always choose to be proactive.

Coteccons is changing to become more innovative and stronger every day. Driving and managing changes effectively is also a demanding task. We are appreciative of the trust and engagement of all parties on the Coteccons' present-day journey and believe in our long-lasting and strong partnership in the future.

Yet, what makes me most proud is undoubtedly our employee maturity and customer satisfaction with completed projects.

On behalf of the Board of Directors,

Bolat Duisenov
Chairman

DIALOGUE WITH CHIEF EXECUTIVE OFFICER

On August 5, 2022, the Board of Directors of Coteccons announced its appointment of Mr. Vo Hoang Lam as the Chief Executive Officer for a complete management structure of the Company.

Thank to his expertise, leadership, understanding and dedication for Coteccons, and much experience working in Vietnam's construction industry, Mr. Vo Hoang Lam is regarded as the most suitable person to be the "captain" of Coteccons on its journey towards strategic goals.

Coteccons convincingly delivered a rapid growth at the end of 2022 under the leadership of Mr. Vo Hoang Lam as our CEO.

Mr. Vo Hoang Lam

THE "ONE TEAM" SPIRIT IS STEERING COTECCONS IN THE RIGHT DIRECTION

Mr. Vo Hoang Lam has nearly 17 years of experience working at Coteccons, having held different positions as a construction site manager, division director, project director, deputy CEO and BOD member. In addition, he also worked as the CEO of Unicons as one of its subsidiaries.

After nearly two years without a person to lead Company, given presence of you and other four deputy general directors, to what extent do you think the BOM has addressed immediate development needs of the Company?

From my point of view, there is no perfect structure of organization, especially when your business is moving very strongly with different groups of tasks and goals. I also believe that, in terms of what would be considered an ideal structure, there will not be much strong motivation to change and drive new developments as charted by Coteccons.

Therefore, I think that the Company now has a robust management structure, with all necessary positions and roles, including the most suitable people. During our development, we will always target improvements and adjustments to best meet practical requirements. Like every other business, Coteccons has a lot of problems and weaknesses to improve.

One thing is for sure, open-mindedness and a dare-to-change spirit of each individual at Coteccons are strong. In addition, the team empowerment and development and a vibrant corporate culture will help all of us constantly aim for higher levels of competence.

The shared determination and solidarity, especially in the leadership team, between the BOD and the BOM, is also one of the most important factors following previous PR storms. This is a prerequisite for its stability at present and future disruptive growth. From your perspectives, what do you think about this?

I am the one directly working with the executive team and also a BOD member, who bridges connections between related parties, so I can see clearly the mindset and perspectives of others from different angles. I can then feel the overall "mood" in the entire organization.

This is the most strongest growth period at Coteccons when internal determination and solidarity are also highest.

Shared determination and solidarity do not mean we can always see eye to eye with each others, but rather indicate our shared understanding and coordination for the common good, moving towards the collective goals.

When the Company was under restructuring, efforts to change and test new ways of working,

“

This is the most strongest growth period at Coteccons when internal determination and solidarity are also highest.

organizational structures and processes could be a bit overlapping and burdensome. But now, most of the processes and roles have been re-established, and each person's duties and scope of work are clearer.

Therefore, each member has their own responsibility and development space. In each task group, main and supporting responsibilities are clearly defined. Such an environment facilitates mutual respect and support for effective cooperation. The parties all share and coordinate with each others for the common goals. Each person has the opportunity to develop their abilities and roles within the scope of their work. The organization is like a relay team. In my opinion, this is a very positive solidarity.

The Board of Directors of Coteccons has many foreign members. Is there any gap or difference in terms of the mindset, philosophy, business development goals... that may prevent Coteccons from maintaining its inherent identity as many may be concerned about?

The BOD is tasked to chart strategic directions for Coteccons as well as represent the shareholders in monitoring the implementation of the strategy and the performance of the Company. During business operations, grounded by its practical experience, the executive team will have critical views on the strategy, so that the strategy and the development journey of the Company are more feasible.

Most of its assessment is highly critical to improve the performance or provide more useful solutions. The BOD seriously takes notes and carefully reviews all feedback received for appropriate adjustments. So that's critical thinking.

DIALOGUE WITH CHIEF EXECUTIVE OFFICER

In the past, we focused on results which did not come as expected. Lately, we've been focusing on fundamental factors, driving changes from the inside, and the results have naturally come.



The BOD now has committees on strategy, human resources, sustainable development... to specifically cover issues in each of these areas, so all members, either Vietnamese or foreign members, all stay abreast of any updates. The BOD members share information on a regular basis as required, not waiting to do so until periodic meetings.

Therefore, the current diverse structure at Coteccons brings a positive meaning. Given its recent performance, Vietnamese or foreign nationalities, or Vietnamese or foreign brands are no longer important. Coteccons' growth results in all respects are the clearest answer.

I think today's business environment has also changed. Many Vietnamese companies also actively invite foreign workers to be their CEOs, senior managers or BOD members. At Coteccons, everyone is working on a professional manner, so we are really "One Team" and there is nothing to worry about.

Coteccons is in the third year of its 5-year plan from 2021 to 2025. The Company achieved a certain degree of stability and innovation with very positive results obtained in 2022. Looking at all aspects of your operations from a rational, not emotional, perspective, in your opinion, has the Company really been moving in the right direction and at the right speed? Will the ambitious targets still be feasible to be persistently pursued?

Thanks to its strategic directions and clear long-term development roadmap, Coteccons has built an effective change management process. We keep exploring our inner strength and potentials and are driven to reach higher, which has not been thought of by many of us before.

It is called a "long-term plan" which is actually not very long! Five years planned to transform a business, if right and enough actions are in place, can be hectic indeed. And the fact that we set very high targets is also not decided emotionally.

First, we based our decision on the values and trends in the construction industry. Then, we evaluated our internal resources to assess how far we could reach. Setting extremely high targets has been driving our motivation and maximizing available potentials.

Coteccons has so far completed or is on track to complete our annual targets. These are operational stability for 2021, innovation for 2022 and transformation, both qualitatively and quantitatively, for 2023. We have been able to deploy mega-projects, improve our capacity to conquer large and technically demanding projects for which high environmental standards are to be met. As for the diversification strategy in terms of infrastructure, technology, finance..., Coteccons has also achieved positive initial results and is further exploring potential investments as the next step.

Therefore, to achieve transformational results in 2023, based on its robust foundations and specific targets. Coteccons is further assessing current market developments and trends and internal factors to decide appropriate adjustments while still maintaining aspirations and leveraging potentials.

To transform a business, there can be different approaches. Coteccons has focused its investment and efforts on transformation from within. It is clear that Coteccons people and culture have become more fresh in your "new version". Can you share more about your initial experience in the "self-improvement" process?

In the past, we focused on results which did not come as expected. Lately, we've been focusing on fundamental factors, driving changes from the inside, and the results have naturally come. Therefore, after setting business goals to be achieved, we no longer focus on results, but manage to strengthen our systems, develop our people, update applicable standards, increase required strength to meet customer requirements in the context of new market conditions...

Having clearly defined goals, qualified people, robust systems, and abilities to capture market opportunities... will gradually generate corresponding results. I believe this is the right way to do it. Coteccons is now reaping positive results. We are further working harder and faster to achieve the expected results.

Only real strength from within can surely deliver sustainable results. Our advantages are not only expertise and dedication, but also a new mindset, with the courage to reflect on our own strengths and weaknesses and the determination to change and control our course of development. Action slogans like UP or OWN IT that we have communicated to our team are specific and motivating guidance.

The new strategy has been widely announced and how have other players in the industry responded to steps recently taken by Coteccons? When other businesses also begin to change and take similar steps, what will be the pressure for Coteccons?

In fact, Coteccons is sharing the same path and journey with many large corporations in other countries. Some construction enterprises in Vietnam also see their problems and adopt the same path. That means we are not completely daydreaming or taking on an unreal path. Sharing the same path of development with many others also gives us more confidence, believing we are doing the right thing and in the right way to attract others.

Ideas or orientations can be developed by different businesses, or replicated very quickly. The problem is how to deliver them in practice. We manage to elaborate our strategies, plans and methods of implementation to know specifically what should and must be done.

The market conditions remain generally challenging and are forecast to be highly unpredictable in the near future, but Coteccons has set very high growth targets. Does the company have any preparations or backup plans to avoid subjective assessments?

We are constantly preparing and improving our resources. As I have shared, setting high targets is also based on relative certainty. At present, it can be seen that we have many advantages to be confident in the future success of our plans.

However, the Company is not subjective in our assessment. For example, we are well aware that a large amount of backlog is just a pre-condition. Large, even normal, projects can be delayed and carry with them more risks than anticipated. That is why Coteccons has devised solutions on provisioning, risk management, corporate governance... at a more practical level.

Business activities always involve risks. There are always changes and challenges in the development process of a business. To stay in our comfort zone without daring to set ambitious goals, there would not be enough motivation. As a result, we stay determined with our aspirations and journey while being cautious and prepared to respond to new market developments.

TYPICAL AWARDS ACCOLADES AND RECOGNITIONS

COTECCONS AND UNICONS KEEP THE TITLE OF TOP 50 BEST ENTERPRISES IN VIETNAM IN 2022

Coteccons and Unicons continue to maintain a solid presence in the Top 50 Best Enterprises in Vietnam (TOP 50 VIETNAM THE BEST) with 34th position and Unicons at 43rd. The ranking is honored by Vietnam Report in collaboration with VietnamNet newspaper and announced in early 2023. This is the 5th time in a row Coteccons has won this title.

Coteccons and Unicons are two of three companies in the construction industry included in the Top 50 above, recognized as important players contributing to the stability and development of Vietnam's economy.



The year 2022 ends with many ups and downs; and yet Coteccons - Unicons constantly endeavored to conquer challenges and remained steadfast with specific strategies and goals to ensure the quality of each product and project that we deliver. The "Top 50 Vietnam The Best" award is a testament to the efforts of the entire Coteccons team from the Board of Directors to the Site Management Committee and each member on the journey to create good values for community, develop the construction industry and embrace the world market from Vietnam.



COTECCONS WON THE BEST COMPANIES FOR DIVERSITY, EQUITY & INCLUSION (DEI) AWARD

On June 29, Coteccons won the Best Companies for Diversity, Equity & Inclusion (DEI) award at the TOP 50 Sustainable Development Champions in Vietnam 2023 honored by Nhip Cau Dau Tu Magazine. The award is recognition of Coteccons' commitment to putting people at the center of business activities and the ESG (Environment, Social, Governance) goals that the Company adopts as its development philosophy.



“

Thanks to its strategic directions and clear long-term development roadmap, Coteccons has built an effective change management process. We keep exploring our inner strength and potentials and are driven to reach higher, which has not been thought of by many of us before.”

Mr. Vo Hoang Lam – CEO

“

I personally hold a belief that a good business, apart from its business performance, must pursue a greater mission and create positive influence on the market through its initiated standards. The same business must build sustainable values for itself and a wider society.”

Mr. Bolat Duisenov – Chairman

LEADERSHIP TEAM

COTECCONS - ANNUAL REPORT FY 2023

18 — Board of Directors - Board of Management and Board of Supervisory

22 — Brief biographies of leaders

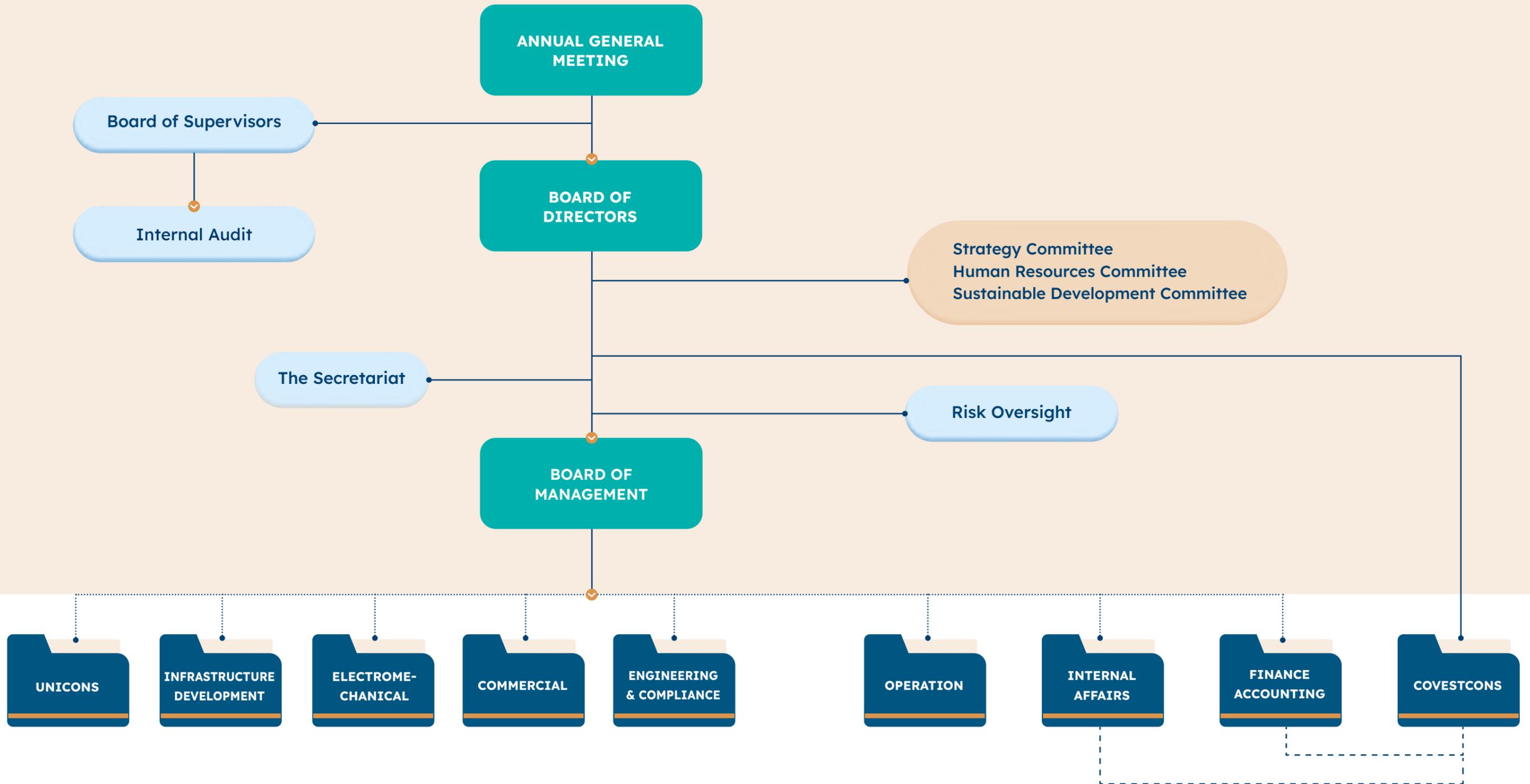
LEADERS OF COTECCONS



“

After two years of efforts driving changes, exploring directions and improving its strategy, Coteccons has now reached the highest stability in terms of leadership team. The Board of Directors and the Board of Management are completed in terms of number of members and structure, including those having strong expertise, rich practical experience and a shared vision to lead Coteccons to a better future.

ORGANIZATIONAL STRUCTURE DIAGRAM



LEADERS OF COTECCONS



Mr. **Bolat Duisenov**
The Board Chairman

Nationality: Kazakhstan
Born in: 1981
Qualifications:
Master of Laws

Appointment history

Date of becoming a BOD member (previous term): 6/30/2020
Date of appointment as BOD Chairman (previous term): 10/5/2020
Date of becoming a BOD member (new term): 4/25/2022
Date of appointment as BOD Chairman (new term): 5/3/2022

Previous senior executive positions

2020 - present : BOD Chairman of Coteccons Construction JSC.
2014 - 2022: Board Member of FiinGroup
2013 - present : Board Member of Gemadept
2012 - present : Founder of PilotX
2008 - present : CEO of Kusto Vietnam
2005 - 2008 : CEO of Tandem Group - Kazakhstan

Professional experience

Having been with Coteccons for more than 10 years as an investor and a BOD member, Mr. Bolat is committed to bringing the highest standards of corporate governance, values to customers and peace of mind to shareholders.

As the leader of the Company's restructuring in line with a new strategic direction, he focuses on sealing Coteccons' position in the Vietnamese construction industry and building it to be a great company.

Mr. Bolat is also the co-founder and CEO of Kusto Vietnam. This private equity firm has contributed to the success of many domestic market leaders through growth financing. He is also a BOD member of several private and public companies, and involved in management of investments valued more than USD 1 billion.



Mr. **Talgat Turumbayev**
Non-executive
BOD member

Nationality: Kazakhstan
Born in: 1971
Qualifications:
Master of Business Administration

Appointment history

Date of becoming a BOD member (previous term): 3/30/2016
Date of becoming a BOD member (new term): 4/25/2022

Previous senior executive positions

April, 2022 - present: BOS Member of Coteccons
2016 - present : BOD member of Coteccons
2011 - present : Director of Kustocem Pte. Ltd.
2010 - 2011: CEO of Kusto Management Ltd.
2008 - 2010: CEO of Eurasia FM Consulting Ltd.
2005 - 2008: Managing Director of BTA Bank
2002 - 2005: CEO of Eurasia FM Consulting Ltd.

Professional experience

He holds a Master's degree in Finance and Accounting, and is a member of the Association of Chartered Certified Accountants (ACCA). He has nearly 28 years of experience in finance, accounting, and audit.



Mr. **Herwig Guido H. Van Hove**
Non-executive
BOD member

Nationality: Belgium
Born in: 1969
Qualifications:
Master of Business Administration
Master of Applied Economics

Appointment history

Date of becoming a BOD member (previous term): 6/30/2020
Date of becoming a BOD member (new term): 4/25/2022

Previous senior executive positions

2020 - present: BOD member of Coteccons
2019 - present: Founder and Director of The8th Pte. Ltd.
2018 - present: Portfolio Manager of InseadAlumni Ventures
2015 - present: Founder and CEO of Vahoca Pte. Ltd.
2009 - 2014: Executive Partner and Chief Executive Officer of Notz Stucki Group
1998 - 2009: COO and BOD Member of Morgan Stanley

Professional experience

He holds a Master of Business Administration from Insead, France, with more than 31 years of experience in investment and finance at many large financial institutions. He is the Founder and Director of The8th Investment Fund Pte. Ltd. while also founding and serving as the CEO of Vahoca Investment Fund Pte. Ltd. in Singapore.



Mr. **Tan Chin Tiong**
Independent member of the BOD

Nationality: Singapore
Born in: 1949
Qualifications:
PhD.

Appointment history

Date of becoming a BOD member (previous term): 6/29/2017
Date of becoming a BOD member (new term): 4/25/2022

Previous senior executive positions

2017 - present: BOD member of Coteccons
2013 - present: Senior Advisor to the President and Professor of Marketing at Singapore Management University
2009 - 2013: President of Singapore Management University
2007 - 2009: Vice President and Professor of Marketing at Singapore Management University

Professional experience

He completed his PhD thesis at the University of Pennsylvania in 1977. He has more than 43 years of experience in teaching Marketing at prestigious universities of Singapore such as National University of Singapore. and Singapore Management University.



Mr. **Tong Van Nga**
Independent member of the BOD

Nationality: Vietnam
Born in: 1947
Qualifications:
Chemical industrial engineering

Appointment history

Date of becoming a BOD member (previous term): 4/19/2021
Date of becoming a BOD member (new term): 4/25/2022

Previous senior executive positions

April, 2021 - present: BOD member of Coteccons
2017- present: Vice President of Vietnam Federation of Civil Engineering Association
2015 - present: President of Vietnam Association for Building Materials
2009 - 2014: Standing Vice President of Vietnam National Real Estate Association
2006 - Present: President of Vietnam - Romania Friendship Association
2005 - 2011: President of Vietnam Concrete Association
1998 - 2007: Deputy Minister of Construction

Professional experience

He graduated from Polytechnic University of Bucharest, Faculty of Industrial Chemistry with a degree in Technology Engineering. He used to assume the position of Deputy Minister of Construction and has more than 48 years of experience in the construction sector.

LEADERS OF COTECCONS



Mr. Pham Quang Vu
Non-executive
BOD member

Nationality: Vietnam
Born in: 1959
Qualifications:
Bachelor of Economics

Appointment history

Date of becoming a BOD member: 4/25/2022

Previous senior executive positions

2022 - present : BOD member of Coteccons
2022 - present : Director of Vu Son Tung Co., Ltd.
2013 - 2020 : BOD Chairman of Vinacafe Bien Hoa Joint Stock Company
2010 - 2013 : CEO of Vinacafe Bien Hoa Joint Stock Company
2004 - 2010 : BOD Member - Deputy CEO of Vinacafe Bien Hoa Joint Stock Company

Professional experience

With management experience in holding senior positions, he is expected to make positive contributions in governance, human resources and training.



Mr. Vo Hoang Lam
Executive BOD member & CEO

Nationality: Vietnam
Born in: 1978
Qualifications:
Construction engineering

Appointment history

Date of becoming a BOD member: 4/25/2022
Date of appointment as the CEO of Coteccons: 8/5/2022
Date of appointment as Deputy CEO: 3/5/2021
Date of appointment as the CEO of Unicons: 11/16/2020

Previous senior executive positions

2022 - present : BOD member of Coteccons
2022 - present : CEO of Coteccons
2021 - 2022: Deputy CEO of Coteccons
2020 - 12/2022 : CEO of Unicons Co., Ltd.
2019 - 2020: Deputy CEO of Unicons Co., Ltd.
2017 - 2019: Project Director at Coteccons
2016 - 2017: Director of Economic Division

Professional experience

With more than 22 years of experience in the construction industry, he is one of the key person who has seen the Company through important milestones. He held important positions at the Company such as Construction Site Manager, Project Director, Economic Division Director, Deputy CEO and CEO. Large-scale projects under his management include MGM Grand Ho Tram, Viettel Headquarters, D'Capitale, Meiko Factory, among others.

As the CEO, he will contribute his experience in project management and application of advanced construction methods to leverage the "Coteccons Inside" values, thus delivering high-quality products, improving Coteccons' position in both domestic and international markets, and generating positive impacts on community, social and environmental sustainability.



Mr. Pham Quan Luc
Deputy CEO

Nationality: Vietnam
Born in: 1974
Qualifications:
Architect

Appointment history

Date of appointment as Deputy CEO: 10/9/2020

Previous senior executive positions

2020 - present : Deputy CEO of Coteccons
2019 - 2020: Manager of Technical Division of Coteccons.
2014 - 2019: Deputy CEO of Ricons.

Professional experience

Having accompanied Coteccons since the early days of its establishment, Mr. Luc has held many management positions, from Commander, Division Manager to Deputy CEO. He had worked in a wide range of fields: Commerce, housing, industry, hospitality with signature projects of The Manor, Ecopark, ITG Phong Phu Da Nang, etc.

With more than 21 years of experience in construction sector for domestic and international customers, he has been contributing to the development of leadership thinking for the Company. Currently, Mr. Pham Quan Luc is concurrently in charge of developing the infrastructure segment in the company's diversification strategy towards sustainable development.



Mr. Nguyen Ngoc Lan
Deputy CEO

Nationality: Vietnam
Born in: 1978
Qualifications:
Construction Engineering

Appointment history

Date of appointment as Deputy CEO: 3/5/2021

Previous senior executive positions

2021 - present: Deputy CEO of Coteccons
2018 - 2021: Project Director and Head of Equipment Department at Coteccons.
2013 - 2016: Manager of Construction Division of Coteccons
2010 - 2013: Project Director at Coteccons
2004 - 2010: Site Commander at Coteccons

Professional experience

With more than 21 years of experience in construction engineering, he has been accompanying Coteccons throughout the process of formation and development, holding many positions from Construction Site Commander, Manager of Construction Division and manager of many departments at the Company.

In March 2021, he was appointed as Deputy CEO of Coteccons. With solid expertise, enthusiasm and sincere relationship with customers, he is continuously devoting his capacity to help the Board of Directors maintain the leading position of Coteccons in the industry and close partnership with customers.

In addition, he and his team also researched and developed a number of new products and services, contributing to Coteccons' diversification strategy.



Ms. Pham Thi Bich Ngoc
Deputy CEO

Nationality: Vietnam
Born in: 1976
Qualifications:
Master of Business Administration

Appointment history

Date of becoming Deputy CEO: 11/5/2021

Previous senior executive positions

2021 - present: Deputy CEO of Coteccons
2017 - 2020: Techcombank Transformation Project Director
2013 - 2017: Chief Human Resources Officer of Masan Consumer Holdings.
2010 - 2013: Training Director of MGM Grand Ho Tram
2007 - 2010: Head of Executive HR Department at Prudential Vietnam

Professional experience

Ms. Pham Thi Bich Ngoc joined Coteccons from May 2021 as a Senior Advisor to the Board of Directors. She graduated with a Master of Business Administration from Solvay University, has 25 years of experience working for leading companies in Vietnam such as Techcombank, Masan, Prudential, MGM Grand Ho Tram, Bayer and Vietnam Airlines.

Besides her main expertise in human resource management, Ms. Ngoc also leads the transformation in leadership capacity, consulting capacity and customer experience while assisting the BOD Chairman in actualizing business diversification strategy.



Mr. Chris Senekki
Deputy CEO

Nationality: British
Born in: 1974
Qualifications:
Bachelor of Business and Finance

Appointment history

Date of appointment as Deputy CEO: 3/5/2021

Previous senior executive positions

2021 - present: Deputy CEO of Coteccons
2018 - 2021: CEO of Turner Construction Company Vietnam.
2015 - 2018: Project Manager of Turner Construction Company Vietnam

Professional experience

He used to serve as the CEO of Turner Vietnam Construction Company with more than 25 years of experience in the construction field, including many flagship international and domestic projects such as Qatar Petroleum Area, Port, Marina and International Airport (Cyprus), Porsche Autohaus (HCMC), Hilton Saigon Hotel, among others.

He pioneered in system improvement and helped Coteccons converge international standards.

LEADERS OF COTECCONS



Mr. **Tran Van Thuc**
Head of the Board of Supervisors

Nationality: Vietnam
Born in: 1971
Qualifications:
Master of Business Administration

Appointment history

Date of becoming a BOD member (previous term): 4/26/2021
Date of becoming a BOD member (new term): 4/25/2022

Previous senior executive positions

2009 - present : Partner - Kreston Auditing and Consulting Company (Vietnam)
1997 - 2009: Director of Finance and Administration - Air Liquide Vietnam Ltd.

Professional experience

Graduated with a Master of Business Administration from the University of Gloucestershire, UK.
Holds an ACCA degree from the Association of Chartered Certified Accountants (ACCA).
Has more than 29 years of experience in the Accounting - Finance sector. Has held many senior professional positions at Deloitte Vietnam, Air Liquide Vietnam, etc.



Mr. **Zhaidarzhan Zatayev**
BOS member

Nationality: Kazakhstan
Born in: 1978
Qualifications:
Bachelor of Finance and International Trade

Appointment history

Date of becoming a BOD member: 4/25/2022

Previous senior executive positions

2021 - present : Risk Oversight Director at Coteccons
2020 - 2021: Risk Management Manager at Be Group
2018 - 2020: Director of Retail Credit Center at Maritime Bank
2013 - 2017: Senior executive positions at Techcombank
2009 - 2013: Risk Management Director and Managing Director at Alliance Bank, Kazakhstan

Professional experience

Graduated with a bachelor's degree in Finance - International Trade.
Holds a CFO degree from the CIMA program.
Has more than 25 years of experience in business, finance, risk management at large organizations/enterprises in Kazakhstan and Vietnam.



Mr. **Doan Phan Trung Kien**
BOS member

Nationality: Vietnam
Born in: 1988
Qualifications:
Bachelor of Finance

Appointment history

Date of becoming a BOD member: 4/25/2022

Previous senior executive positions

April, 2022 - present: BOS Member of Coteccons
2021 - 2022: Manager of Investment Division at Coteccons
2018 - 2020: Head of Investment Department at Sen Do Technology Joint Stock Company
2017 - 2018: Deputy Investment Manager at Mobile World Investment Joint Stock Company
2013 - 2017: Team Leader at KPMG Vietnam

Professional experience

Graduated from Victoria University of Wellington, New Zealand.
Holds an ACCA degree from the Association of Chartered Certified Accountants (ACCA).
Has held senior positions in the field of investment in some large enterprises in Vietnam and internationally.



For 2023, Coteccons is more confident and optimistic although market challenges remain. We have drawn up a long-term strategy and action plan based on our available resources, people and customers. Our next task is to further drive business results and promote corporate culture, with a particular focus on our team- people development for more demanding requirements.



COMPANY OVERVIEW

Currently, Coteccons is operating as a powerful corporation with an advanced service - technology ecosystem, sound financial capacity, dedicated engineer team, experienced experts and promising young talents

COTECCONS - ANNUAL REPORT FY 2023

30 — General information

34 — Core values





COTECCONS CREATING A SUSTAINABLE FUTURE

Coteccons has been recognized a critical enabler to the development of Vietnam's construction industry for nearly two decades. The Company will continue to fulfill this role and mission throughout our upcoming journey.



Coteccons was established in 2004 via the privatization of a member company of Fico Corporation. With robust capabilities and first-mover vision, the Company has grown rapidly to lead the construction market, developing many important projects in Vietnam and contributing to the transformation of various cities across the country.

Currently, Coteccons is operating as a powerful corporation with an advanced service - technology ecosystem, sound financial capacity, dedicated engineer team, experienced experts and promising young talents. With that abundant competencies, Coteccons is fully capable of meeting diverse construction requirements, from residential, commercial, hospitality projects to infrastructure and industrial works.

Through a proud history of establishment and development, one of the greatest assets that Coteccons has built is market recognition and customer trust. This achievement takes its root from the Company's coherent philosophy of true value in construction, as evidenced by each of our projects. Accordingly, Coteccons always pursues the highest standards of quality and operationalize them with sophisticated and rigorous technology - engineering - management - supervision processes.

Not only updating the latest standards of the global construction industry, Coteccons also maintain our focuses on research and development (R&D). The company is always at the forefront of finding new solutions, from optimal building materials to improved construction methods, helping to ensure both project quality and progress.

Such effort increases project-specific efficiency while effectively minimizing costs and time for customers - developers. Therefore, Coteccons is always the first choice to many project developers for construction work. Flagship projects, in particular, are entrusted with Coteccons for absolute assurance.

To date, Coteccons has completed more than 400 major projects throughout Vietnam and some neighboring countries such as Laos, Cambodia, Myanmar, etc. All Coteccons branded works are associated with guaranteed sustainable quality and value. Most of them have become icons of cities, contributing a crucial part to the socio-economic development and livelihood of the local people.

Coteccons was listed on Ho Chi Minh City Stock Exchange in early 2010. Currently, Coteccons' CTD stock is ranked among the best construction stocks in Vietnam.

Coteccons has had nearly two decades of brilliant development with sound achievements and reputation. Such foundation will always be respected, inherited and promoted properly.

Since 2021, in adapting to an ever-changing market and aiming towards a sustainable future, Coteccons is taking initiatives to innovate our current business strategies and update development plans. All tangible and intangible heritage and resources that we have been upholding for years, are optimized, aligned and upgraded to reach new heights. Among these, utmost respect for true values, commitment to quality and efficiency continues to be at the heart of everything we do at Coteccons. All updates and improvements are all aimed at actualizing that philosophy at its best, bringing the highest efficiency to all stakeholders, from direct and indirect customers, from community - society to the company itself, taking into account the new socio-economic context.

A new chapter in the history of Coteccons starts from now. The Company's development prospects are always part of the broader development prospects of the country and the community.

PHILOSOPHY - PURPOSE

At Coteccons, we believe that a great project not only features external magnificence but also needs to stand the test of time. Therefore, not only with bricks and mortar, we build each project with heart, vision, reputation and wisdom.

We follow our dreams and dedicate ourselves to creating new lives. We believe that a successful business is one that builds a better world.

With that philosophy and purpose, we expect to be given the trust to grow stronger with our customers. We stand ready to accompany any project, anywhere, to join you in reaching new heights, conquering new limits, and creating new miracles.

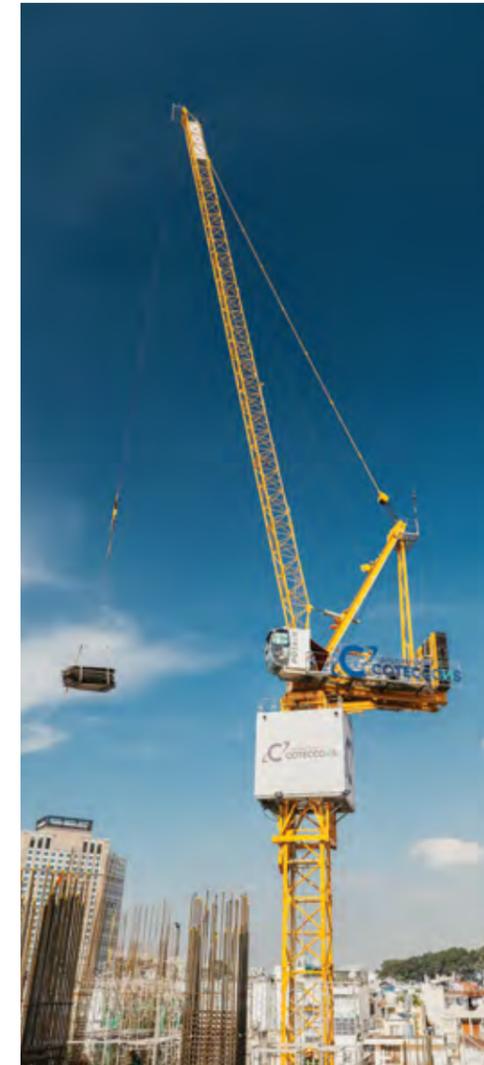
CO-CREATE A
BRIGHT FUTURE
TOGETHER.

CO-CREATE GOOD
WORKS FOR THE
WORLD.

CO-CREATE
SUSTAINABLE
VALUES.

“The above principles help our Coteccons team to remain focused, motivated and passionate to work every day.”

PROFILE INFORMATION



Name in Vietnamese: COTECCONS CONSTRUCTION JOINT STOCK COMPANY

Name in English: COTECCONS CONSTRUCTION JOINT STOCK COMPANY

Abbreviated name: COTECCONS

Tax identification number: 0303443233

The business registration certificate was initially issued by Ho Chi Minh City Department of Planning and Investment on August 24, 2004.

Charter capital: VND 788,308,000,000

Owner's equity: VND 8,213,962,257,245

Total assets: VND 18,967,071,946,667

Address: Coteccons Building, No. 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, HCMC

Điện thoại: 84.28.3514 2255 - 84.28.3514 2266

Fax: 84.28.3514 2277

Email: contact@coteccons.vn

Website: www.coteccons.vn

Business lines: Construction & installation for works of all kinds
Architectural & engineering design consulting
Financial trading, investment and real estate

LISTING INFORMATION

Ticker symbol: CTD
Listing year: 2010
Listing exchange: Stock Exchange Ho Chi Minh
Stock Exchange – HOSE

AUDIT FIRM

ERNST & YOUNG VIETNAM LTD.

Address: Address: 02 Hai Trieu, Ben Nghe Ward, District 1, HCMC, Vietnam
Tel: 84.28.3915 7888
Web: <http://www.ey.com/vn/en/home/ey-vietnam>

CORE VALUES

1 **QUALITY AND SAFETY**
We are committed to delivering outstanding quality, absolute safety and on-time delivery for each individual project.

2 **RESPECT AND HUMANITY**
We work with empathy and teamwork. We do not compromise with actions that go against humanity and do not create values for the community. We uphold equity and kindness, regardless of background, position and capability.

3 **INTEGRITY**
We are committed to operating with honesty and transparency.

4 **DEDICATION**
We inspire and motivate everyone, with persistence and commitment to the goal of global recognition.

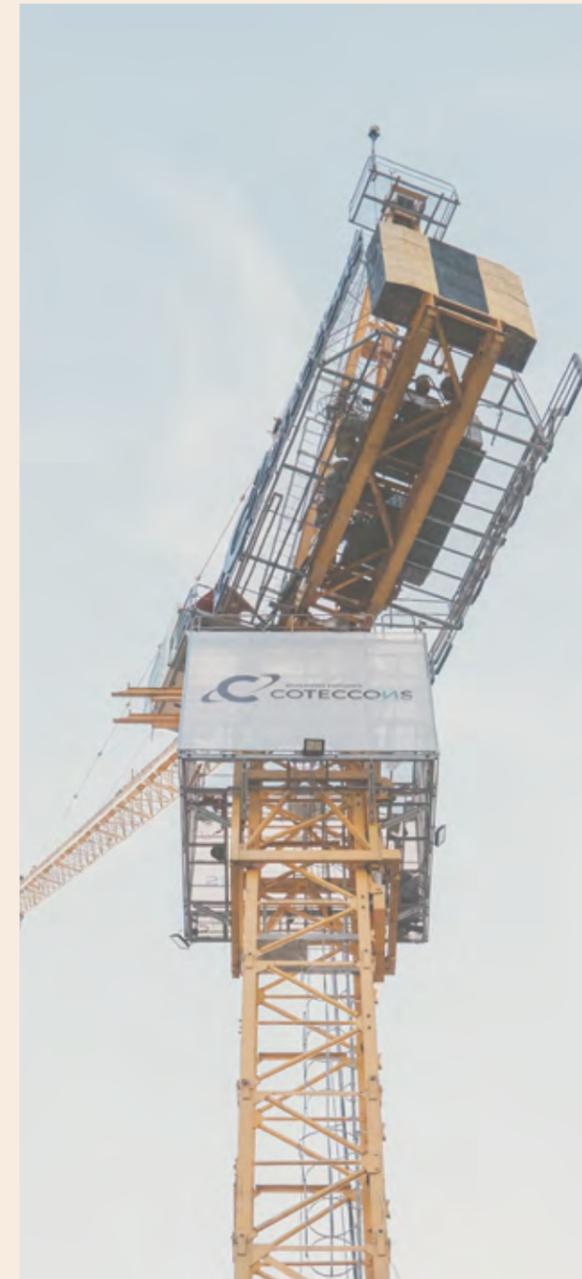
5 **CONSIDERATION**
We understand and strive to bring benefits to all stakeholders; create opportunities for career development and prosperity for each individual.

6 **BOLDNESS**
We are willing to take on challenges and take risks to go above and beyond barriers, surpass our limits, and create excellence together.

7 **CONSTANT IMPROVEMENT**
We always strive to improve and apply world-class technologies to solve business challenges. We listen, learn and constantly search for breakthrough ideas to develop.

8 **CUSTOMER-CENTRICITY**
We put the interests of our customers at the heart of all business decisions and activities.

9 **SUSTAINABILITY**
We operate with environmental protection and sustainable development responsibility, in the best interest of future generations.



MAIN BUSINESS LINES



- Construction of houses of all kinds: Main business lines
- Manufacturing of concrete and products from cement and gypsum
- Construction of railway and road works
- Construction of public works
- Construction of other civil engineering works
- Demolition
- Preparation of sites
- Installation of electricity system
- Installation of water supply and drainage system, heating system, and air conditioners
- Installation of other construction systems
- Fitting out of construction works
- Other specialized construction activities
- Wholesale of machinery, equipment and other machinery components
- Wholesale of materials and other installation equipment in construction
- Wholesale of other specialized products which have not been categorized
- Support activities for financial advisory which have not been categorized
- Architecture and relevant technical advisory
- Specialized design activities

MARKET PRESENCE



Coteccons has also established international presence in Laos, Cambodia and Myanmar markets.

KEY MILESTONES ON THE DEVELOPMENT JOURNEY

2004

Transformed the operating model into a Construction Joint Stock Company (Cotec) according to Decision No. 1242/QD-BXD dated July 30, 2004 by the Minister of Construction.

2006-2008

Jointly developed many big projects: RMIT University, The Manor, Grand View, etc.

Secured investment from large funds, including Dragon Capital, Indochina Capital, Tainan Spinning. Increased charter capital to VND 120 billion.

Conquered the high-end real estate market with signature projects like Ho Tram Sanctuary, River Garden, The Center Point, etc.

2009-2011

Commenced the construction of the Coteccons office building on May 10, 2009 with 100% Coteccons capital.

Coteccons shares were listed and traded (ticker symbol: CTD) on January 20, 2010 at HOSE.

September 08, 2011, signed an EPC contract for the region's largest and most sophisticated Casino - The Grand Ho Tram complex with the developer Asian Coast Development Ltd. (ACDL).

2012-2014

Signed a strategic cooperation contract with Kustocem Pte. Ltd. (Singapore) by issuing 10,430,000 shares (equivalent to VND 520 billion).

Raised the share ownership ratio of Coteccons in Unicons to 51.24% and officially operated under the group model.

Achieved initial success in Design and Build (D&B) model. Signed many D&B contracts with major developers like: Masteri Thao Dien, Regina, etc.

2015-2017

Implemented many large D&B contracts. Marked record high revenue and profit growth.

Constructed Landmark 81 project - one of the super-tall skyscrapers in the world.

Commenced Hoi An Casino project in August 2017 with a total value of nearly VND 7,000 billion.

2018-2020

Completed The Landmark 81 project - a national icon and among the Top 10 super-tall skyscrapers in the world.

Completed Vinfast automobile manufacturing complex with a record construction time of only 12 months.

Maintained the position of No. 1 Private Enterprise in the construction industry, marking the 7th consecutive year leading this ranking. The company was also honored in the Top 50 largest enterprises in Vietnam in 2019.

Ranked as one of the leading contractors in Vietnam in 2020.

2021

Conducted business restructuring, created new enablers to adapt to changing market and oriented the development roadmap to 2025.

Ensured quality and progress for all approved projects despite adversities posed by the Covid-19 pandemic with over 20 projects successfully handed over.

Affirmed the 1st position in the Top 10 Most Reputable Construction Contractors honored by Vietnam Report and Top 20 Companies with Sustainable Development Index - VNSI.

2022

Pursued rigorous innovation and achieved remarkable business results even in the context of the challenging Vietnamese economy, especially the complicated developments of the real estate market. Such outcomes confirm the soundness of the new strategy that the Company has embraced.

Ranked 34 in the Top 50 Best Enterprises in Vietnam honored by VietnamReport and VietnamNet.

For the second year in a row, named among Top 20 companies with the highest sustainable development index - VNSI.

2023

Converting the fiscal year with the first cycle from January 1, 2023 to June 30, 2023 to promote a more appropriate pace of business development, moving towards dynamic and effective development according to the grand strategy.

Won the Top Enterprise Leading Diversity, Equity and Inclusion (DEI) award at the TOP 50 Typical Sustainable Development Enterprises in Vietnam 2023 Voting Program, organized by Nhip Cau Dau Tu Magazine.

REPORT ON CORPORATE GOVERNANCE

The Board of Directors has constantly made efforts to strengthen corporate governance capacity. This is an area where Coteccons has achieved remarkable changes in the past year, serving as a premise to develop the Company in a transparent, professional, fair and sustainable manner.

COTECCONS - ANNUAL REPORT FY 2023

- 42 — Report of the Board of Directors
- 56 — Report of the Board of Supervisors
- 66 — Risk Oversight
- 78 — Investor Relations



COTECCONS' PRINCIPLES OF CORPORATE GOVERNANCE

Coteccons has referenced Vietnam Corporate Governance Code of Best Practices for Public Companies in Vietnam 2019 jointly issued by the State Securities Commission (SSC) and IFC in order to In addition, the Company also references international standards and practices on corporate governance such as ASEAN Scorecard, OECD, etc. Thereby achieving remarkable improvements in corporate governance activities.



5 KEY AREAS IN CORPORATE GOVERNANCE OF COTECCONS

Responsibility of the Board of Directors

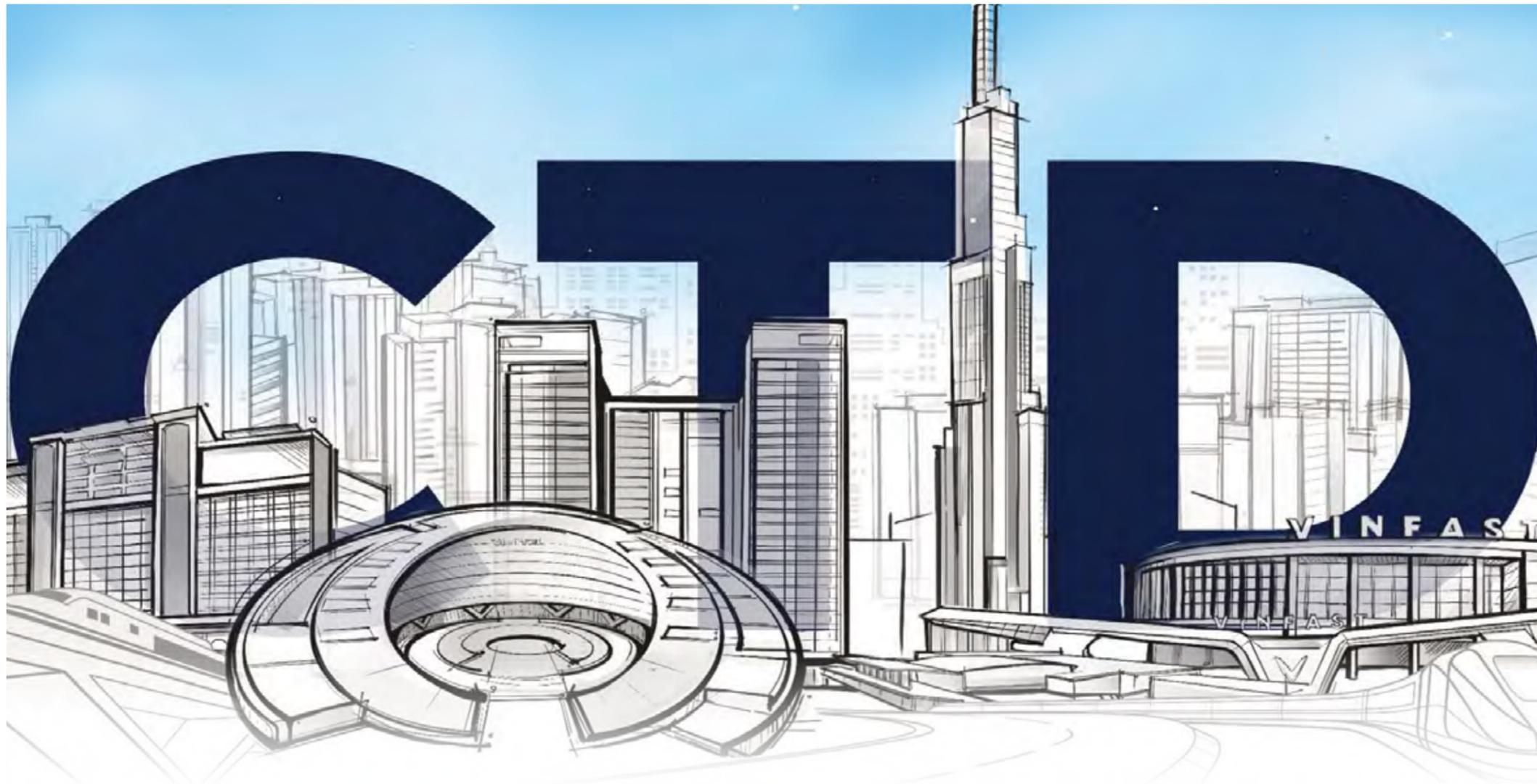
Controlling environment

Information Disclosure and Transparency

Rights of Shareholders

Relation with Related Parties





COTECCONS' GOVERNANCE MODEL

Currently, Coteccons is applying a governance model with the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the CEO. In which the General Meeting of Shareholders is the highest competent body, deciding on issues prescribed by law, the Charter and Regulations on corporate governance.

The Board of Directors is the governing body of the Company, undertaking the implementation and supervision of the resolutions of the GMS, devising strategy, and taking responsibility before the GMS for the Company's operation.

The Board of Management, under the support and supervision of the GMS, is in charge of directly implementing business strategies to achieve the Company's objectives.

ORGANIZATIONAL STRUCTURE OF THE BOARD OF DIRECTORS

COMMITTEES UNDER THE BOARD OF DIRECTORS

Aiming at enhancing transparency in corporate governance, increasing the effectiveness of the BOD's decision-making with responsibility and prudence, the BOD has established committees including Strategy Committee, Audit & Risk Oversight Committee, Compensation and Human Resources Committee, ESG Committee.

The establishment of committees has significantly improved the management and administration efficiency.

The Board of Directors of the new term from April 2022 has rearranged personnel and structure for committees to better suit actual tasks, thereby meeting the increasing requirements of modern governance practices in terms of personnel structure, organization regulations, and operation of committees.



The Board of Supervisors holds an independent but very important role in the governance system. This body is elected by the GMS to inspect and supervise the legitimacy, accuracy and truthfulness in management and administration of business activities at the Company on behalf of the GMS.

ORGANIZATIONAL STRUCTURE OF THE BOARD OF DIRECTORS

MEMBERS OF BOD AND BOS

In 2022, the term of all BOD members expired, so at the Annual General Meeting held on April 25, 7 BOD members and 3 BOS members were elected for the term 2022-2027. These are the key personnel in devising strategic orientation, leadership and supervision of the Company in the right direction, bringing added values to shareholders.

Full name	Date of starting/ no longer being an insider	Position	Reference material
APPOINTMENT			
Mr. Bolat Duisenov	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Talgat Turumbayev	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Herwig Guido H. Van Hove	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Tan Chin Tiong	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Tong Van Nga	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Pham Quang Vu	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Vo Hoang Lam	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Tran Van Thuc	25/04/2022	Member of Board of Supervisors	Resolution of the General Meeting of Shareholders no.16/2022/NQ-ĐHCĐ
Mr. Doan Phan Trung Kien	25/04/2022	Member of Board of Supervisors	Resolution of the General Meeting of Shareholders no.16/2022/NQ-ĐHCĐ
Mr. Zhaidarzhan Zatayev	25/04/2022	Member of Board of Supervisors	Resolution of the General Meeting of Shareholders no.16/2022/NQ-ĐHCĐ
DIMISSION			
Ms. Trinh Quynh Giao	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.13/2022/NQ-ĐHCĐ
Mr. Yerkin Tatishev	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Trinh Ngoc Hien	25/04/2022	BOD Member	Resolution of the General Meeting of Shareholders no.15/2022/NQ-ĐHCĐĐ
Mr. Dang Hoai Nam	25/04/2022	Member of Board of Supervisors	Resolution of the General Meeting of Shareholders no.16/2022/NQ-ĐHCĐ
Mr. Nguyen Minh Nhut (Jack)	25/04/2022	Member of Board of Supervisors	Resolution of the General Meeting of Shareholders no.16/2022/NQ-ĐHCĐ

PROFESSIONAL CAPACITY OF BOD MEMBERS

With diverse expertise in management, construction, corporate culture and business transformation, the BOD members for the term 2022-2027 are expected to bring diverse perspectives to decision-making process among the BOD.

Full name	Construction	Real Estate	Law	Economics	Business administration	Bank	Finance - Accounting	Investment	Marketing
Mr. Bolat Duisenov			•		•	•		•	
Mr. Talgat Turumbayev					•	•	•	•	
Mr. Herwig Guido H. Van Hove				•	•			•	
Mr. Tan Chin Tiong									•
Mr. Tong Van Nga	•	•		•	•				
Mr. Pham Quang Vu				•	•				
Mr. Vo Hoang Lam	•	•							

ORGANIZATIONAL STRUCTURE OF THE BOARD OF DIRECTORS

ORGANIZATIONAL STRUCTURE OF COMMITTEES

Strategy Committee

No.	Full name	Position held at the Company	Position held in the Committee
1	Mr. Talgat Turumbayev	BOD Member	Head of Committee
2	Mr. Bolat Duisenov	The Board Chairman	Member
3	Mr. Vo Hoang Lam	BOD Member - CEO	Member
4	Ms. Pham Thi Bich Ngoc	Deputy CEO	Member
5	Mr. Nguyen Van Dua	Secretary of the BOD	Member

Compensation and Human Resources Committee

No.	Full name	Position held at the Company	Position held in the Committee
1	Mr. Pham Quang Vu	BOD Member	Head of Committee
2	Mr. Bolat Duisenov	The Board Chairman	Member
3	Mr. Vo Hoang Lam	BOD Member - CEO	Member
4	Mr. Pham Quan Luc	Deputy CEO	Member
5	Ms. Nguyen Trinh Thuy Trang	Director of Internal Affairs	Member

Audit & Risk Oversight Committee

No.	Full name	Position held at the Company	Position held in the Committee
1	Mr. Tan Chin Tiong	Independent member of the BOD	Head of Committee
2	Members to be added	-	Member
3	Members to be added	-	Member
4	Members to be added	-	Member

ESG Committee

No.	Full name	Position held at the Company	Position held in the Committee
1	Mr. Herwig Guido H. Van Hove	BOD Member	Head of Committee
2	Mr. Vo Hoang Lam	BOD Member - CEO	Member
3	Mr. Pham Quan Luc	Deputy CEO	Member
4	Mr. Nguyen Ngoc Lan	Deputy CEO	Member
5	Mr. Chris Senekki	Deputy CEO	Member
6	Ms. Pham Thi Bich Ngoc	Deputy CEO	Member
7	Mr. Tran Van Lam	CEO - Unicons member company	Member
8	Ms. Nguyen Trinh Thuy Trang	Director of Internal Affairs	Member
9	Ms. Dinh Thi Ngoc Bich	Advisor	Member

TRAINING ON CORPORATE GOVERNANCE



In addition, with flexible schedules and methods, concerned members also participate in external online training courses such as:

- Introducing ESG and Sustainable Development Report by SSI and Deloitte Vietnam.
- Optimizing the performance of the online General Meeting of Shareholders – VIOD.

THE IMPLEMENTATION OF RESOLUTIONS/DECISIONS OF THE GENERAL MEETING OF SHAREHOLDERS

In FY 2023, 13 resolutions were approved by the General Meeting of Shareholders, from No. 01 through No. 13. By the end of June 2023, 08 resolutions have been fully delivered, and 05 resolutions are being implemented.

No.	Resolution/Decision No.	Date	Content	Implementation status
1	01/2023/NQ-ĐHCD	03/02/2023	Approving the revised ESOP from treasury shares as prescribed in Article 1, Resolution of the AGM 2022 (No. 09/2022/NQ-ĐHCD dated April 25, 2022).	Achieved
2	02/2023/NQ-ĐHCD	04/25/2023	Approving the audited 2022 financial statements and 2022 business results	Achieved
3	03/2023/NQ-ĐHCD	04/25/2023	Thông qua BCTC năm 2022 đã kiểm toán và kết quả kinh doanh năm 2022.	Achieved
4	04/2023/NQ-ĐHCD	04/25/2023	Approving the profit distribution plan	Achieved
5	05/2023/NQ-ĐHCD	04/25/2023	Approving the business plan for FY 2023 (from January 1, 2023 to June 30, 2023).	Achieved
6	06/2023/NQ-ĐHCD	04/25/2023	Approving the total remuneration of the Board of Directors and the Board of Supervisors in 2022. Approving the remuneration of the Board of Directors and the Board of Supervisors for FY 2023 (from January 1, 2023 to June 30,	Achieved

No.	Resolution/Decision No.	Date	Content	Implementation status
7	07/2023/NQ-DHCD	04/25/2023	Approving the selection of an audit firm for the financial statements of FY 2023 (from January 1, 2023 to June 30, 2023).	Achieved
8	08/2023/NQ-DHCD	04/25/2023	Approving the plan to issue shares to increase equity capital.	Achieved
9	09/2023/NQ-DHCD	04/25/2023	Approving the increase in foreign ownership ratio and changes in some business lines to match the conditions on foreign ownership ratio.	Currently underway
10	10/2023/NQ-ĐHCD	04/25/2023	Approving the sale of treasury shares to employees under the Employee Stock Ownership Plan (ESOP).	Currently underway
11	11/2023/NQ-ĐHCD	04/25/2023	Approving the proposal to call for investment capital in Unicons Construction Investment Company Limited.	Currently underway
12	12/2023/NQ-ĐHCD	04/25/2023	Approve the revision of the Company's Charter	Achieved
13	13/2023/NQ-ĐHCD	04/25/2023	Approving the 5-year Employee Stock Ownership Plan (ESOP).	Currently underway

REPORT OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

Full name	Position	Date of appointment
Mr. Tan Chin Tiong	Independent member of the BOD	April 2022 - present
	Head of Audit and Risk Oversight Committee	December 2022 - present
Mr. Tong Van Nga	Independent member of the BOD	April 2022 - present

Activities of independent members of the Board of Directors in FY 2023

All independent members are experts who have experience in Coteccons' key operational areas and have valuable contribution to the decisions of the Company. Specifically:

- Support the Board of Directors in effective and transparent corporate governance by tackling issues hindering corporate governance objectives.
- Oversee and guide the coordination between the Board of Directors and the Board of Management in implementing the Resolutions of the General Meeting of Shareholders and the Board of Directors.
- Supervise information disclosure.
- Monitor and control financial reporting.
- Supervise transactions with stakeholders

Performance evaluation of the Board of Directors and Board of Management in FY 2023

- The BOD has given the right and timely directions in compliance with current legal regulations and the Company's Charter.
- The BOD has performed well in supervising, supporting and facilitating the Board of Management to fully implement the Resolutions of the General Meeting of Shareholders and manage to achieve the profit targets in FY 2023.
- While complying with regulations on information disclosure, the BOD and BOM actively shared information to shareholders via interactive channels and events such as the Analyst Meeting or Shareholders' Day to converge the latest governance standards.



REPORT OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS

Activities of independent members of the Board of Directors in FY 2023

In FY 2024, the independent members of the BOD will continue to support the BOD in fulfilling their roles and responsibilities, ensuring independence and objectivity in the decision-making process of the body, and balancing the interests of the parties. Specifically:

- Participate in the analysis and assessment of potential risks in the Company's business activities, and deliver growth scenarios, thereby building reasonable and long-term control strategies.
- Review, amend, and supplement the Charter and Internal Regulations to be in line with regulatory changes and converge higher international standards.
- Monitor transactions with stakeholders to ensure that there is no conflict of interests among the parties, maintain the harmonization of interests among groups of shareholders.
- Continue to acting as the supervisory body of the BOD and the BOM in accordance with the provisions of the Law on Enterprises and the Company's Charter.



REPORT OF THE BOARD OF SUPERVISORS

Activities of the Board of Supervisors

INFORMATION ABOUT MEMBERS OF THE BOARD OF SUPERVISORS

No.	Member of the Board of Supervisors	Position	Date of starting/no longer being a BOS member
1	Mr. Tran Van Thuc	Head of the Board of Supervisors	Appointed on April 26, 2021
2	Mr. Zhaidarzhan Zatayev	Member of the Board of Supervisors	Appointed on 4/25/2022
3	Mr. Doan Phan Trung Kien	Member of the Board of Supervisors	Appointed on 4/25/2022

In FY 2023, the Company had no changes in the members of the Board of Supervisors:

- Mr. Tran Van Thuc 0%.
- Mr. Zhaidarzhan Zatayev 0%.
- Mr. Doan Phan Trung Kien 0%.

BOS MEETINGS

Number of meetings and participation and voting rate

No.	Member of the Board of Supervisors	Number of meetings participated	Rate of meeting participants	Rate of voting	Reasons for non-participation
1	Mr. Tran Van Thuc	02	100%	100%	
2	Mr. Zhaidarzhan Zatayev	02	100%	100%	
3	Mr. Doan Phan Trung Kien	02	100%	100%	

Detailed contents of the meetings of the Board of Supervisors

No.	Meeting	Date	Content
1	Meeting 01	1/6/2023	<ul style="list-style-type: none"> - Evaluation of the Board of Supervisors' performance in 2022 - Consider changing the audit firm to ensure independence (given the fact that E&Y has performed audit of the Company 4 consecutive years) - Assessment of the risks related to Cotecccons' operations in 2023 and the Board of Supervisors' work plan in 2023
2	Meeting 02	5/10/2023	Proposal to appoint E&Y to continue to audit the Company's 2023 Financial Statements.

SUPERVISION/COORDINATION OF BOARD OF SUPERVISORS WITH BOARD OF DIRECTORS, BOARD OF MANAGEMENT, AND SHAREHOLDERS

The BOS interviewed and discussed with the Board of Management on the implementation of the Company's major business strategies in FY 2023.

The BOS attended a number of administration meetings of the Company to supervise the direction of the BOD/BOM with functional departments.

COORDINATION OF BOARD OF SUPERVISORS WITH BOARD OF DIRECTORS, BOARD OF MANAGEMENT, AND OTHER MANAGERS

The BOS has worked out and sent an operation plan for the whole year of 2023 to the BOD and the BOM for information and has directed functional departments in the company to coordinate with the BOS in task implementation.

The BOS has worked with the Internal Audit Committee to carry out audits of projects and functional departments, including 3 projects with developer BIM, Lego project, and Communications Department.

Assessment reports on the financial and operational situation of the Company were filed on a quarterly basis.



REPORT OF THE BOARD OF SUPERVISORS

FOLLOW-UP ON RESOLUTIONS ADOPTED BY THE GENERAL MEETING OF SHAREHOLDERS AND THE BOARD OF DIRECTORS

GENERAL MEETING OF SHAREHOLDERS

In FY 2023, 13 resolutions were approved by the General Meeting of Shareholders, from No. 01 through No. 13. By the end of June 2023, 08 resolutions were delivered and 1 remaining was being implemented regarding the

- issuance of shares to increase owner's equity.
- The plan to increase the ownership ratio of foreign investors and change some business lines.
- The issuance of treasury shares to employees under the Employee Stock Ownership Plan (ESOP).
- Consideration to call for investment capital in Unicons Construction Investment Company Limited.
- 5-year Employee Stock Ownership Plan (ESOP).

BOARD OF DIRECTORS

In 2023, 15 resolutions were issued by the Board of Directors. By the end of June 2023, all of the above resolutions had been delivered.

IMPLEMENTATION ASSESSMENT OF 2023 BUSINESS PLAN AND SOME IMPORTANT FINANCIAL INDICATORS

ASSESSMENT OF THE BUSINESS PLAN DELIVERY IN FY 2023:

Unit: VND billion

Indicator	Actual result FY 2023	In comparison to the first half of 2022	In comparison to the plan
Revenue	6,744	Up 30% (compared to 5,192)	Achieve 88% (compared to 7,644)
Profit after tax	52	Up 862% (compared to 5.4)	Up 18 % (compared to 44)

SOME KEY FINANCIAL INDICATORS

No.	Indicator	Unit	Q2/2022	Q2/2023
I Profit margin				
1	Gross profit margin	%	5.4	2.3
2	Ratio of Profit before tax/sales	%	-0.73	0.77
3	Ratio of Profit before tax/Owner's equity	%	0.13	0.8
4	Ratio of Profit before tax/Total assets	%	0.67	0.32
II Performance indicators				
1	Inventory Turnover	Day	58	77
2	Receivable Turnover	Day	233	181
3	Receivable Turnover	Day	86	132
III Liquidity				
1	Current ratio	Time	1.99	1.58
2	Quick ratio	Time	1.72	1.33
3	Leverage (Liabilities/Owner's equity)	%	101	158

RECOMMENDATIONS OF THE BOARD OF SUPERVISORS

OPERATIONAL - FINANCIAL PERFORMANCE

The company has achieved good business results compared to the previous corresponding period and plan. Specifically, sales in the first 6 months of 2023 increased by 30% yoy, reaching 88% of sales targets. Profit far exceeded the targets.

Business management costs for the first 6 months of 2023 accounted for 2.8% of sales, down 5.8% yoy. This represents great improvement in operational efficiency that the Board of Directors has achieved.

Cash flow from main business lines in the first 6 months of 2023 has returned to positive, increasing by 172% (from VND -1,298 billion in the first 6 months of 2022 to VND 931 billion in the first 6 months of 2023).

The total debt/total equity ratio increases rapidly in the first half of 2023 (from 101% in 2022 to 158% by the end of June 2023). The Company needs to concentrate on reducing this ratio to ensure financial security.

CORPORATE GOVERNANCE

The Company needs to establish mechanisms to evaluate and control the performance results of all major action programs (Project Director empowerment, infrastructure sector development, overseas market development, etc.) as part of the corporate restructuring program.

The company needs to strengthen the assessment, risk management and compliance control system in operations across different management levels.

To date, contractors from the old management have filed complaints against the Company related to the payment work and financial close arising before 2019. The BOS requested the BOM to review the amount of work for which the contractors are claiming payment and have a radical solution so as not to affect the Company's reputation.

BOD MEETINGS IN THE YEAR

In the last financial year, the BOD flexibly organized 6 meetings, both virtually and physically, or in written ballots to collect opinions in order to improve efficiency and performance, while not missing any worthwhile business opportunities.

In addition, the BOD has always maintained comprehensive review of the transactions entailing potential conflicts with the interests of the Company in an objective and reasonable manner on the principle of market value. For transactions of great value, the BOD actively requested the BOM to jointly deliver equality and interests of shareholders. Any related interests of BOD members were reported to the BOD and these members gave up their voting rights to ensure compliance with the law and the interests of the Company.

PARTICIPATION OF BOD MEMBERS IN MEETINGS IN THE YEAR

No.	Board Member	Number of BOD meetings participated	Rate of meeting participants	Reasons for non-participation
1	Mr. Bolat Duisenov	15/15	100%	
2	Mr. Talgat Turumbayev	15/15	100%	
3	Mr. Herwig Guido H. Van Hove	15/15	100%	
4	Mr. Tan Chin Tiong	15/15	100%	
5	Mr. Tong Van Nga	15/15	100%	
6	Mr. Pham Quang Vu	15/15	100%	
7	Mr. Vo Hoang Lam	15/15	100%	

RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS AND IMPLEMENTATION STATUS

No.	Resolution/Decision no.	Date	Content
1	01/2023/NQ-HDQT	1/5/2023	Approving the plan for early redemption of bonds at the request of bondholders.
2	02/2023/NQ-HDQT	1/19/2023	Collecting shareholders' written opinions
3	03/2023/NQ-HDQT	2/27/2023	Approving the list of Vote Counting Committee members for the purpose of collecting shareholders' written opinions
4	04/2023/NQ-HDQT	2/27/2023	Approving the credit line contract signed with Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Saigon Branch.
5	05/2023/NQ-HDQT	2/27/2023	Changing the Head of the Environmental, Social and Governance (ESG) Committee under the Board of Directors.
6	06/2023/NQ-HDQT	3/8/2023	Approving the Employee Stock Option Plan (ESOP) from the treasury shares.
7	07/2023/NQ-HDQT	3/8/2023	Approving the organization of AGM 2023
8	08/2023/NQ-HDQT	3/31/2023	Approving the Draft Documents for the Company's AGM 2023 to submit to the General Meeting of Shareholders.
9	09/2023/NQ-HDQT	4/19/2023	Approving the contract signed with FiiRatings Joint Stock Company.
10	10/2023/NQ-HDQT	4/19/2023	Approving the signing of a credit line contract at banks.
11	11/2023/NQ-HDQT	4/19/2023	Approving the promulgation of ESOP Regulations.
12	12/2023/NQ-HDQT	4/19/2023	Approving the ESOP from treasury shares to submit to the AGM 2023.
13	13/2023/NQ-HDQT	6/13/2023	Approving the audit firm of the Company's financial statements for FY 2023.

REMUNERATION OF THE BOARD OF DIRECTORS - BOARD OF SUPERVISORS - BOARD OF MANAGEMENT

The report on remuneration plan for the BOD, BOS and BOM in 2023 has been included and disclosed in the audited financial statements for 2023 in the following part of this annual report.

RELATED PARTY TRANSACTIONS

The steps and procedures for approving transactions between the Company and related parties are strictly implemented in accordance with the Law on Enterprises, Law on Securities, the Company's Charter and its internal governance regulations.

Transactions between the Company and related parties approved by the BOD are listed and disclosed in the Report on Corporate Governance 2023 and in the audited financial statements for 2023 in the following part of this Annual Report.

LIST OF MEMBER COMPANIES AFFILIATES

No.	Name of the organization	Business Registration Certificate	Key business lines	Head office address/ Contact address	Charter capital (VND billion)	Ownership ratio (%)	Forms of ownership
SUBSIDIARIES							
1	Unicons Co., Ltd.	0304472276	Construction and equipment installation services	No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	94,5	100	On site
2	Covestcons Co., Ltd.	0314326002	Real estate brokerage and business services	236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	1,872	100	On site
3	FutureImpact CTD Joint Stock Company	0316921381	Repair, installation, rental and sale of machinery, equipment and components	No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	15,1	96.62	Indirect
4	Solaresco-1 Company Limited	0316438470	Rental of water heating machines and equipment using solar energy, energy saving machineries and equipment.	47 Le Van Thinh, Quarter 5, Binh Trung Dong Ward, Thu Duc City, HCMC	15	96.62	Indirect
5	HED1 Co., Ltd.	0317515248	Sauna, massage and similar wellness services (except sports)	Floor 9, No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	2	100	Indirect
6	Coteccons Nest Co., Ltd.	0317508201	Real-estate-related business; transactions related to land use right under ownership, or usage right, or leased land	Floor 9, No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	1	100	Indirect
7	San Choi Moi Company Limited	0317587852	Activities of amusement parks and theme parks	Floor 9, No. 236/6 Dien Bien Phu, Ward 17, Binh Thanh District, HCMC	2	100	Indirect
AFFILIATES							
1	FCC Infrastructure Investment JSC	0106605407	Residential and industrial project construction	2nd Floor, CEO Tower, Lot HH2-1, Me Tri Ha Urban Area, Pham Hung Street, Me Tri Ward, Nam Tu Liem District, Hanoi	376,8	42.36	
2	Quang Trong Commercial Joint Stock Company	3500740022	Real estate business and project management services	No. 427/9, Nguyen An Ninh, Ward 9, Vung Tau City, Ba Ria - Vung Tau Province	50	36	
3	Hiteccons Joint Stock Company	0106762287	Real estate business and construction	Hoa Lac Hi-tech Park, Km 29 Thang Long Boulevard, Thach Hoa Commune, Thach That District, Hanoi	9	31	



REPORT OF INDEPENDENCE OF INTERNAL AUDIT COMMITTEE

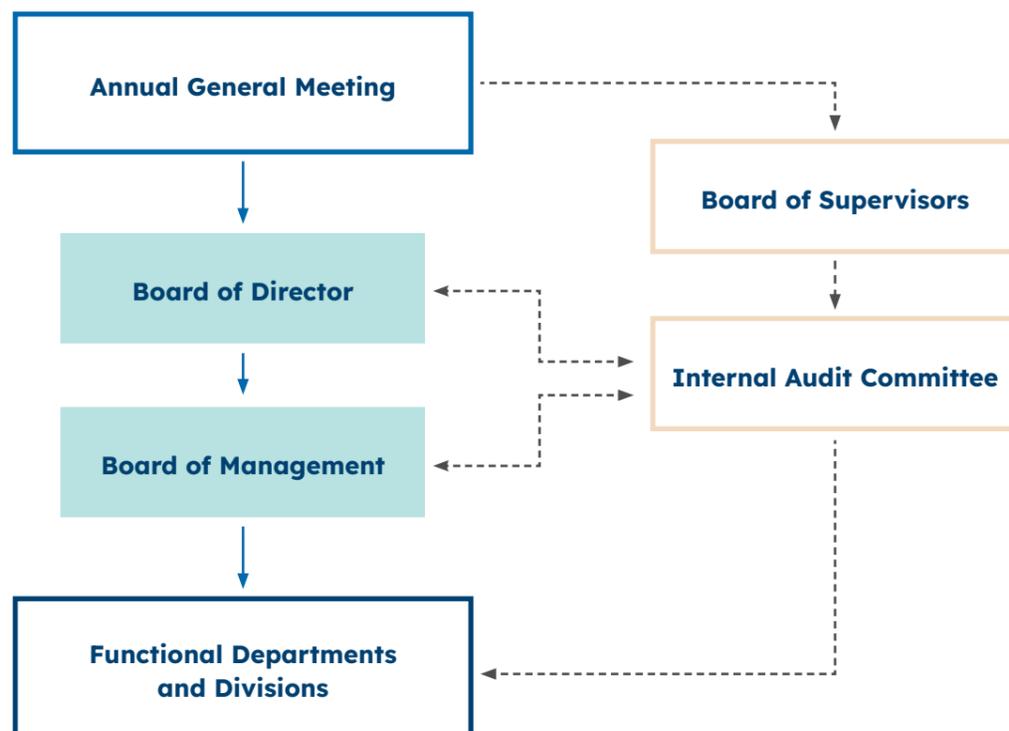
FUNCTIONS OF INTERNAL AUDIT COMMITTEE

- Through audit activities, control the departments/divisions' compliance with regulations in the internal governance document system of the Company.
- Participate in perfecting the internal control system, ensure effective governance processes and risk management of the Company.
- Supervise the preparation of financial statements.
- Provide advices for the BOD and the BOM to achieve operational results and strategic, plan and task objectives by assessing and proposing measures for improving the control, management and corporate governance.

INDEPENDENCE OF INTERNAL AUDIT COMMITTEE

The Internal Audit Committee (IAC) is a body under the management of the Board of Supervisors (BOS). The IAC's operating budget is approved by the Board of Directors (BOD) at the request of the BOS. Therefore, the IAC operates independently beyond the executive roles of the Board of Management (BOM).

Structure of the Internal Audit Board of the Company:



BOD INTERNAL AUDIT COMMITTEE'S PERFORMANCE

During the year, the IAC has audited a number of departments/divisions and construction sites are as follow:

No.	Activities	Key risks
1	Audit of 02 departments/divisions of Coteccons	<ul style="list-style-type: none"> Effects of personnel changes, handover when there are personnel changes. Risks in project financial management, contract signing and liquidation, payment - settlement with developers, subcontractors, suppliers. Risks in the bidding process, regulation compliance in project management coordination between departments/divisions and the Site Management Board. Risks in the investment, procurement, use and liquidation of management and construction assets, machinery and equipment. Risks in the management of the Company's operational costs and projects' costs.
2	Audit of 06 projects (03 Coteccons projects & 01 Unicons project)	<ul style="list-style-type: none"> Organizational structure/HR and training. Project finance management Construction quality and progress management. Design Management. Materials and equipment management. Construction team (suppliers, subcontractors, constructors) Security, occupational health. Records, document storage, ISO.
3	Conduct project risk assessment:	<ul style="list-style-type: none"> Risk assessment for all projects of Coteccons and Unicons (April 2023). This provides a basis for evaluating and selecting projects subject to detailed project audits.
4	Analyze and evaluate the Company's financial statements:	<ul style="list-style-type: none"> Financial statement of 2022 Financial statements of Quarter 1/2023 Financial statements for 6 months and for 2023 year end.
5	Follow up on remediation in line with audit recommendations	<ul style="list-style-type: none"> At the request of the Board of Supervisors, the Internal Audit Committee assessed the extent to which audit recommendations were addressed by audited departments/divisions.

WORK PLAN OF INTERNAL AUDIT COMMITTEE in FY 2023-2024

Analyze and evaluate the macroeconomic situation and its influences on the Company in FY 2023-2024.

Audit of departments/divisions to strengthen oversight over compliance with the Company's regulations as well as the function and duties of the Company' departments/divisions by the issued control processes.

Audit of projects, covering Strengthen the overall assessment of the project objectives including safety, finance, schedule, quality, relationship with partners, human resources, and training. Additionally, evaluate the compliance with the Company's regulations, Accordingly, provide recommendations to enhance the management efficiency of projects.

Deploy risk assessment for projects under construction.

Analyze and evaluate the Company's quarterly financial statements.



RISK OVERSIGHT

PURPOSE OF RISK MANAGEMENT

The purpose of risk management is to protect and contribute added values to the Company in order to achieve the set goals by supporting the following key activities:

- Help the Company implement consistent future plans and control the operational process by building optimal risk management mechanisms and policies.
- Help strengthen capability in decision making, planning and work privatization based on thorough and coherent understanding of business operations and environment, opportunities and challenges of the company.
- Contribute to efficient allocation and use of resources in the company.
- Minimize inadequacies in every aspect of the company.
- Protect and enhance assets and reputation of the company.
- Develop and support human resources and knowledge background of the company.

RISK MANAGEMENT POLICY

The Board of Directors, specifically via Audit and Risk Committee, is responsible for determining the strategic direction and structure for the risk management function to meet the requirement the Company's most effective operation.

Coteccons' risk management policy is developed based on the risk determination method (evaluating based on the frequency of occurrence and the level of impact of the occurring the risk), thereby proposing risk management measures.

The functional bodies of the Company take the first responsibility in daily risk management, raising awareness and disseminating about risk management in their respective bodies. The Internal Audit Committee is in charge of evaluating the operation efficiency of risk management through the evaluation of programs and plans of the Internal Audit Board approved by the Board of Directors and the Board of Supervisors.

IMPLEMENTATION OF RISK MANAGEMENT IN 2022

During the year, the Internal Audit Board has conducted audits at departments/division and projects, thereby, providing the leaders of the departments/divisions and the Site Steering Divisions with many recommendations on inadequate aspects to be improved and overcome in order to minimize risks in operations.

Besides, the Internal Audit Board conducts risk assessment for all projects of Coteccons and Unicons, accordingly, increases the awareness of risk management at the Site Steering Divisions, and coordinates with other departments/divisions to control risks as soon as possible.

Specific contents of project risk assessment are as follows:

1. Assessment of risks due to external factors

- Developers/Supervision Consultants
- Suppliers/Subcontractors/Construction teams
- Other external factors

2. Other risk assessment identified at the Sites

3. Assessment of risks due to internal factors

- Organizational structure/HR and training.
- Project finance
- Construction management
- Design Management.
- Security, occupational health
- Materials and equipment
- Records, document storage, ISO
- Other internal risks

RISK OVERSIGHT

ASSESSMENT OF POTENTIAL RISKS TO THE COMPANY AND COUNTERMEASURES

STRATEGY RISKS

MARKET

Risk description	Countermeasures
<p>Expanding construction into new fields such as infrastructure or energy works will lead to financial risks, debt recovery, price volatility, and project engineering fluctuation.</p> <p>The possibility to expand into non-traditional fields encounters many challenges. In 2022, the Company conducted only 1 infrastructure project.</p> <p>Developing construction activities in the form of Finance - Design - Construction EPC contractors for some asset projects is likely to bring quick revenue and profit when the bottlenecks in financial mobilizing for the project are removed. However, there can also be potential risks of cash flow and debt recovery in the future.</p> <p>The real estate market faced numerous challenges (in terms of capital sources, loan interest rates, investment procedures, legality of projects, etc.), thus affecting project delivery by developers, increasing cash flow risks and lowering business performance of the Company.</p>	<ul style="list-style-type: none"> • Explore all the characteristics and aspects of a project before participation; Negotiate carefully the terms of the contract to protect the Company. • Cooperate with experienced partners to share information, learn from their experience, and expand relationships. • Establish a department/division in charge of searching and developing projects on infrastructure and energy work construction. Recruit personnel with experience and large network to source potential customers. • Actively analyze capital and cash flow to ensure financial efficiency despite the higher risk tolerance level.

BRANDING

Risk description	Countermeasures
<p>Coteccons has always been a robust and leading brand in the construction sector for many years. In 2022, the value of new contracts signed reached VND 25,000 billion, same as in 2021. However, challenging market conditions would have certain impacts on the view of investors, customers, partners and employees.</p>	<ul style="list-style-type: none"> • Strictly comply with the regulatory provisions, fulfill the commitments with customers, partners and employees. • Build a strong communication team, establish relationships with reputable press partners to strengthen the capacity of spreading official and reliable information. • Take the initiative in handling communication crisis.

OPERATION RISKS

OCCUPATIONAL SAFETY

Risk description	Countermeasures
<p>Specifically, the construction sector requires workers to work in harsh conditions affected by factors such as: Weather, height, heavy machinery, a large number of workers, urgent construction progress, etc., Which will always places them in occupational risks.</p>	<ul style="list-style-type: none"> • Closely control the application of safety procedures and regulations, always uphold the slogan "Safety first". • Invest in new construction and safety control equipment, ensure regular maintenance. • Apply safe and efficient new construction technologies. • Provide adequate technical safety equipment for all workers of the Site Steering Divisions and the subcontractor's teams. • Regularly organize training, group meetings, assessment and inspection of safety assurance. • Implement safety control, assessment and remedial reports monthly and quarterly with the highest attention.

BIDDING

Risk description	Countermeasures
<p>The bidding period always has risks including: An increasing number of competitors, incorrect pricing from competitors, unfair competition, lack of input information, incomplete control of items to be performed, inadequate design drawing, inaccurate data estimation, rushing progress, etc.</p> <p>In 2022, the Company participated in bidding for projects' value of VND 80,000 billion but the value of new contracts signed reached VND 25,000 only. Thus, the winning rate of only 31% has proved that there is fierce competition from competitive companies in the market.</p>	<ul style="list-style-type: none"> • Search for information sources, analyze the strengths and weaknesses of competitors. • Build a team to link departments: Tender Department, Cost and Contract Management Department, Engineering Management & Technology, etc. to optimize the original cost, thereby possessing competitive edge right from the start. • Take advantage of the abundant cash to accompany and support the developer's financial plans or apply the Finance & Build model to make a difference in the market.

RISK OVERSIGHT

OPERATION RISKS

HUMAN RESOURCES AND BENEFIT POLICY

Risk description	Countermeasures
<p>Human is always at the heart of the development of the Company.</p> <p>Since 2021, the Company has made changes in its employee welfare policy. The application of the new benefit package without proper consideration will lose the psychology of employees.</p> <p>Brain drain can occur in the context of an increasing number of competitors in the market, which requires high-quality human resources.</p>	<ul style="list-style-type: none"> • Build and train a team of young successors is always a priority of the Company to promote sustainable growth and development. Propose a career development roadmap for each individual in the Company, accurately assess their capacity and effort, and apply a worthy benefit and reward policy. • Provide hard and soft skills trainings, promote and empower levels of personnel appropriately so that they have the opportunity to challenge themselves. • Associate with major universities in the sector to continuously have a successor generation of young human resources in the future. • Work with reputable recruitment partners to supplement talents in the market to the areas of work to be upgraded and expanded. • Conduct internal surveys on employee satisfaction with the current benefit policy and compare it with other industry peers

FINANCIAL RISKS

PRICE VOLATILITY

Risk description	Countermeasures
<p>Every construction project is a process ranging from preparation, execution, to handover and warranty. That process is associated with project financial management. Price volatility, policy changes, unexpected events or capital sources of the developers all have a significant impact on the success of the project.</p> <p>In 2022, prices of building materials (steel, concrete, etc.) further fluctuated strongly, affecting the financial situation of projects.</p>	<ul style="list-style-type: none"> • Deploy a procurement and contract management model centered in key construction materials, leverage financial advantages to reduce material supply prices. • Promote forecasting of supply situation and price volatility in the region to proactively coordinate the sources of materials and equipment. • Strengthen negotiations and agree on terms to keep prices, control the slippage rate with developers. • Actively look for new sources of quality products at reasonable prices, limit the monopoly situation.

FINANCIAL RISKS

LATE PAYMENT

Risk description	Countermeasures
<p>The financial performance of a project will certainly be depleted by cash flow problems due to the developers' slow payment and settlement.</p> <p>The challenging market situation affected investors. Their financial decline will lead to delayed payments, causing bad debts, skewing the balance of income and expenditure of projects, and affecting the cash flow of the whole Company.</p> <p>In 2022, provisions for short-term bad debts increased sharply. In addition to the objective factors due to the Covid-19 pandemic and market conditions, there are also subjective reasons such as: Inaccurate estimation of the project's financial statements; inconsistent arising cost settlement with the contract, etc., leading to delay or difficulty in recovering debts from the developers and affecting the project's finance.</p>	<ul style="list-style-type: none"> • Strictly stipulate and carefully negotiate the payment-related terms in the contract during the bidding process. • The Debt Recovery Supervision Board together with the Accounting Department, the Cost and Contract Management Department and the Board of ISO and Legislation carefully evaluate the developer's financial situation, exchange information with them to have appropriate handling measurements. • Update project financial statements on time as a basis for accurate forecast of revenue, expenses and debts. Accelerate the preparation and approval of payment request documents according to the provisions of the contract.

CAPITAL MANGEMENT

Risk description	Countermeasures
<p>With healthy finance and effective cash flow management, Coteccons has accumulated a sound cash position, ensuring high liquidity and meeting project progress.</p> <p>However, it can also be said that the Company's cash balance has potential risks related to the Vietnamese currency devaluation, In certain periods, the cash surplus was mainly used in bank deposits with unsatisfactory interest rates.</p> <p>In 2022, the Company invested in stocks and corporate bonds to maximize profitability from the Company's investment. However, due to the strong volatility of the stock market, investments in stocks were not highly effective. The bond market also presented potential risks when there were legal issues in issuing bonds.</p> <p>From 2021 to 2022, in addition to issuing bonds (VND 500 billion), the Company increased its bank loans (about VND 550 billion) as a form of capital mobilization. The bond offering plus higher bank loans may cause some concerns to investors about the efficiency of capital use and affect the Company's business performance in the coming time.</p>	<ul style="list-style-type: none"> • Explore solutions to maximize profitability from the Company's investment while still ensuring that risks are well managed. • Promote investment activities, especially those from Covestcons to optimize money sources while seeking cooperation opportunities, thereby building more long-term values for shareholders and the Company. • Calculate, allocate and use effectively capital raising sources to achieve the set goals, ensure the interests of the Company and investors.

RISK MANAGEMENT

COMPLIANCE RISKS

LAW

Risk description	Countermeasures
<p>Coteccons' operating environment is under the framework of many legal regulations such as Laws on Enterprises, Construction, Commerce, Real Estate, Labor, Investment, Securities, Tax and Social Insurance, etc. The constant development and update of legal documents require the Company to always monitor, adapt and make necessary and timely adjustments.</p> <p>Coteccons always upholds compliance with the law and responsible operation with the community and society, and minimizes impacts on the environment.</p>	<ul style="list-style-type: none"> Recruit and build the professional legal personnel, constantly update policy amendments. Work with professional law experts and partners for timely consultation. Regarding the securities sector, the Company needs to control the compliance with legal regulations including the Law on Securities, the Law on Enterprises, the Charter, the Corporate Governance Regulations, etc. to prevent fraud risks and enhance transparency and credibility of the Company in the market. Apply ISO 14001:2015 in management and actively control environmental issues to ensure compliance with legal requirements.

CONTRACTS

Risk description	Countermeasures
<p>Pressure from customers and construction deadlines are likely lead to contract gaps. This will become a disadvantage, resulting in later disagreements, disputes and lawsuits.</p> <p>Some projects' contracts have unfavorable terms (on devaluation, force majeure on the pandemic, progress penalties, etc.) when being signed with the developers will lead to risks of damages to the company.</p>	<ul style="list-style-type: none"> Continuously control and assess the risks of contract terms. Enhance contract control through multiple review levels from Tender Department, Cost and Contract Management Department, the Accounting Department, and the Board of ISO and Legislation. Develop a system of sample contracts. Develop a legal risk assessment system for projects.



Coteccons' risk awareness and management capacity has been greatly improved. The risk management system, covering financial and other risks, is increasingly better. Along with the empowerment policy, risk management is also one step further improved. This task used to be only performed by the executive team at the head office but it is now under the mandate of Project Directors.



LEGAL COMPLIANCE

In the business environment, all businesses, including Coteccons, must run their operations according to the Constitution, laws and by-laws documents such as Decrees and Circulars. In fact, the laws govern most of Coteccons' daily activities such as its incorporation, internal management, employee relations, investment, service provision, etc.

Therefore, legal compliance must always be a top priority to create a premise for its future sustainable development. It will also set a solid foundation for building the business culture of the Company, enabling it to stay firm against the risks and challenges in the market economy.

In 2022, the construction industry faced numerous challenges, including complicated market mechanisms, margin pressure, long-lasting fluctuations in raw material costs, market fluctuations locally and internationally, "hibernation" period of the real estate market..., thus leaving Coteccons to handle difficult issues. However, with efforts to move forward, Coteccons always strictly abides by the law and constantly updates its internal regulations for proper compliance with the latest legal regulations.

Legal documents issued and entering into force in 2022, affecting the operation of Coteccons

No.	Document	Abstract	Date of issue	Effective Date	Changes directly affecting Coteccons
FOR THE COMPANY OPERATION					
1	Law No. 03/2022	Amendments and supplementations of a number of articles of the Law on Public Investment, the Law on PPP Investment, the Law on Investment, the Law on Housing, the Law on Bidding, the Law on Electricity, the Law on Enterprises, the Law on Special consumption tax, and the Law on Civil judgment enforcement law.	1/11/2022	3/1/2022	A number of changes to the Law on Enterprises No. 03/2022, aimed at completing the legal framework on corporate governance, and addressing some difficulties in its implementation, such as: updated regulations on attendance and voting at the Annual General Meetings or regulations on signing minutes of BOD/BOM meetings.

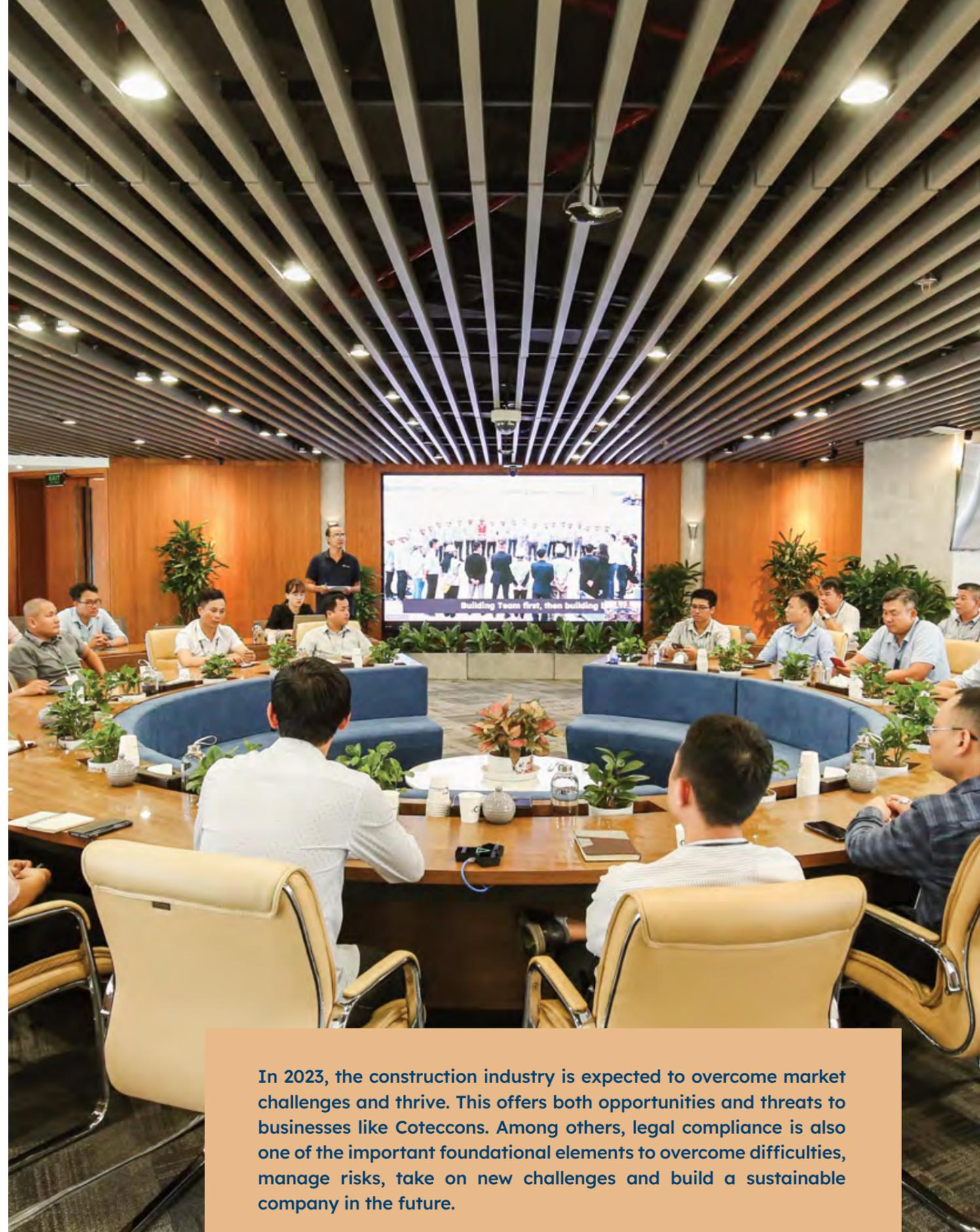
No.	Document	Abstract	Date of issue	Effective Date	Changes directly affecting Coteccons
FOR INVESTMENT BOND ACTIVITIES					
2	Decree 65/2022/ND-CP	Amendments to Decree No. 153/2020/ND-CP on private placement and trading of corporate bonds in domestic markets and offering of corporate bonds to the international market.	9/16/2022	9/16/2022	Amendments to regulations in this Decree on the purpose of bond offering in order to strengthen the responsibilities and obligations of bond issuers in using proceeds from bond trading. The issuance of this Decree aims to standardize and increase the safety of bond trading while introducing measures to develop a healthy, safe and efficient corporate bond market.

FOR CONSTRUCTION

3	Decree 20/2022/ND-CP	Amendments and supplementations of a number of articles of the Government's Decree No. 119/2015/ND-CP dated November 13, 2015 on compulsory issuance in construction investment activities.	3/10/2022	7/1/2022	Amendments and supplementations of a number of regulations in the Decree on compulsory insurance in construction investment activities, such as regulations on those who are required to buy compulsory insurance in construction investment activities, or regulations on period of civil liability insurance for third parties. The addition of these provisions aims to build a stable, transparent legal framework, protect third parties during the construction process, and create peace of mind for investors and construction contractors involved in construction investment activities.
---	----------------------	---	-----------	----------	--

LEGAL COMPLIANCE

No.	Document	Abstract	Date of issue	Effective Date	Changes directly affecting Coteccons
FOR CONSTRUCTION					
4	Decree 16/2022/ND-CP	Regulations on sanctioning of administrative violations related to construction	1/28/2022	1/28/2022	This Decree replaces Decree No. 139/2017/ND-CP dated November 27, 2017, amending and supplementing a number of provisions on administrative sanctions in the construction industry, including: Authorities to impose administrative sanctions, authorities to make records of administrative violations, a number of administrative violations to be handled, changes in fine amounts, etc. The addition of these new regulations aims to complete improve the legal corridor for sanctioning of administrative violations in construction activities for convenient application.
5	Circular No. 17/2021/TT-BXD	Regulations on a number of aspects of judicial assessment in the field of construction	12/22/2021	2/5/2022	This Circular replaces Circular No. 04/2014/TT-BXD, aimed at addressing a number of obstacles in the application of the law on judicial assessment in construction. Accordingly, Circular 17/2021/TT-BXD specifically regulates judicial assessment in the construction industry, including application of technical regulations and standards, machines, equipment, vehicles and facilities in service of judicial assessment in construction.



In 2023, the construction industry is expected to overcome market challenges and thrive. This offers both opportunities and threats to businesses like Coteccons. Among others, legal compliance is also one of the important foundational elements to overcome difficulties, manage risks, take on new challenges and build a sustainable company in the future.

INVESTOR RELATIONS AND CAPITAL MARKET

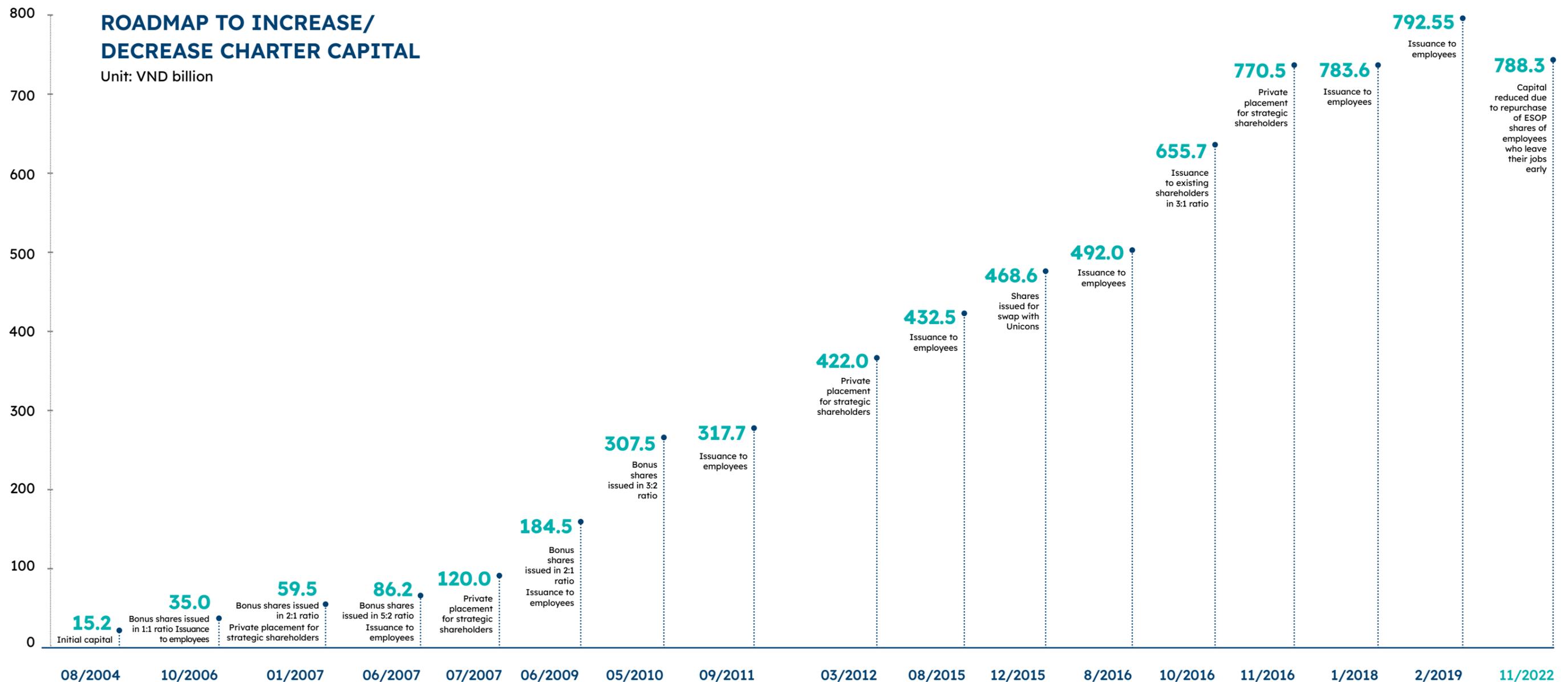
For improved transparency and fairness, Coteccons' IR activities achieved remarkable achievements in the fiscal year. This helps restore confidence in the potential development of Coteccons and CTD stock in a year of financial-stock market volatility.

The BOD committed that all shareholders of Coteccons, including minority and foreign shareholders, would be treated equally and entitled to exercise their rights. All these policies were clearly and specifically stated in the Charter and Internal Regulations of Corporate Governance.

In the fiscal year, the Company did not receive any complaints from shareholders or sanctioning decisions of regulators related to violations of regulations on information disclosure and organization of the Annual General Meeting.

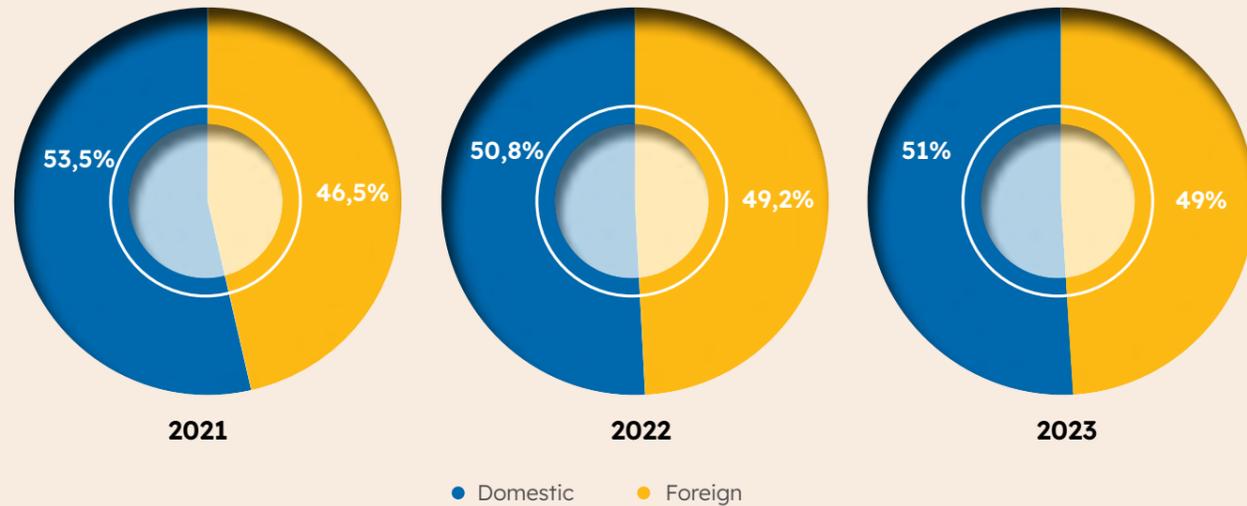


Transparent, fair and professional corporate governance is a condition to protect the interests of all shareholders. Coteccons has been constantly improving its capacity in this regard.

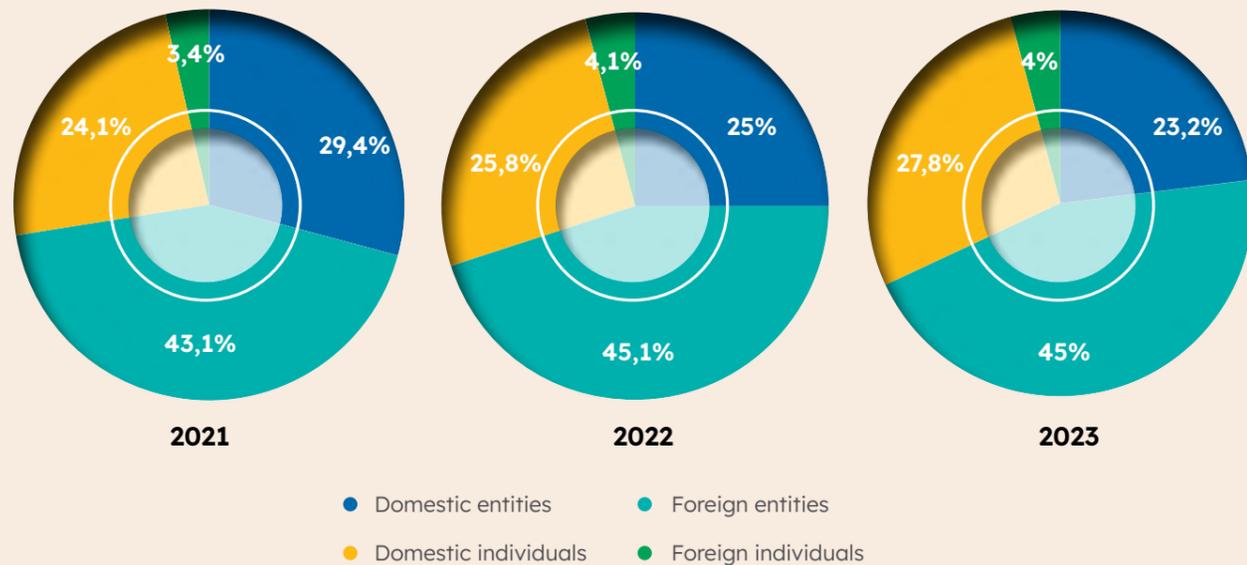


INVESTOR RELATIONS AND CAPITAL MARKET

Shareholder structure by geography



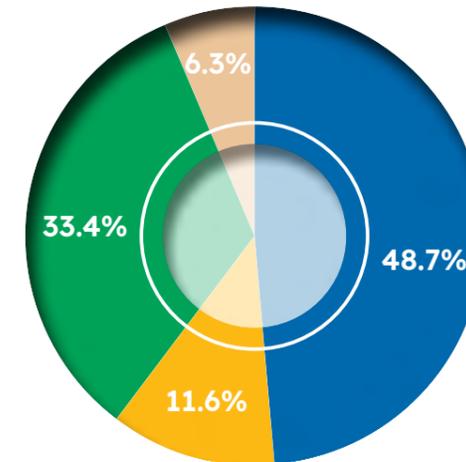
Shareholder structure by type



- Total of shares in circulation: 73,859,473 (excluding treasury shares).
- Total free transfer shares: 73,614,842 (accounting for 99.7% of total shares in circulation)
- Restricted transfer shares: 244,631 (accounting for 0.3% of total shares in circulation)

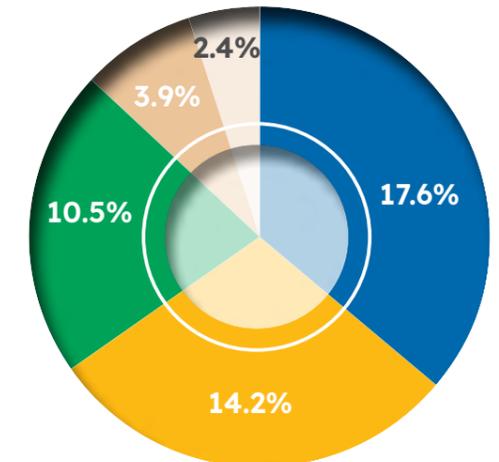
Nguồn: VSD

STRUCTURE BY OWNERSHIP PERCENTAGE OF SIGNIFICANT SHAREHOLDERS



- Significant shareholders holding 5% of shares or more
- Shareholders holding from 1-5% of shares
- Significant shareholders holding less than 1% of shares
- Treasury shares

SHAREHOLDER STRUCTURE BY OWNERSHIP PERCENTAGE



- Kustocem Pte. Ltd.
- Success Investment And Business One Member Company Limited
- The 8th Pte. Ltd.
- Preston Pacific Limited
- VOF Investment Limited



INVESTOR RELATIONS AND CAPITAL MARKET

TRANSACTIONS OF SIGNIFICANT SHAREHOLDERS AND INSIDERS

No.	Transaction individual/entity	Position/Relationship with Insider	Shares on 12/31/2022		Shares on 30/06/2023		Notes
			Number	Percentage (%)	Number	Percentage (%)	
I SIGNIFICANT SHAREHOLDERS							
1	Kustocem Pte. Ltd.	Significant Shareholder	13,906,666	17.6	13,906,666	17.6	
2	Success Investment And Business One Member Company Limited	Significant Shareholder	11,192,652	14.2	11,192,652	14.2	
3	The8 th Pte. Ltd.	Significant Shareholder	8,256,500	10.4	8,256,500	10.4	
4	Preston Pacific Limited	Group of Significant Shareholders	3,108,000	3.94	3,108,000	3.9	Group of Significant Shareholders
5	VOF Investment Limited		1,917,450	2.43	1,917,450	2.4	
II INSIDERS AND RELATED PARTIES							
A Board of Director							
1	Mr. Bolat Duisenov	The Board Chairman	1,011,700	1.28	1,011,700	1.28	
2	Mr. Talgat Turumbayev	BOD Member	1,590,150	2.00	1,590,150	2	
3	Mr. Herwig Guido H. Van Hove	BOD Member	0	0	0	0	
4	Mr. Tong Van Nga	BOD Member	0	0	0	0	
5	Mr. Tan Chin Tiong	BOD Member	0	0	0	0	
6	Mr. Pham Quang Vu	BOD Member	0	0	0	0	
7	Mr. Vo Hoang Lam	BOD Member	8,507	0.01	88,507	0.11	Received ESOP stocks
B Board of Supervisors							
1	Mr. Tran Van Thuc	Member of Board of Supervisors	0	0	0	0	
2	Mr. Doan Phan Trung Kien	Member of Board of Supervisors	0	0	0	0	
3	Mr. Zhaidarzhan Zatayev	Member of Board of Supervisors	0	0	0	0	
C Board of Management							
1	Mr. Pham Quan Luc	Deputy CEO	3,066	0.004	23,066	0.03	Received ESOP stocks
2	Mr. Nguyen Ngoc Lan	Deputy CEO	9,820	0.01	29,820	0.04	Received ESOP stocks
3	Mr. Chris Senekki	Deputy CEO	9,820	0.01	0	0	
D Other managers							
12	Ms. Cao Thi Mai Le	Chief Accountant	0	0	20,000	0.03%	Received ESOP stocks
13	Mr. Nguyen Van Dua	Who is the person in charge of corporate governance?	4,900	0.006	19,900	0.03%	Received ESOP stocks

ASSESSMENT OF CORPORATE GOVERNANCE PERFORMANCE AGAINST ASEAN CORPORATE GOVERNANCE SCORECARD

At Coteccons, all activities of the Company are operated and adjusted on the basis of compliance with the laws and internal regulations, thereby creating a mechanism of **Governance - Control - Administration** with transparency, consistency, and efficiency.

CORPORATE GOVERNANCE - TOWARDS THE HIGHEST STANDARD

Evaluation of corporate governance performance based on the ASEAN Scorecard.

RIGHTS OF SHAREHOLDERS

For the 15 criteria of fundamental rights of shareholders for which Coteccons' fulfillment is satisfactory or higher: The fulfillment reached 71%.

A.2 Right to participate in decisions concerning fundamental corporate changes	1. Shareholders have the right to participate in amendment of the Company's documents.
	2. Voting on the issuance of additional shares.
	3. The transfer of all or substantially all assets, which in effect results in the sale of the company.
	4. Shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the Non-executive BOD members
	5. Non-controlling shareholders may nominate candidates for Board of Directors.
	6. Shareholders may elect each individual BOD member.
	7. Disclose the voting procedures used before the start of meeting.
A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.	8. Disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM.
	9. Allow voting in absentia.
	10. Vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM.
	11. Make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions.
	12. Notify the Annual General Meetings and the ad-hoc Annual General Meetings at least 21 days in advance.
	13. Provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/documents/drafts and/or the accompanying statements.
	14. Shareholders are given the opportunity to contribute their inputs to issues discussed in the agenda of the Annual General Meetings.
A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated	15. Disclose its practices to encourage shareholders to engage with the company beyond AGM.



For 12 criteria on Equal treatment of shareholders for which Coteccons' fulfillment is satisfactory or higher: The fulfillment reached 80%.

B.1 Shares and voting rights	1. Each ordinary or common share has one vote.
	2. Where the company has more than one class of shares, the company publicizes the voting rights attached to each class of shares
	3. Provide the profiles of BOD members in seeking election/re-election.
B.2 Notice of AGM	4. The auditors/auditing firms seeking appointment/re-appointment are clearly identified.
	5. Forms of proxy are made easily available.
B.3 Insider trading and abusive self-dealing should be prohibited	6. Policies and/or rules prohibit BOD members and employees to benefit from knowledge which is not generally available to the market.
	7. BOD members are required to report their dealings in company shares within 3 business days.
	8. Policies require BOD members to disclose their interest in transactions and any other conflicts of interest.
B.4 Related Party Transactions of BOD Members and Senior Management	9. Policies require BOD members to abstain from participating in the board discussion on a particular agenda when they have conflicts of interest.
	10. Policies are in place on loans to BOD members, either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates.
	11. Disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length.
B.5 Protect minority shareholders from abuses	12. Shareholders should have the right to approve significant related party transactions and this should be based on the approval of a majority of disinterested shareholders.

ASSESSMENT OF CORPORATE GOVERNANCE PERFORMANCE AGAINST ASEAN CORPORATE GOVERNANCE SCORECARD

For 12 criteria on the Role of Stakeholders for which Coteccons' fulfillment is satisfactory or higher: The fulfillment reached 92%.

C.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected.	<ol style="list-style-type: none"> 1. Disclose policies and practices to protect customers' interests. 2. Disclose policies and practices and describe efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development? 3. Disclose policies and practices describing the Company's efforts to interact with the communities in which we operate. 4. Disclose the Company's anti-corruption policies and practices. 5. Disclose policies and practices, describing how creditors' rights are safeguarded? 6. A separate report/section that discusses its efforts on environment/economy and social issues?
C.2 Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	<ol style="list-style-type: none"> 7. Provide contact details via the company's website or Annual Report which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.
C.3 Mechanisms for employee participation should be permitted to develop.	<ol style="list-style-type: none"> 8. Explicitly disclose policies, practices and efforts on health, safety and welfare for employees. 9. Explicitly disclose policies, practices and efforts on training and development programmes for its employees. 10. Have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.
C.4 Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.	<ol style="list-style-type: none"> 11. A whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal (including corruption) and unethical behavior and provide contact details via the company's website or in the press. 12. Have a policy or procedure to protect an employee/person who reveals alleged illegal/unethical behavior from retaliation.

For the 31 criteria on Disclosure and Transparency for which Coteccons' fulfillment is satisfactory or higher: The fulfillment reached 97%.

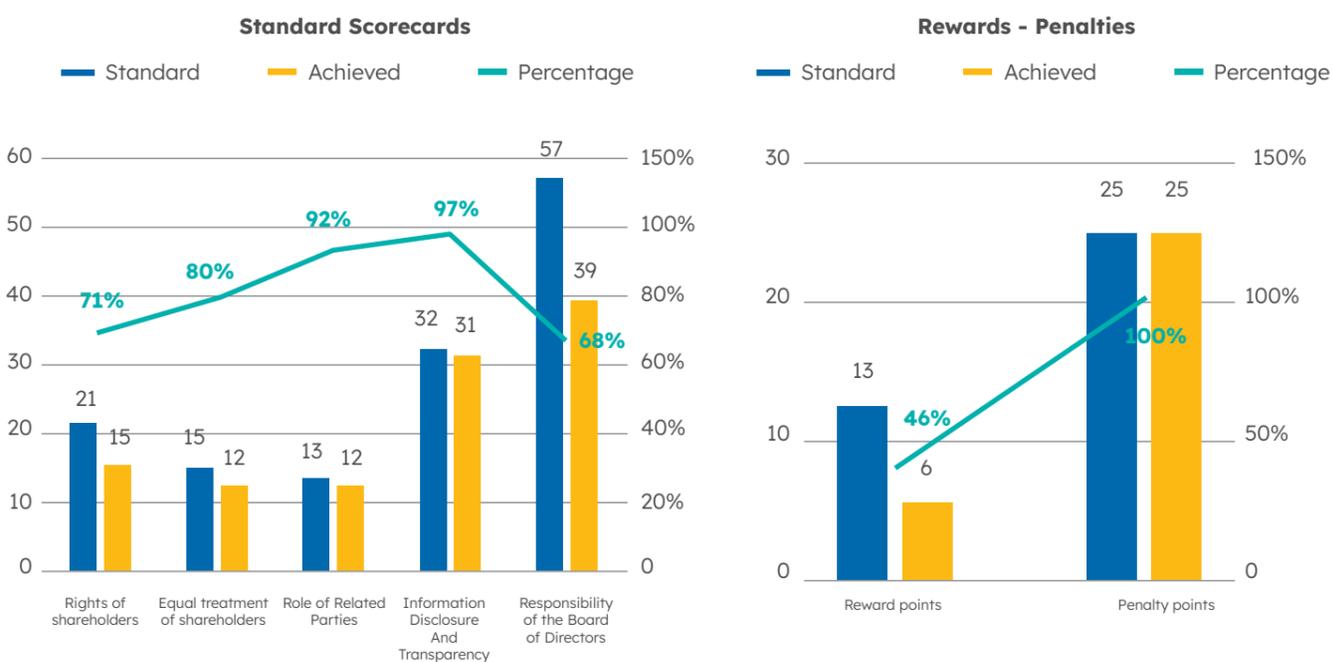
D.1 Transparent ownership structure	<ol style="list-style-type: none"> 1. Information on shareholdings reveals the identity of beneficial owners, holding 5% shares or more. 2. Disclose the direct and indirect (deemed) shareholdings of BOD members. 3. Disclose the direct and indirect (deemed) shareholdings of BOD members. 4. Disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/vehicles (SPEs)/(SPVs).
D.2 Quality of Annual Report	<ol style="list-style-type: none"> 5. Corporate objectives. 6. Financial performance indicators. 7. Non-financial performance indicators. 8. Dividend policies. 9. Biographical details of all BOD members. 10. Attendance details of each BOD member in all BoD meetings held during the year. 11. Total remuneration of each BOD member. 12. Have a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue.
D.3. Disclosure of related party transactions	<ol style="list-style-type: none"> 13. Does the company disclose its policy covering the review and approval of material RPTs. 14. Does the company disclose the name, relationship, nature and value for each material RPTs.
D.4 Directors and commissioners dealings in shares of the company	<ol style="list-style-type: none"> 15. The company discloses trading in the company's shares by Insiders.
D.5 External Auditor and Auditor Report	<ol style="list-style-type: none"> 16. The audit and non-audit fees are disclosed. 17. Non-audit fees are higher than the audit fees.
D.6 Medium of communications: Use of modes of communication	<ol style="list-style-type: none"> 18. Quarterly reporting. 19. Company website. 20. Analyst's briefing. 21. Media briefings/press conferences.
D.7 Timely filing/ release of annual/ financial reports	<ol style="list-style-type: none"> 22. The audited annual financial report/statement are released within 120 days from the financial year end. 23. The annual report is released within 120 days from the financial year end. 24. The true and fair representation of the annual financial statement/reports is affirmed by the Board of Directors and/or the relevant executive officers of the company.
D.8 Company Website: Disclose updated information	<ol style="list-style-type: none"> 25. Latest quarterly financial statements. 26. Materials provided in briefings to analysts and media 27. Downloadable annual reports. 28. Notice of AGM and/or EGM. 29. Minutes of AGM and/or EGM. 30. Downloadable Company's constitution (company's by-laws, Charter and articles of association).
D.9 Investor relations	<ol style="list-style-type: none"> 31. Disclose the contact details of the officer / office responsible for investor relations

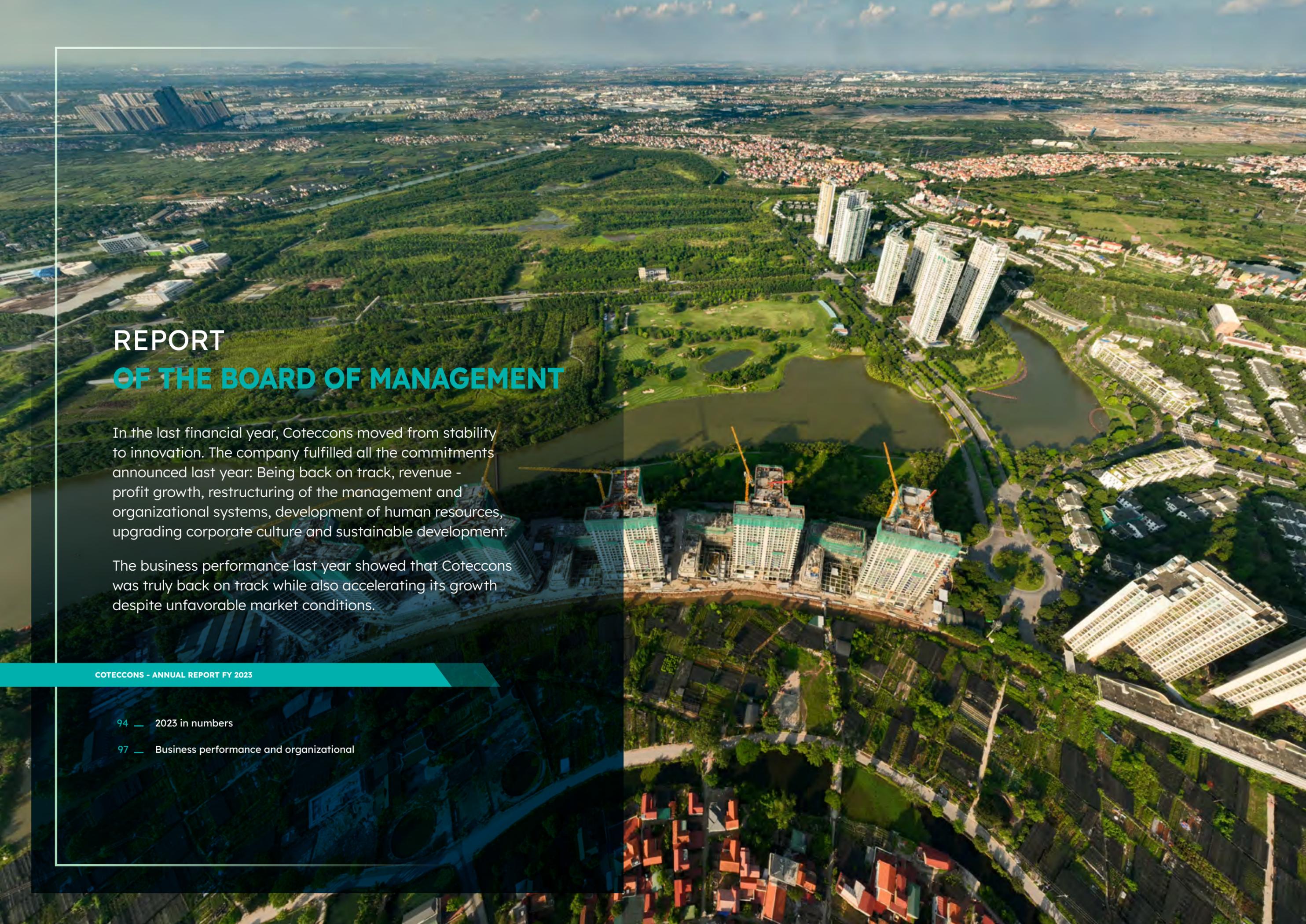
ASSESSMENT OF CORPORATE GOVERNANCE PERFORMANCE AGAINST ASEAN CORPORATE GOVERNANCE SCORECARD

For the 39 criteria on responsibilities of the Board for which Coteccons' fulfillment is satisfactory or higher: The fulfillment reached 68%.

E.1 Board Duties and Responsibilities	1. Disclose corporate governance policy/BOD charter.
	2. The types of decisions requiring Board of Directors' approval are disclosed.
	3. The roles and responsibilities of the Board of Directors are clearly stated.
	4. The vision and mission are reviewed and updated.
	5. The Board of Directors play a leading role in the process of developing and reviewing the company's strategy at least annually.
	6. The Board of Directors have a process to review, monitor and oversee the implementation of the corporate strategy.
	7. The details of the Code of Ethics or Conduct are disclosed.
	8. Disclose that all BOD members, senior management and employees are required to comply with the code(s).
	9. Disclose a process to implement and monitor compliance with the Code(s) of Ethics or Conduct.
	10. The company has a term limit of nine years or less or 2 terms of five years each for our independent BOD members.
E.2 Board structure	11. The company sets a limit of five BOD seats that an individual independent/non-executive BOD member may hold simultaneously in other entities.
	12. Have Human Resources Committee.
	13. The Chairman of the Audit Committee is an independent BOD member.
	14. The Company has a Remuneration Committee.
	15. The Head of the Remuneration Committee is an independent BOD member.
	16. The Board of Directors meet at least six times during the year.
E.3 Board processes	17. Each of the BOD members attended at least 75% of all BOD meetings held during the year.
	18. A minimum quorum of at least 2/3 is required for board decisions.
	19. Documents for BOD meetings are provided to the BOD at least five business days in advance of the BOD meeting.
	20. The company secretary plays a significant role in supporting the BOD in discharging its responsibilities.
	21. The company secretary is trained in legal, accountancy or company secretarial practices and kept abreast on relevant developments.
	22. All BOD members are subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each.
	23. The company discloses the criteria used in selecting new BOD members.
	24. Disclose its remuneration policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and the CEO?

- 25. The remuneration structure for non-executive BOD members is disclosed.
 - 26. The shareholders or the Board of Directors approve the remuneration of the executive BOD members and/or the senior executives.
 - 27. There is a separate internal audit function.
 - 28. The head of internal audit is identified or, if outsourced, the name of the external firm is disclosed.
 - 29. Disclose internal control procedures/risk management framework and periodically review the effectiveness of that framework
 - 30. The Annual Report/Annual CG Report discloses that the Board of Directors has conducted a review of the company's material controls and risk management systems.
 - 31. Disclose how to manage the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)
 - 32. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?
-
- 33. Different persons assume the roles of BOD Chairman and CEO.
 - 34. Has any member of the Board of Directors been the former CEO of the Company in the previous 2 years.
 - 35. The roles and responsibilities of the chairman are disclosed.
 - 36. At least one non-executive BOD member has prior working experience in the major sector that the Company is operating in.
-
- 37. The company has orientation programmers for new BOD members.
 - 38. The company has a policy that encourages BOD members to attend on-going or continuous professional education programmers.
 - 39. The Board of Directors conducts an annual performance assessment of the CEO/key managers.



An aerial photograph of a cityscape featuring a large green golf course in the center, a winding river or lake to the right, and several high-rise apartment buildings. The foreground shows more residential buildings and greenery. The sky is clear with some light clouds.

REPORT OF THE BOARD OF MANAGEMENT

In the last financial year, Coteccons moved from stability to innovation. The company fulfilled all the commitments announced last year: Being back on track, revenue - profit growth, restructuring of the management and organizational systems, development of human resources, upgrading corporate culture and sustainable development.

The business performance last year showed that Coteccons was truly back on track while also accelerating its growth despite unfavorable market conditions.

COTECCONS - ANNUAL REPORT FY 2023

94 — 2023 in numbers

97 — Business performance and organizational

OUTSTANDING FINANCIAL INDICATORS OVER 5 YEARS

BUILDING FUTURES

	2019	2020	2021	2022	2023
BALANCE SHEET					
Current assets	14,728	12,868	12,752	17,465	19,884
Cash and cash equivalents	801	1,397	885	1,064	1,883
Short-term financial investments	3,242	1,981	2,401	1,778	2,180
Short-term receivables	8,798	7,648	7,425	11,235	12,079
Inventories	1,626	1,492	1,692	2,838	3,148
Other current assets	261	350	349	549	593
Long-term receivables	1,471	1,290	1,174	1,502	1,491
Fixed assets	-	-	-	403	399
Investment properties	704	604	531	560	523
Long-term assets in progress	50	47	41	38	50
Long-term financial investments	161	162	185	25	33
Other long-term assets	394	365	335	311	304
Other long-term assets	162	112	82	165	182
TOTAL ASSETS	16,199	14,158	13,926	18,967	21,375
Liabilities	7,729	5,759	5,678	10,753	13,103
Current liabilities	7,710	5,753	5,675	10,227	12,603
Non-current liabilities	19	6	3	527	500
Owner's equity	8,470	8,399	8,248	8,214	8,272
CAPITAL SOURCES	16,199	14,158	13,926	18,967	21,375
FINANCIAL INDICATORS					
Net revenues	23,733	14,558	9,078	14,537	6,744
Cost of goods sold	(22,685)	(13,702)	(8,803)	(14,050)	(6,588)
Gross profit	1,048	856	275	487	157
Finance income	264	228	277	381	179
Finance costs	-	(0,5)	(13)	(163)	(67)
Share of profit from affiliates	4	(27)	(30)	(24)	(7)
General and administrative expenses	(459)	(656)	(516)	(735)	(193)
Net profit from operating activities	857	401	(7)	(54)	69
Other profits	33	27	45	88	0
Earnings before tax	890	428	38	35	69
Corporate income tax	(180)	(93)	(14)	(14)	(17)
Profit after tax	710	335	24	21	52
Profit of minor shareholders	0,03	0,18	0,10	0,08	(0)
Profit after tax of the parent company	710	334	24	21	52

	2019	2020	2021	2022	2023
CASH FLOWS					
Net cash flows from operating activities	(26,728)	(22,685)	(13,702)	(8,803)	(14,050)
Net cash flows from investing activities	1,833	1,048	856	275	487
Net cash flows from financing activities	321	264	228	277	381
Net cash and cash equivalent increase in the period	-	-	(0,5)	(13)	(163)
Cash and cash equivalents at end of year	98	4	(27)	(30)	(24)
BUSINESS PERFORMANCE					
Rate of profitability					
Ratio of Gross profit/sales (Gross Profit Margin)	4.42%	5.88%	3.03%	3.35%	2.32%
Ratio of Net operating profit/Revenues	3.61%	2.75%	-0.08%	-0.37%	1.02%
Ratio of Profit/sales before tax	3.75%	2.94%	0.42%	0.24%	1.02%
Ratio of Profit before tax/Owner's equity	10.51%	5.09%	0.46%	0.42%	0.83%
Ratio of Profit before tax/Total assets	5.49%	3.02%	0.27%	0.18%	0.32%
Ratio of Profit/sales after tax	2.99%	2.30%	0.26%	0.14%	0.77%
ROAA		2.20%	0.17%	0.13%	0.26%
ROEA		3.96%	0.29%	0.25%	0.63%
LIQUIDITY					
Current ratio	1.91	2.24	2.25	1.71	1.58
Quick ratio	1.70	1.98	1.95	1.43	1.33
FINANCIAL LEVERAGE					
Debt/Owner's Equity	91.25%	68.57%	68.84%	130.91%	158.41%
Debt/Owner's Equity	0.00%	0.00%	0.02%	13.11%	14.45%
Total Assets/Owner's Equity	1.91	1.69	1.69	2.31	2.58
(Cash + Short-term Investment)/Total Assets	25.0%	23.9%	23.6%	15.0%	19.0%
Debt to Total Assets Ratio	0.00%	0.00%	0.01%	5.68%	5.59%
PERFORMANCE INDICATORS					
Inventory Turnover	25	42	66	59	166
Receivable Turnover	117	176	254	174	413
Payable Turnover	77	98	127	98	246

2023 IN HIGHLIGHTED NUMBERS

Revenue

6,744
VND BILLION



60%

Revenue increased compared to the first 6 months of 2022, reflecting a stable pace on the long term strategic roadmap.

20.000
VND BILLION

backlog
in 2024-2025



17.000
VND BILLION

backlog
for 2023-2024



18,352,397
HOURS

Total hours of occupational safety
There were no occupational safety incidents at Coteccons' construction sites

10.175
TREES



Afforestation projects:
Contribute to afforestation and ecosystem restoration projects in Quang Binh as part of the Company's strong commitment to ESG.

21,375

VND BILLION

Total assets

11%

Total asset growth compared to the end of 2022

8,272

VND BILLION

Owner's equity
Up by 1% yoy



52

VND BILLION

Profit after tax reached 118% of the target and 862% yoy.



64
PROJECT

No. of projects delivered by Coteccons during the year. Most of these were commissioned by existing clients. This reflects the high level of customer satisfaction and trust in the Company



BUSINESS PERFORMANCE AND FINANCIAL SITUATION

“

At the end of 2021, in the face of a gloomy market picture, Coteccons set quite conservative targets for 2022.

Overcoming such a multi-dimensional pressure, Coteccons managed to deliver a positive P&L. The constant efforts on restructuring the financial strategy, removing the old backlogs and optimizing the capital policy resulted in its stability and healthy status. Thanks to that, we stay competitive to bid for both public and commercial projects.

BUSINESS PERFORMANCE AND FINANCIAL SITUATION

BUSINESS PERFORMANCE

In 2022, Coteccons, together with Unicons, implemented 65 projects across the country. Some outstanding projects that built its reputation included the Lego Factory, VinFast Factory, Diamond Crown Hai Phong, etc. Also, 18 projects delivered by Coteccons and Unicons were successfully handed over during the year.

The company generated VND 14,537 billion in revenue in 2022, a growth by more than 60% compared to 2021. EBT reached nearly VND 35 billion while EAT reached VND 21 billion (105% of target). If provision expenses were not counted, EBT could reach over VND 300 billion.

The provisioning reduced the final profit for 2022. However, in the future, when the debt collection is better managed, the Company's profits can suddenly increase as the huge provision will be reversed. As in 2022, more than VND 41 billion has been reversed, enabling the Company to achieve the above profit after tax despite intense cost pressure due to high raw material prices.

Business performance in 2022 can be seen as a leap on the 2021 - 2025 roadmap. This was even more remarkable given its situation not long ago. By the end of 2020 and early 2021, when Coteccons had new leaders, Coteccons was not having any new contracts signed. The company lost most of its customers and its reputation was severely damaged. The Coteccons revival strategy, specifically its 2021 - 2025 plan, proposed by the new leaders was then considered impossible.

The recent outstanding revenue officially brought Coteccons back to the number 1 position in the construction industry in Vietnam. Apart from positive revenues and profits or some short-term achievements, there were more important aspects in the business performance in 2022 to strengthen the conditions for bigger and longer-term prospects.

First, it is repeat sales (successful sales to old customers), from being invited for the second and third bidding packages of a client to being appointed by the developer for a new project. A typical example for repeat sales is the VinFast production complex project, for which the developer directly appointed Coteccons to deploy construction of Vinfast 3. Similarly, Coteccons continued to carry out a series of new projects under Vinhomes at Ocean Park, Smart City, and Grand Park. The Ecopark project with the Sky Forest package



Among others, it came as a big surprise as Coteccons sealed new contracts worth

VND 25,000 Billion

in the midst of extremely fierce competition in the construction industry. In particular, the Company was not involved in price wars.

worth nearly VND 2,800 billion and the Apache factory phase 2 at a scale of 3.5 hectares and worth about VND 600 billion were also successful repeat sales.

In addition to ensuring backlogs and revenues, repeat sales also help manage risks effectively as the Company know is clearly aware of the financial health and ability to pay of its clients through previous contracts.

Second, it is the success in expanding the customer base, especially FDI customers. Winning bids for large FDI-invested projects also affirms the prestige, capacity and efficiency in bidding and helps minimize Coteccons' exposure to risks due to disruptions to the domestic residential property market.

Among others, it came as a big surprise as Coteccons sealed new contracts worth VND 25,000 billion in the midst of extremely fierce competition in the construction industry. In particular, the Company was not involved in price wars.

In 2022, Coteccons also reached new steps in its diversification strategy. A typical example is its Finance & Build model in the development of The Emerald 68 project with Le Phong Group.

In infrastructure construction, Coteccons completed the market exploration phase to officially set its foot in this segment. The company clearly defined the directions to focus on developing a solid foundation.

The pre-cast segment was also officially launched by Coteccons. The Company is building a suitable roadmap for its growth in this segment - not only for its own needs, but also to help bring new opportunities to the market, especially towards sustainable development and reducing environmental impacts.

BUSINESS PERFORMANCE AND FINANCIAL SITUATION



ENSURING LIQUIDITY AND SAFELY USING FINANCIAL LEVERAGE

With a large demand for cash flow while the financial market struggled as was the case in 2022, Coteccons still fully ensured liquidity. It was quite often that Coteccons suffered from negative cash flow. This was unavoidable when many projects were suspended in 2021 due to the serious impact of the Covid-19 pandemic. In 2022, when the market recovered, the value of new contracts signed and the number of projects to be delivered skyrocketed, requiring the Company to expand its working capital.

However, Coteccons' financial leverage was safely utilized, at the lowest rate among the players in the construction industry. Its total debt was about VND 1,300 billion, including VND 800 billion as short-term loans from banks and VND 500 billion as bonds (fixed annual interest rate of 9.5%). The company was not under great pressure from interest expenses despite growing interest rates.

Coteccons is further improving efficiency in cash flow management. Cash conversion cycle decreased to 59 days compared to 66 days in 2021. The accounts receivable days improved to 245 days compared to 300 days in 2021. Gross profit margin increased to 3.35% compared to 3.0% last year despite the overall downward trend in the industry.



REPURCHASING BONDS AS COMMITTED

Coteccons has issued a bond tranche with a total par value of VND 500 billion and made no mistakes in the issuance process. However, in the face of concerns of some shareholders due to the influence of bond-related issues of many other enterprises, Coteccons is ready to repurchase its bonds as committed. The repurchase is also completely under the control of the Company.

PROVISIONS AND FINANCIAL RISK MANAGEMENT

Previously, Coteccons did not create provisions. However, since 2021, with a transparent policy, all risky financial accounts are reviewed by the audit team to set aside provisions for safe operations of the Company. Debt collection will be further promoted and provisions will be reversed when debt collection is completed. This also means that the Company's profits may increase dramatically in the future.

Provisions made in 2022 was VND 500 billion. Accumulated provisions up to now are VND 1,049 billion – for a debt balance at 14%. Coteccons established a debt collection committee, and, last year, also set up a Risk Management Board. Accordingly, bad debts were carried out regularly, based on the financial health of the developers and the market situation to decide whether one debt would be a bad debt. Following our internal assessment based on the principle of prudence and transparency, provision will be created.

With the above provisioning policy, Coteccons' financial and risk management strategy was significantly improved. The Company gradually removed the old backlogs thanks to its quality of revenues despite challenging market conditions due to serious crisis in the real estate industry while still managing the risk of bad debts and capital misappropriation.

18 projects
were successfully
handed over in the year.

RESULTS IN PROJECT DELIVERY

In 2022, Coteccons and Unicons as one of its subsidiaries delivered 65 projects and successfully handed over 18 projects nationwide.

STRENGTHENING THE “COTECCONS INSIDE” VALUES

Consistent with its values in business development and customer-oriented philosophy as demonstrated by the Coteccons Inside values, in the delivery process of every project, Coteccons always tries its best to ensure the best possible outcomes in three aspects: Safety - Quality - Progress. The general requirement is to strictly adhere to and fulfill the above commitment in all circumstances.

Last year, all projects were strictly and urgently delivered in this spirit. In actual delivery of projects, there are always different, sometimes completely new, problems. However, Coteccons' team stays open and sincere to share problems with its customers - investors and stakeholders to develop the best solutions for common goals.

For this, its operational efficiency on construction sites was increasingly improved.

In the face of intense price competition from other construction companies, Coteccons steadfastly maintained its position and Coteccons Inside values. The company focused on customer experience by improving customer satisfaction and long-term benefits on the basis of product quality, enhancing added values in the construction process to optimize values for both the developers and product users.

COTECCONS INSIDE

01

Adopt construction methods and solutions that meet environmental sustainability standards.

02

Diversify the ecosystem of services and products to maximize benefits for customers.

03

Focus on customer experience, particularly satisfaction and convenience.

04

Enhance the delivery of added values as a top priority.

SUPPLY OF CONSTRUCTION WORKFORCE ASSURED

In order to fulfill all commitments on product value to customers in accordance with Coteccons Inside values, Coteccons overcame great challenges, especially soaring prices of raw materials and shortage of skilled construction workers.

The pressure from soaring prices of construction materials eroded the profits of contractors. Fuel import prices grew by 35% in 2022, resulting in raw material prices to increase by approximately 7% - its highest growth since 2019.

Regarding construction workforce, in addition to the higher labor cost, recruiting qualified human resources was also a big challenge. Given previous stagnation of many real estate projects, many construction companies owed salaries to their workers, weakening confidence and causing many to quit their jobs. Moreover, the race to attract skilled construction workers, especially for mega projects, further stressed labor supply.

To ensure supply of resources for a series of large and ongoing projects, Coteccons actively developed solutions to stay in better control given such pressures. Coteccons consolidated its network of subcontractors and suppliers built up over the years and actively explored new partners. The company worked with all partners in the spirit of sharing difficulties, supporting solutions and balancing interests.

For example, it implemented policies such as exemption of advance guarantee, regular meetings and discussions with construction site teams to listen to their comments and feedback, practical support programs, among others, so that the parties could jointly develop the best measures for each contract as well as in accordance with the entire roadmap of each project.

These efforts helped the Company to properly control the situation and overcome difficulties for successful performance as seen above.



RESULTS IN PROJECT DELIVERY

PROJECTS UNDERWAY IN THE YEAR

No.	Developer	Project	Type
Northern region			
1	COTECCONS	Lancaster Luminaire	High-rise building
2	COTECCONS	Vinhomes Smart City	High-rise building
3	COTECCONS	Ecopark CT21 - CT22	High-rise building
4	COTECCONS	Ecopark CT26	High-rise building
5	COTECCONS	Vinhomes Dream City	Low-rise building
6	COTECCONS	Nam Cuong	Low-rise building
7	COTECCONS	Vinfast	Factory
8	COTECCONS	Horizon	Low-rise building
9	COTECCONS	Intercontinental Ha Long	Low-rise building
10	COTECCONS	Sailing Quang Ninh	Low-rise building
11	COTECCONS	58 Tay Ho (main building)	High-rise building
12	COTECCONS	Hyatt Sapa	Low-rise building
13	COTECCONS	Eurowindow Twin Parks	High-rise building
14	COTECCONS	Techcombank Hanoi	High-rise building
15	UNICONS	CIS Lao Cai	High-rise building
16	UNICONS	ICON40 Ha Long	High-rise building
17	UNICONS	BIM Thanh Xuan	Low-rise building
18	UNICONS	58 Tay Ho	High-rise building
19	UNICONS	Star School	High-rise building
20	UNICONS	Van Lang Skylake	High-rise building
21	UNICONS	Ecopark (Swan Lake)	High-rise building
22	UNICONS	Vin Hung Yen	Low-rise building
23	UNICONS	Doji Hai Phong	High-rise building
24	UNICONS	Tesa Hai Phong	Factory
25	UNICONS	Van Hai - Quan Lan	High-rise building
26	UNICONS	Hai Phong Industrial Park	Factory
Central region			
27	COTECCONS	Dolce Quang Binh	High-rise building
28	COTECCONS	Le Meridien	High-rise building
29	COTECCONS	South Hoi An (phase 1 - Hotel)	High-rise building
30	COTECCONS	Hoa Phat 2	Factory

No.	Developer	Project	Type
31	COTECCONS	Son Tra Hotel	High-rise building
32	UNICONS	Bai Lu	Low-rise building
33	UNICONS	Flamingo Sacred Ground	Low-rise building
34	UNICONS	Imperium	High-rise building
35	UNICONS	Marvella Nha Trang	High-rise building
36	UNICONS	Wink TH	High-rise building
37	UNICONS	Fusion Nam Phat	High-rise building
38	UNICONS	Marriott Hoi An	High-rise building
Southern region			
39	COTECCONS	Lancaster Legacy	High-rise building
40	COTECCONS	Vinhomes District 9 & Shopping Mall	High-rise building
41	COTECCONS	HT Pearl	High-rise building
42	COTECCONS	CR8-2B&3	High-rise building
43	COTECCONS	Hilton Double Tree Vung Tau	High-rise building
44	COTECCONS	Urban Green	High-rise building
45	COTECCONS	LEGO	Factory
46	COTECCONS	Charm Ho Tram	High-rise building
47	COTECCONS	Ixora Ho Tram	High-rise building
48	COTECCONS	Riviera Point 1C	High-rise building
49	COTECCONS	Vinhomes District 9 - S11.03	High-rise building
50	COTECCONS	Hyatt Ho Tram - BT Package	Low-rise building
51	COTECCONS	Hyatt Phu Quoc	Low-rise building
52	COTECCONS	Six Senses	Infrastructure development
53	UNICONS	Le Phong	High-rise building
54	UNICONS	Thanh Long Bay	Low-rise building
55	UNICONS	Vincity District 9 - Sub-zone 3	High-rise building
56	UNICONS	Hiive Binh Duong	High-rise building
57	UNICONS	Crystal Place	High-rise building
58	UNICONS	Tropical Village - Phu Quoc	Low-rise building
59	UNICONS	Mey Homes Phu Quoc	Low-rise building
60	UNICONS	Bai Trao - Hon Thom	Low-rise building
61	UNICONS	Apache (phases 1 and 2)	Factory

RESULTS IN PROJECT DELIVERY



HANDED-OVER PROJECTS IN THE YEAR

COTECCONS-executed

PROJECT

- 1 Vinhomes Grand Park - Sub-zone 2
- 2 TSQ Vietnam Multi-level general education school
- 3 VinFast
- 4 High-tech studio
- 5 Five-star Saigon General Hospital
- 6 Opal Skyline
- 7 Hilton Vung Tau
- 8 Techcombank Hanoi Office
- 9 Dragon Golf Course - Do Son Golf Links
- 10 Vinhomes Dream City
- 11 Nam Cuong - Phase 1

UNICONS-executed

PROJECT

- 1 Vinhomes District 9
- 2 BWID Nhon Trach
- 3 TLC School
- 4 Apache
- 5 BWID Hai An
- 6 Signature Show Phu Quoc
- 7 Vinhomes Dream City



PROJECT IMPLEMENTATION HIGHLIGHTS

OFFICIAL TOPPING OUT OF DIAMOND CROWN HAI PHONG

The architectural icon of Hai Phong port city was officially topped out on May 28, 2023. The project is invested by DOJILAND Real Estate Investment Company and Cotecons served as the construction unit. This is a rare project in Asia, and the first project in Vietnam, that applied Diagrid structure with the ability to create captivating beauty from sophisticated construction techniques.

The event marked an important milestone in the construction process of the Diamond Crown Hai Phong project and also affirmed DOJILAND's reputation in deliver commitments to progress and quality.

Diamond Crown Hai Phong is expected to become a place that brings exclusive values and lifestyle with high quality experiences, contributing to upgrading the appearance of Hai Phong city in the new era with international integration aspirations.

MEETING TO REVIEW PROJECT WITH SENIOR LEADERSHIP OF LEGO VIETNAM

The Leaders of Cotecons and LEGO Vietnam recently had a meeting at the LEGO factory project in Binh Duong to review work in a positive and objective manner.

Besides, Cotecons also had the opportunity to present its development plan, vision - mission, organizational structure and corporate culture, especially the ESG sustainable development program being implemented across the organization. This is one of the programs to promote the ultimate results that Cotecons hopes to bring to LEGO Vietnam.

PROJECT IMPLEMENTATION HIGHLIGHTS



SIGNED A STRATEGIC PARTNERSHIP AGREEMENT WITH TRUNG THUY GROUP AND LAUNCHED THE NAM O PROJECT

On June 3, 2023, Coteccons and Trung Thuy Group signed a strategic cooperation agreement and launched the Nam O project in Lien Chieu District, Da Nang. Given the parties' reputation and shared value, Coteccons commits to completing the project with the highest quality in terms of technique and aesthetics.

During the project launching ceremony, Ms. Duong Thanh Thuy - Vice Chairman of the Board of Directors of Trung Thuy Group - shared: "We want to bring the best to the community and the market before thinking about our benefits. I hope that all employees of Trung Thuy Group and Coteccons will be proud to be a part of this project, contributing to changing the lives of people here."

OFFICIALLY COMMENCED THE CONSTRUCTION OF CENTRAL STRUCTURE OF LANCASTER LEGACY PROJECT

On the morning of June 2, Coteccons commenced the construction of Lancaster Legacy Complex comprising of Trade - Service - Office - Officetel - Apartment facilities at No. 230 Nguyen Trai, Nguyen Cu Trinh Ward, District 1, HCMC.

Mr. Nguyen The Phu - CEO of Coteccons - pledged to work with all stakeholders to deliver the project in the spirit of sincere cooperation, ensuring high standards in quality, progress, and safety, etc. Putting customer's interests first, Coteccons works with the investors to build a truly valuable Lancaster Legacy and create a new future!



UNICONS WON THE BID FOR MEYHOMES CAPITAL PHU QUOC PROJECT

On June 13, Unicons was selected to implement the bidding package for rough construction and exterior finishing of 111 apartments in subdivision 1 Violet of the Meyhomes Capital Phu Quoc project.

Meyhomes Capital Phu Quoc is invested and developed by Tan A Dai Thanh Group in An Thoi town - south of Bai Truong, Phu Quoc, Kien Giang. The investor aims to build Meyhomes Capital into a 5-star urban area, a new economic and residential center of Phu Quoc when it comes into operation.

COMMENCED THE CONSTRUCTION OF ICON 40 HA LONG LUXURY APARTMENT TOWER'S CENTRAL STRUCTURE

On the morning of June 15, ICON 40 Ha Long luxury apartment tower was held to start construction of the central structure.

Once completed, the project will become a new symbol of Ha Long city, the best place to admire the beauty of the city.

ICON 40 Ha Long is implemented by Unicons. After the successful delivery of the underground construction package, the Executive Committee maintains its commitment to progress, quality and aesthetics to the investor.



PROJECT IMPLEMENTATION HIGHLIGHTS



ACCELERATING THE CONSTRUCTION OF APACHE VIETNAM FOOTWEAR FACTORY PROJECT - PHASE 2

Having successfully completed phase 1 with progress and quality as committed, Unicons is entrusted by the investor to execute phase 2. The project will commence the construction in March 2023 in Long Giang Industrial Park, Tan Lap 1 commune, Tan Phuoc district, Tien Giang province.

After over 3 months of construction, the project's Executive Committee has completed the topping out of the main items including the dormitory and operations center. Given its good construction capacity, professionalism, and extensive experience, the Executive Committee always proactively deploys resources to execute the project on schedule and ensure the highest quality.



ACCELERATING HANOI STAR MULTI-LEVEL SCHOOL II

By the end of June 2023, Unicons has been completing the rough construction of Hanoi Star Multi-level School II project. Upon going into operation, the school will house 5,000 students with full function rooms, library, creative experiment center, sports area, etc.

Unicons was entrusted by the BOD of Hanoi Star Education system to implement the project.



PROJECT IMPLEMENTATION HIGHLIGHTS



OFFICIAL ACCEPTANCE OF THE WINK HOTEL - TUY HOA PROJECT

After the topping out ceremony in April 2023, the Executive Committee of the Housing and hotel facility - Wink Hotel Tuy Hoa project has achieved a new milestone. Specifically, recently, the project officially completed acceptance work.

This is an important milestone in the project completion and handover phase. Currently, the Executive Committee focuses all resources to deliver the project to meet the criteria of safety, quality, and progress according to strict standards from Unicons.



UPDATES ON PROGRESS OF HIIVE BINH DUONG PROJECT

After 9 months of construction, the Executive Committee the HIIVE Binh Duong project has now completed rough construction of the building. Basic finishing work such as ceiling construction and painting has been completed more than 50%. The project is expected to be handed over by the end of 2023.

HIIVE Binh Duong VSIP II Hotel (HIIVE Binh Duong) is invested and developed by Tan Thien Khanh Investment Company Limited. The is a luxurious, classy-styled, fully integrated with amenities project, covering a construction area of 11,000m².



COTECCONS IS AHEAD OF SCHEDULE AT THE SKY FOREST ECOPARK PROJECT

Currently, the construction of the floor on the 8th floor and preparation for the construction of floor transitions are implemented in parallel. In addition, to shorten construction time, the Executive Committee also uses tower cranes as supporting columns, reducing 20 days of construction and other work.

This demonstrates the Executive Board's ability to improve performance and flexibility in the working process while still ensuring quality, reputation and project progress. When the Sky Forest Residences project is handed over, residents will enjoy 6-star amenities - where their home is also a resort in the green Ecopark.

PROJECT IMPLEMENTATION HIGHLIGHTS



COMPLETION OF HATCH CLOSING OF VINHOMES GRAND PARK

Unicons has completed hatch closing for buildings S11.05 and S11.06, Vinhomes Grand Park project, District 9, Ho Chi Minh City. That is not only the result of the Executive Committee's efforts and dedication but also the collaboration among stakeholders. In that spirit, the Executive Committee is constructing the central structure of the buildings.

UNICONS WON THE BIDDING FOR KN PARADISE PROJECT PHASE 2 IMMEDIATELY AFTER COMMENCEMENT OF PHASE 1 CONSTRUCTION

In the end of June, the investor of the KN Paradise Entertainment and Recreation Complex project entrusted Unicons to execute the phase 2 bidding package. For this large bidding package, Unicons undertakes structural construction, basic finishing and rough MEP for 160 townhouses (phase 16, 17) - Nikko zone, increasing the scope of Unicons' work to nearly 400 houses.

Located at Bai Dai, City. Cam Ranh, Khanh Hoa province with an area of 800 hectares, KN Paradise Cam Ranh is a high-end urban - resort - entertainment complex invested by KN Cam Ranh Company. Located in a convenient location right next to Cam Ranh international airport, the project is position to further develop and attract investors.

PROJECT IMPLEMENTATION RESULTS



Among others, it came as a big surprise as Coteccons sealed new contracts worth

25,000 VND billion

in the midst of extremely fierce competition in the construction industry. In particular, the Company was not involved in price wars.



Coteccons managed to deliver a positive P&L. The constant efforts on restructuring the financial strategy, removing the old backlogs and optimizing the capital policy resulted in its stability and healthy status. Thanks to that, we stay competitive to bid for both public and commercial projects.



During nearly two decades of formation and development, Coteccons has contributed to the construction process of more than 400 major projects across Vietnam. Many of them have become famous projects with significant roles and meanings in respects, contributing to the general development of Vietnam.

This is both pride and motivation for Coteccons to be more deeply aware of its mission; therefore, quality and sustainability of the works over time are principles that have been embedded in every Coteccons staff member at the construction sites.

With expertise and experience in construction management through numerous technically rigorous projects on large scale, Coteccons' team is always fully capable and conscious in implementing the supervision to ensure the highest quality. By coordinating with customers and other contractors, Coteccons closely adheres to customers' requirements and purposes, making maximum efforts to meet their expectations.

That standard of Coteccons has been recognized by all customers and experts, gaining the Company's credibility as an industry-leading construction unit in terms of construction quality.



FLAGSHIP PROJECTS IN THE YEAR

The impressive professionalism, rich experience and solid capacity of the Coteccons team help us achieve the optimal quality, progress and construction safety at the same time.



During nearly two decades of formation and development, Coteccons has contributed to the construction process of more than 400 major projects across Vietnam. Many of them have become famous projects with significant roles and meanings in respects, contributing to the general development of Vietnam.

This is both the pride and the drive that makes Coteccons more deeply aware of our mission. Therefore, the foundation quality and the sustainability over time of each project are the philosophy of action which every member of Coteccons at the construction sites highly perceives.

With expertise and experience in construction management through numerous technically rigorous projects on large scale, Coteccons' team is always fully capable and conscious in implementing the supervision to ensure the highest quality. By coordinating with customers and other contractors, Coteccons closely adheres to customers' requirements and purposes, making maximum efforts to meet their expectations.

That standard of Coteccons has been recognized by all customers and experts, gaining the Company's credibility as an industry-leading construction unit in terms of construction quality.

In addition to complying with strict quality criteria and management processes, Coteccons requires constant research and innovation to deliver new solutions that help shorten the construction time. Therefore, we have successfully completed many projects in the shortest time as expected by customers.

With such profession, experience and philosophy, Coteccons is now one of the few domestic contractors capable of competing with famous international construction corporations. The company has demonstrated the ability to deploy a variety of project categories.

The 65 projects delivered by Coteccons and Unicons as one of its subsidiary in 2022 all play an important role, and the Company has prepared the best construction solutions. Below are 7 largest projects in terms of size and total investment value as well as the learning and capacity improvement opportunities they can bring. The delivery of these projects also demonstrates the "Coteccons DNA" most clearly.

DIAMOND CROWN HAI PHONG



Location:
Hai Phong

Category:
Apartment - hotel
- commercial services
complex

Developer:
Doji Land - Doji Group
(Vietnam)

Total area:
1.3ha, including 1
45-storey hotel tower
and 1 39-storey luxury
apartment tower

Diamond Crown Hai Phong is developed to build a new symbol with unique beauty in and create a fresh look of Hai Phong. The scale of investment and groundbreaking architectural art of this project also are also at Asian level.

The Diagrid framework and crystal blocks under the project are most challenging to its construction site teams. Globally, the Diagrid framework is considered the pinnacle structural system of outstanding, modern and luxurious architectures. Diamond Crown Hai Phong is the first project in Vietnam to apply this structural system.

Therefore, this project sets requirements that exceed the existing construction standards in Vietnam. Apart from complex architecture, requiring both high technology, new materials and meticulousness, each floor of the project has its own unique design. Even the formwork joints and concrete crossings have different designs...

In order to deliver on such unique architectural works, the construction site teams must be highly skilled, adequately staffed and able to grasp new technologies... to meet high technical and progress requirements.

Coteccons previously implemented successful projects under Doji Group. Given high expectations for Diamond Crown Hai Phong, decided to commission this project to Coteccons that has demonstrated fulfilment of all necessary requirements.

Coteccons engineers have used BIM (Building Information Modeling) technology to calculate digital representations of the Diagrid framework. Conflict management in design, steel structures, electromechanical systems... are all simulated in 3D to check and minimize potential conflicts. Each floor, beam and intersection... must be installed with a separate formwork system. The information on the BIM model is shared with the project stakeholders for coordination and optimal results.

On July 22, 2022, the construction of Diamond Crown Hai Phong officially started. It is expected that the 39-storey apartment building and 45-storey hotel building will be completed in 320 and 375 days respectively, with the topping out ceremony in June 2023.

FLAGSHIP PROJECTS IN THE YEAR

LEGO FACTORY



Location:
Binh Duong

Category:
Factory

Developer:
LMV - Lego Group
(Denmark)

Total area:
44ha

In August 2022, LEGO Manufacturing Vietnam Co., Ltd (LMV), a member of Lego Group, officially selected Coteccons as the general contractor to build LEGO® Factory in Vietnam. This came after a very strict selection process of the general contractor as against stringent standards and complex and demanding technical requirements, especially environmental and sustainability standards.

Lego Group chose Binh Duong for its 6th factory globally with high expectations for, as it calls, a "Future Factory". This factory will feature a model of technologies combined with human, environmental and working cultural values... for Lego's future replication to other localities along with local values.

Coteccons' team is determined to conquer that rigorous journey. As an opportunity to work with a reputable client under a big project, Coteccons also sees this a step to a new height in terms of both capacity and market position, motivating itself to overcome existing limitations, both mentally and technically.

For months, the dedicated team of Coteccons has worked hard and put much of their focus on this project for the best delivery. Along with its reputation, integrity and transparency, Coteccons was officially authorized by LMV to implement this iconic project.

In early November 2022, the construction of LEGO®'s "Future Factory" officially started, and it will be tentatively completed and put into operation in August 2024.

ECOPARK SKY FOREST RESIDENCES



Location:
Hung Yen

Type:
High-class apartment
complex

Developer:
Ecopark Group Joint
Stock Company
(Vietnam)

Total area:
2.3ha

Coteccons has successfully implemented the Ecopark Swan Lake Residences project with a value of up to nearly VND 4,000 billion for Ecopark Group. This was the highest-value civil residential project in Vietnam at the time of implementation. With a firm trust built on that success, the developer has continued to award Coteccons the role of D&B general contractor (design and building) for the Sky Forest Residences package which is worth nearly VND 2,600 billion.

Sky Forest Residences is considered an iconic project for green architecture with the design of "house within the garden and garden within the house", "apartment within the park and the park within the apartment". The project features 8 mega parks and 1,000 gardens with more than 10,000m² of trees. Placed up in the air, this is described as "drawing nature in the sky". The developer has high requirements which are equivalent to international standards on sustainable development.

The above design not only sharply increase the construction cost of the project due to the huge number of trees and overhead utility systems, but also poses challenges in the design of the foundation system, the special bearing system of each building, waterproofing treatment for all gardens and parks, the automated irrigation and fertilization systems, and so on.

With the proper investment of Ecopark Group, Coteccons has leveraged the expertise and experience of the engineering team to realize the project at the most effective level - from design and construction measures to the selection of materials.

Sky Forest Residences is being implemented with an estimated construction time of about 800 days.

FLAGSHIP PROJECTS IN THE YEAR

VINFAST FACTORY



Location:
Hai Phong

Category:
Factory

Developer:
Vinfast - Vingroup
(Vietnam)

Total area:
335ha

VinFast Automobile Manufacturing Complex is a project with a world record in construction progress. In phase 1, within only 21 months, the factory has been completed and put into operation on an area of 500,000m². The design capacity of phase 1 is 250,000 vehicles per year.

In addition to its large scale, VinFast is also the first automobile factory in Vietnam with a complete, synchronous and highly automated production cycle with 6 workshops, including stamping workshop, body welding workshop, painting workshop, engine workshop, auxiliary workshop, and assembly workshop.

The speed of implementation mentioned above at VinFast was once considered impossible, especially when both speed and high technical and quality requirements must be met at the same time. These factors have been validated by the robust operation of Vinfast so far.

Coteccons was involved in that pioneering project and contributed to bringing VinFast into operation in the quickest manner.

Vingroup has been a major and familiar customer of Coteccons for many years. The projects implemented for Vingroup including urban areas, high-rise apartment buildings, Landmark 81 and VinFast Factory are all opportunities for Coteccons to "outperform itself" and demonstrate its outstanding ability to live up to the three stringent requirements, i.e. quality, safety, and progress", at the same time.

In 2022, Coteccons also won a contract for construction of a plastic molding workshop and a metal assembly workshop in phase 2 of VinFast with an area of 32,000 square meters and 30,000 square meters, respectively. These two projects were commenced concurrently in May and have been completed for handover in December 2022.

With trust having been built, Vingroup has afforded Coteccons with the opportunity to implement new projects in phase 3 of VinFast.

VINHOMES DREAM CITY



Location:
Hung Yen

Type:
High-class complex
urban area

Developer:
Vingroup (Vietnam)

Total area:
486ha

Similar to VinFast, Vinhomes Dream City was also contracted by Vingroup to Coteccons based on the latter's track record as well as both sides' history of good cooperation. Just before that, Coteccons had also completed a series of Vinhomes projects for Vingroup such as Ocean Park, Smart City, Grand Park, and so on.

Vinhomes Dream City is a big project with multiple divisions and its development takes place in a fast and back-to-back manner. Due to the familiarity with the Vinhomes project model, with Vinhomes Dream City, the biggest challenge for Coteccons will remain "progress in tandem with quality", as always aligned on by both parties.

Together with its member company Unicons, in 2022, Coteccons implemented and completed new bidding packages at Vinhomes Dream City such as the nearly 300 villas in Division 2 and Division 6, which contribute forming a distinctive new urban area in the satellite area of Hanoi - the capital city.

FLAGSHIP PROJECTS IN THE YEAR

THE CANADIAN INTERNATIONAL SCHOOL COMPLEX IN LAO CAI



Location:
Lao Cai

Type:
International School
Complex

Developer:
Khoi Nguyen
Education Group
(Vietnam)

Total area:
27,872 m², including 04
blocks, a football field
and water supply and
drainage system.

This is the first international school project in the Northwestern region. The school has won approval from the Ministry of Education of the province of Alberta (Canada) for teaching of the Alberta high school program, according to Alberta's regulations of offshore schools.

The introduction of the Canadian International Schools Complex in Lao Cai plays an important role in promoting the quality and diversity of the local educational environment, providing opportunities to study and grow in a locally based modern international education environment for students in Lao Cai and neighboring provinces. At the same time, this is also an environment to meet the learning needs of the children of international experts living and working in this region.

The project is divided into three investment phases. When completed, the complex can accommodate about 2,100 students of all level and also provides an area for boarding students.

Overall, the school features a zigzag architecture like a mountain range, inspired by the iconic Hoang Lien Son mountain range of the Northwestern region and the Rocky Mountain of Alberta. The roof and landscape design also features the characteristics of the mountainous scenery such as flying birds, terraced fields, etc. The image of the school evokes a lot of emotions and represents high cultural values to create an advanced educational environment rich in humanity for future generations.

Aware of the significance of this project, Coteccons and its member company Unicons attaches great importance to the construction work. This is considered one of the typical projects of Coteccons in 2022 because of its contribution to the diversity of the project portfolio and for connecting Coteccons to the education sector as indicated by the sustainable development philosophy to which the Company is committed.

With that in mind, Coteccons' construction team strives to implement the project with the highest level of perfection, ensuring progress, safety and quality at a meticulous level.

THANG LONG - TESA HAI PHONG ADHISIVE TAPE PLANT



Location:
Hai Phong

Category:
Factory

Developer:
Tesa Group (Germany)

Total area:
70,000m²

The Thang Long - Tesa Site Hai Phong project, which has a total investment of 55 million Euros, covers an area of 70,000m² in Deep C Industrial Park. This represents a strong commitment of the world's leading adhesive tape manufacturer to increase production and supply capacity for the Asian market. Once in operation, this plant is expected to produce 400 million sq. meters of adhesive tape per year.

Unicons acts as the general construction contractor for the project. Unicons' relevant experience with large and challenging projects throughout Vietnam such as GE, Meiko, ABB, BWID, Pepsi, etc., and the position of parent company Coteccons convinced the investor. The project is expected to be completed in 365 days and all technical work will be completed for official operation in the first quarter of 2024.

This is also a project that demonstrates Coteccons and Unicons' ability to conquer FDI customers when they can meet many strict international standards and as well as the professionalism requirement. Thang Long - Tesa Site Hai Phong also helps open up other cooperation opportunities in the future between Unicons - Coteccons and Tesa.

RESULTS OF DEVELOPING MANAGEMENT SYSTEM

Determined to re-invent its organization, Coteccons has achieved many important improvements in restructuring the human resource system as well as the management body. The Company has completed the personnel structure, upgraded the operating capacity, and smoothed the coordination process. This has enabled labor productivity and work efficiency to improve significantly.



APPOINTMENT OF A NEW CEO

With the CEO post being left vacant for over two years, many questions were raised from the public as to the stability of the management team. In fact, the Company did not face any critical problems in terms of operations due to this vacancy during that period.

In order to restructure appropriately for the long term, Coteccons needs to carefully consider its target model and specific requirements instead of hastily putting the puzzles together. Moreover, a highly diversified organization with 18 years of development, one which is embracing itself for a turning point to its mega goals following the new strategy, needs to be prudent in choosing its CEO. The chosen one must be someone who has “the right everything” including capabilities, qualities, experience, and understanding of Coteccons’ culture.

After a thorough testing and evaluation process, on August 5, 2022, Coteccons officially appointed Mr. Vo Hoang Lam to this position. The new CEO has been with Coteccons for 17 years and has held multiple important positions in the Company. He is also one of the key contributors who led Coteccons to important milestones on its journey to becoming Vietnam’s the number 1 general contractor.

The appointment of the new CEO is a result of the consensus among the Board of Directors, the Board of Management, and shareholders. It lives up to the expectation of maintaining the heritage and promoting the Company’s identity, and is completely in line with Coteccons’s commitment to innovation and positive changes in the upcoming period.

After taking office, the new CEO is on top of his job and promoting the efficiency of the Board of Management and the entire team to a new level.

ORGANIZATIONAL STRUCTURE

Compared to 2021, in 2022, Coteccons has clearly defined its organizational structure as lean but appropriate and effective. It should also reduce the burden on management and operating systems. The new structure is built according to the following criteria:

- Functions and departments are structured according to the sequence of development and supply of products and services of the Company to customers, i.e. trade - operations - support. The right structure helps to create a logical circle of links and facilitate close coordination for the highest efficiency.
- Incumbents of the key positions are tasked with appropriate jobs which can leverage their ability to the fullest and make generate the best value for the Company.

The new CEO has been with Coteccons for 17 years and has held multiple important positions in the Company. He is also one of the key contributors who led Coteccons to important milestones on its journey to becoming Vietnam’s the number 1 general contractor.

RESULTS OF DEVELOPING MANAGEMENT SYSTEM



OPTIMIZING THE MANAGEMENT SYSTEM AND PROMOTING EMPOWERMENT

In the new structure, Coteccons applies a strong decentralization - empowerment policy. A highlight in this is the empowerment of Project Directors (PD Empowerment). PDs (project directors) are trained and supported to take on the role of real leaders on projects instead of just being in charge of professional matters as before. Each site is treated as a separate company and each PD is the CEO thereof. Behind the PDs, the management - operating system from the head office provides support, guidance and have an appropriate control and supply mechanism.

This model is designed to promote ownership at work, sense of responsibility and management ability of PDs. It is expected to creating optimal performance for each project and for the Company as a whole.

In promoting empowerment, Coteccons is in no haste and definitely doesn't adopt the "one size fits all" approach for all its projects. The PDs empowered as mentioned above are those who have all undergone a process of assessment, training, and guidance until full readiness. Currently, Coteccons has dozens of

such PDs on a total of 65 construction sites. The company will keep promoting training so that this model continues to be rolled out.

On the other hand, the PD Empowerment program is also carried out on a higher level. In 2022, after upgrading the role of PDs, in order to increase the initiative and control in the team, Coteccons also created the position of Managing Director (MD) - an unprecedented title in the Company. PDs who are qualified in terms of ethical standards, professional competency, vision, and credibility will be promoted to the upgraded position of MD. The MD will join the Board of Management in devising strategy and leading Coteccons on the big journey.

The PD Empowerment program was Coteccons's most important improvement in management system and organizational structure in 2022. It opens up a new era with a dynamic, strong and multi-pillar organization based on a bold empowerment mechanism, profound trust, optimized capacity and especially on a clear development strategy and a well-orchestrated execution plan of the organization.

CONTINUE TO COMPLETE THE PERFORMANCE MANAGEMENT SYSTEM

Fairness, transparency, and accuracy are always the principles adopted by Coteccons in evaluating its employees. In order to exercise that principle, Coteccons has gradually improved the PMS (Performance Management System).

2022 was a period of complete application of the PMS when 100% of team members were evaluated using this system.

Some bases for performing :

- Job descriptions and staff sizing by department/function
- Performance Management System
- Application of capacity assessment system, internal hierarchy, criteria for rank/title.
- Setup of a reward system worthy of individuals/teams with outstanding achievements.
- Implementation of a talent retention policy, development of the team according to the Company's long-term development strategy.

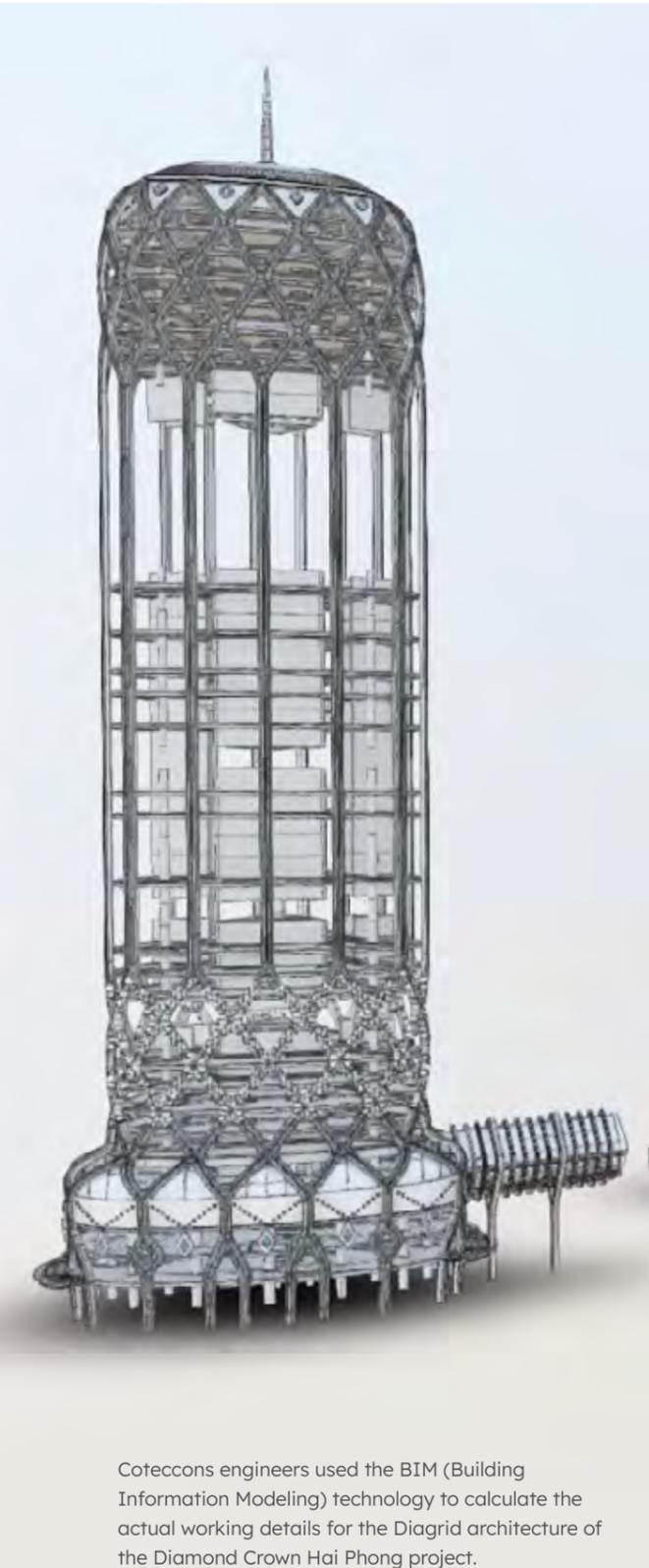
The performance evaluation of employees is carried out logically and in accordance with the Company's performance evaluation system. Employees' goals are clearly registered from the beginning of the period and are effectively evaluated in a transparent and fair manner at the end of the period.

With this move, employees at all levels and positions are properly evaluated and rewarded according to their work performance and contribution.

Based on this assessment, managers can also align on a career development plan for each team member in both the short and long term as well as the additional competencies needed to achieve that.

At the same time, each individual is given an equal opportunity to grow and get promoted. As of early October 2022, 41 employees of the 9X generation had been appointed to management positions in both the back-office and site functions.

RESULTS OF DEVELOPING MANAGEMENT SYSTEM



Coteccons engineers used the BIM (Building Information Modeling) technology to calculate the actual working details for the Diagrid architecture of the Diamond Crown Hai Phong project.

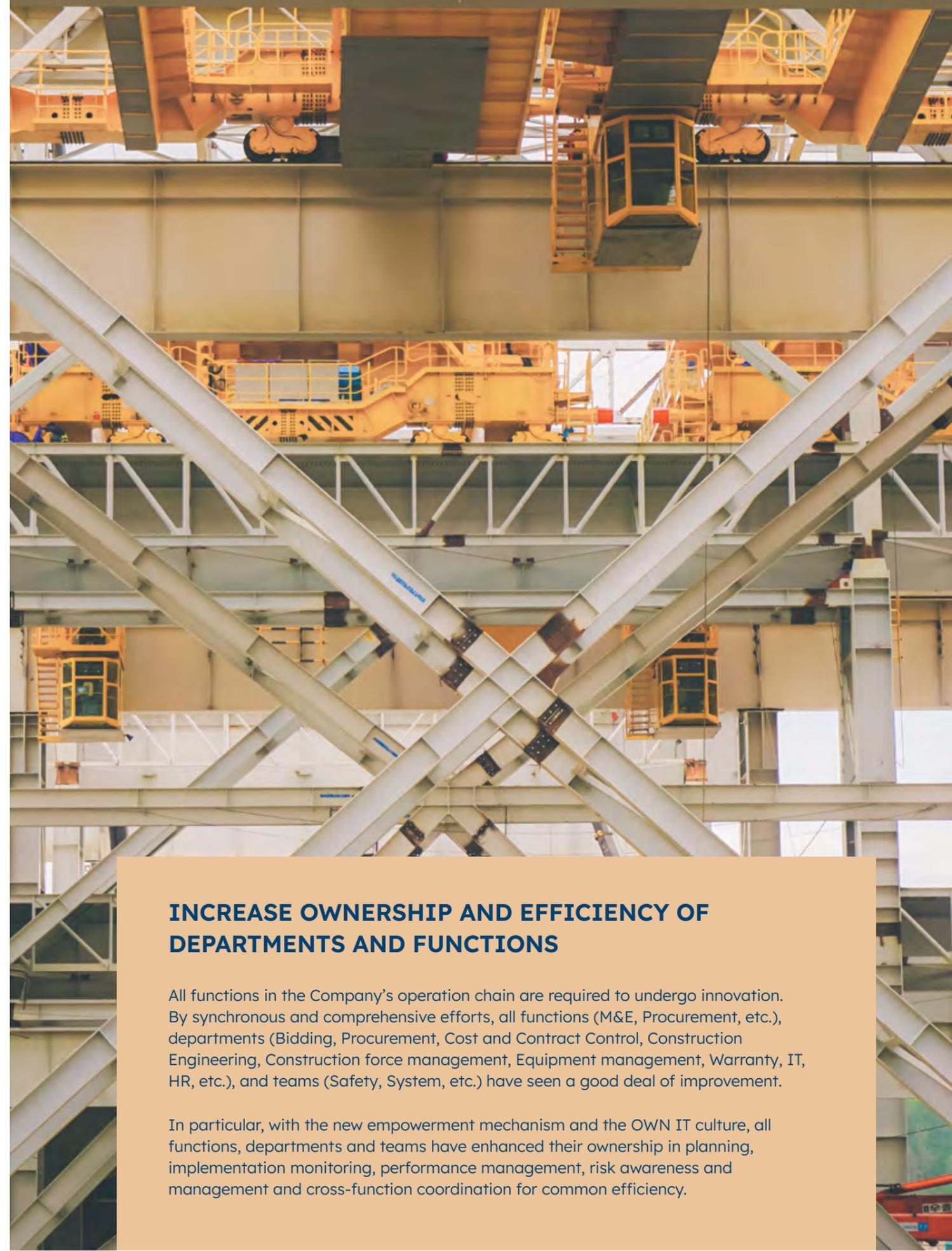
PROMOTE DIGITAL TRANSFORMATION AND APPLICATION OF TECHNOLOGY

In order to strengthen the management and operating capacity to meet the new operation speed and scale of the Company, the application of technology is also a high priority.

With a total investment of about 34 billion VND in 2022, multiple projects have been implemented and important changes have been made including:

- Migration of the email system to Microsoft's Cloud Office 365: Successful conversion of nearly 1,400 emails for easier management, faster and more efficient operation.
- Launching of a new corporate website www.coteccons.vn and an intranet mycoteccons.vn with upgraded scale, interface and features.
- Support for the Accounting Department to extract data from Bravo/CFMS for the SAPS/4HANA project.
- Development of applications on the Microsoft Power Platform to serve the needs of both the back-office (stationery, document management, etc) and the site (safety reporting, site control, etc.) functions. This helps save time, controls costs and efficiency, increases management capacity, reduces the use of paper and other items, and contributes to environmental protection.
- Supporting 4,204 requests from departments, teams and construction sites with 100% success rate and with satisfactory turn around time.
- Assessment of information technology risks and development of control solutions.

In addition, Coteccons also signed a strategic cooperation agreement with FPT IS to implement a construction industry digitalization project with information technology solutions for big and long-term needs.



INCREASE OWNERSHIP AND EFFICIENCY OF DEPARTMENTS AND FUNCTIONS

All functions in the Company's operation chain are required to undergo innovation. By synchronous and comprehensive efforts, all functions (M&E, Procurement, etc.), departments (Bidding, Procurement, Cost and Contract Control, Construction Engineering, Construction force management, Equipment management, Warranty, IT, HR, etc.), and teams (Safety, System, etc.) have seen a good deal of improvement.

In particular, with the new empowerment mechanism and the OWN IT culture, all functions, departments and teams have enhanced their ownership in planning, implementation monitoring, performance management, risk awareness and management and cross-function coordination for common efficiency.

BRAND DEVELOPMENT AND CORPORATE CULTURE IMPROVEMENT OUTCOMES

Since late 2021 and early 2022, Coteccons officially launched our new brand identity system. The contemporary, young, interactive and international vibes convey the implications that Coteccons wants to build for our business. Among these, the history, identity and advantages that have been painstakingly cultivated over the past 18 years are properly respected, and at the same time, new values are continuously added and built to resonate into the strength of a company has both a proud past and a promising future.

A LIVELY AND HUMANE CORPORATE CULTURE WITH OWN IT

Through a series of reforms, from the right methodology, drastic actions and strong aspirations, Coteccons has achieved real innovation with a very lively corporate culture environment. Which can be represented by a number of typical results are as follows:

- Shaping ideology and actions, thereby redefining the nine new core values for the people of Coteccons in line with current and future development requirements.
- Consistently implementing the philosophy of becoming a sustainable business that creates the future, help to set and shape new industry standards as well as contribute to the sustainable development of society.
- Spreading the spirit of humanity, integrity and transparency in all activities of the Company in addition to the industry-specific core values such as safety and quality.
- Creating an environment of freedom, autonomy at work, stimulating the creativity of the people of Coteccons at all levels.
- Encouraging a sincere, frank and constructive workplace; showing tolerance for factionalism, "office politics", and cover-up of negative practices. In addition, Coteccons regularly organizes sports activities and talent contests to engage and motivate employees
- Building trust and solidarity between the Company and its employees, between superiors and subordinates and between people in a specific way through the empowerment policy and the equality mechanism.

The essence and culture of Coteccons are not only felt internally, but also have a positive impact on customers and the community. Coteccons has carried out many activities that have been satisfactorily responded to including the "grow forest, live green" campaign through the Marathon tournament in Quang Binh, the project "My house", "Batteries for trees", "Pick the moon home", " Build Tet", and so on.



The novelty in the culture of Coteccons is even more evident through programs such as "Empowerment", "Own It", which affirm the philosophy of focusing on humans and the sustainable business development strategy from the core.

BUSINESS CODE OF CONDUCT

In interacting with customers, partners and stakeholders, Coteccons consistently upholds the INTEGRITY spirit. We work towards an honest lifestyle and work in a transparent corporate environment.

In order to translate this into reality, Coteccons has issued and strictly implemented the **Business Code of Conduct**. Accordingly, the Company communicated to all members the commitment to integrity and ethics in all activities, developed corporate reputation on fairness, respect, integrity, credibility, and sound business judgment.

In order to protect the Company's reputation and interests, Coteccons will not compromise with choices only for immediate interests, nor tolerate any illegal or unethical behavior within our team.

This policy is applied to all members of Coteccons and its subsidiaries (whether they are employees working on a temporary, a definite-term labor contract or an indefinite-term labor contract basis), apprentices, interns, volunteers, outsourced personnel, agents, consultants, subcontractors, sponsors and any other related organizations/individuals (including including third parties).

ANTI-CORRUPTION RULES

Issued together with the **Business Code of Conduct**, the **Anti-corruption Rules** are also upheld by Coteccons for sake of consistency with transparency.

Accordingly, the Company has clarified the definitions of the giving and acceptance of bribes by making reference to legal provisions on anti-corruption in Vietnam. In particular, the Company also applies the Foreign Corrupt Practices Act (FCPA) to these Rules.

Similar to the **Business Code of Conduct**, the **Anti-corruption Rules** also apply to all members of Coteccons.

At the same time, in order to promptly recognize as well as encourage and facilitating relevant parties' access to clarify questions or report violations or suspected violations related to the above-mentioned policies, the Company publicizes the email address of the Human Resources Department (i.e. hrdept@coteccons.vn) and ensures confidentiality for those who provide information.

The above policies and regulations are in effect at all locations and in all jobs related to Coteccons.



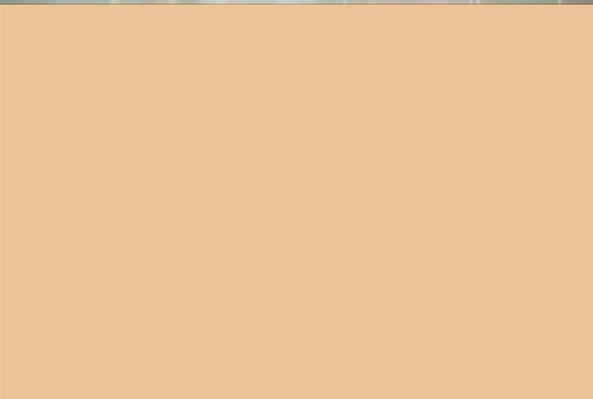


UPGRADE CORPORATE CULTURE

Coteccons' leadership is trying to build an enterprise with a free environment, autonomy at work, one that stimulates team creativity at all levels. It must also be a working environment built on trust, solidarity and equality.

The novelty in the culture of Coteccons is even more evident through programs such as "Empowerment", "Own It", which affirm the philosophy of focusing on humans and the sustainable business development strategy from the core.

The essence and culture of Coteccons are not only felt internally, but also have a positive impact on customers and the community.



HUMAN RESOURCES DEVELOPMENT OUTCOMES

Coteccons not only needs sufficient human resources to meet the current workload, but also needs to prepare itself properly for future development needs. In line with the product-service diversification strategy and development goals on an identified roadmap, Coteccons needs to increase both the quantity and quality of its human resources.

Coteccons currently has a team of skilled engineers, capable managers, a tight-knit team who is willing to move forward and aspires to succeed with the Company. This is a solid foundation for Coteccons to continue soaring to a higher level.

CORRELATION BETWEEN THE BROADER CONTEXT AND THE COMPANY'S HR LANDSCAPE IN 2022

Two years of Covid-19 and the instability of the real estate market in Vietnam have been impactful to the human resources of construction enterprises including Coteccons.

In the first six months of 2022, Coteccons deployed a series of low-rise projects for customers across the country and therefore faced the challenge of mobilizing a large number of employees in a short time. Next, the downturn of the real estate market from the third quarter of 2022 put even more pressure on the management of human resources.

In order to recruit additional employees for these projects in a timely manner, along with the development of attractive compensation offers, the Human Resources Department has implemented many effective programs such as incentives for internal referral and partnerships with major universities to organize a series of Next Gen programs for career orientations and promotion of job opportunities at Coteccons.

As a result, in 2022, Coteccons has recruited nearly 500 new engineers, of which 80% are fresh graduates from the leading engineering schools such as Hanoi University of Civil Engineering, Ho Chi Minh City University of Technology, and Ho Chi Minh City University of Architecture HCMC...

The new hires, despite their advantages of youth and enthusiasm, inevitably lack practical experience and need time to properly understand the Corporate culture. Therefore, when onboarding new employees, Coteccons' projects also encountered many difficulties.

To address that problem, the Human Resources Department has worked with Coteccons' Training Center (CTA) to organize induction training programs including technical training to help the newcomers connect with the real environment, grasp construction methods as well as hone their skills and apply them to daily work.

By the third quarter, the sudden plunge of the real estate market caused critical challenges for the major developers, leading to grave problems with construction and payment in many projects. Coteccons was no exception. Some projects had to be delayed or slowed down, which put pressure on the Company's labor productivity.

With experience in human resource management, Coteccons has flexibly mobilized personnel between projects and streamlined the structure of Site Management squads to achieve labor efficiency while maintaining employment for the engineer team.

Overall, Coteccons' organizational shakeup and the restructuring of its the human resource system in line with the new strategic orientation has achieved good results in the past year amid the unfavorable developments of the labor market. The position of TOP 1 among the best places to work in the Construction industry as assessed by Viet Research and Investment Newspaper speaks volumes for this result.

HUMAN RESOURCE-RELATED DATA IN THE YEAR

NUMBER OF EMPLOYEES

As of December 31, 2022, Coteccons and Unicons have 2,262 employees, a decrease of 28% (equivalent to 498 people) compared to December 2021. The turnover rate decreased compared to the previous year.

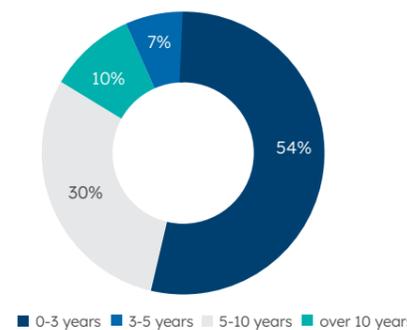
The employees who have been with the Company for more than 3 years is maintained at over 46%. They together with the enthusiastic new hires are well prepared for Coteccons' growth in 2023.

Due to the nature of our work and industry, male employees take up the bigger share (91%) compared to female employees (9%). Most of our female employees are working in the head office, with only a few working as secretaries and nurses at construction sites.

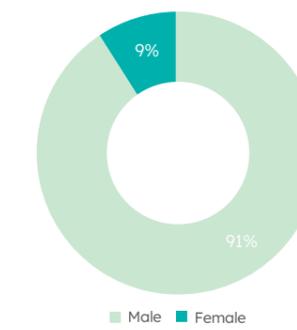
Coteccons has highly qualified human resources with about 83% being university graduates or post-graduates.

GROUP (CTC+UNC)	Number	Sex		Age					Education attainment			Experience		
		Male	Female	Under 25	25-30	31-40	41-50	Over 50	Graduate	Under graduate	College & Certificate I-IV	Over 10 years	5-10 years	Less than 5 years
Manager	330	300	30	0	37	226	60	7	20	307	3	216	114	0
Professional/ Officer	1932	1750	182	495	836	455	96	50	14	1537	381	329	659	944
Total	2,262	2,050	212	495	873	681	156	57	34	1844	384	545	773	944

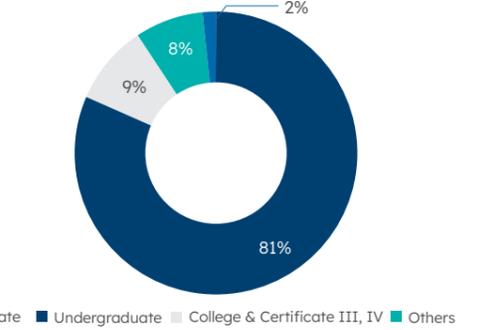
STAFF STRUCTURE BY SENIORITY



STAFF STRUCTURE BY GENDER



STAFF STRUCTURE BY QUALIFICATION



SALARY; BONUSES AND FRINGE BENEFITS

Despite numerous challenges faced by the construction industry in the past year, Coteccons still managed to maintain decent salary at a higher level than the labor market average. The pay rise rate reached 7% among the back-office team and 20.3% among the site team.

In addition, policies on leave, maternity, insurance (social insurance, health care insurance, occupational accident insurance, and occupational disease insurance) and welfare (work support allowance, health care, ESOP scheme, family support, team building, etc.) are still guaranteed according to the general policy of the State and the Company's specific rules.

All policies and remuneration schemes are fully informed by the Company and promptly communicated to each employee at all levels.

HUMAN RESOURCES DEVELOPMENT OUTCOMES



INTERNAL COMMUNICATIONS

As part of the onboarding protocols, 100% of new hires are sent to induction training delivered by CTA in collaboration with related departments/departments. During the training, all participants are provided with details of the remuneration policy as well as all other benefits and responsibilities as employees at Coteccons.

At work, employees are encouraged to ask questions and express their aspirations and problems, all of which will be answered and resolved..

During the year, the Human Resources Management Department held a meeting for the back-office functions from the Ho Chi Minh City Headquarters and the Hanoi Office to enhance two-way interaction and clarify the key issues such as the relationship between the between job performance and performance bonus, compensation structure, benefits and the talent retention program.

Regarding the site term, the Human Resources Management Department also cooperates with the Executive Committee of the Trade Union to organize meetings, visits and talks to convey information, listen, note and address issues raised by employees.

On the other hand, the Company also introduces a monthly Internal Newsletter to communicate on policies, messages, programs or share on topics of interest. In particular, the Business Code of Conduct and the Anti-Corruption Regulations are widely and fully communicated to all stakeholders via multiple channels such as direct communication, email, training sessions, and updates on the internal document storage system. Anti-corruption regulations are sent to all members of Coteccons who will need to read and sign a commitment of compliance.

TRAINING

TRAINING TIME

In 2022, CTA conducted a total of 278 topics and 8,403 training sessions, including the program for Unicons.

More than 1,700 employees participated in the above training programs with a total duration of 32,850 hours (an increase of 29% compared to 2021). The average training time per employee is 19 hours/person/year (up 18% against 2021).

Thanks to CTA optimizing internal trainers for training courses, a lot of costs have been saved. Accordingly, despite a very large quantity, the total training cost in 2022 was only nearly VND 607,000,000.



UPSKILLING AND TRANSITION ASSISTANCE PROGRAMS

In 2022, CTA has implemented many focused training courses, especially in collaboration with the Technical Division, PDs and Commanders to deploy direct training courses for employees right at their projects or during actual survey programs.

Online learning is still applied to learners who have difficulties in arranging time for face-to-face training. In addition, CTA has applied multiple learning methods on the Virtual Training platform and updated the E-learning content, helping to increase the effectiveness of new forms of learning and training.

In line with the orientation of comprehensive human resource training, in addition to professional knowledge and corporate culture, CTA has also implemented 14 soft skills training courses for personnel of both back-office and site functions. 5 training courses on management skills were also implemented for middle managers.

Coteccons has always attached importance to the training of successors, especially for the management level. In 2022, CTA also organized long-term courses for future managers such as Construction Deputy Commanders, MEP Deputy

Commanders, Chief Commanders, Head and Deputy Heads of Department with 186 participants and the completion/graduation rate was 77% (the rest was unable to complete the courses due to unexpected circumstances and will resume their training in subsequent courses).

In parallel with training, CTA has also cooperated with the Human Resources Management Department to organize title defense programs. As a result, the Company added 88 members from both Coteccons and Unicons to the management team. These members hold titles such as Project Director, Chief Commander, Deputy Commander, and Department Head and Deputy Head.

In addition, CTA also organized events that contribute to building a learning culture in the Company. These include events such as We Share, Meeting between the Management and new employees, Pay respect to internal trainers on Nov.20, and so on. Among these, the most prominent has been the contest "Coteccons Light Up - The inspirer". Through this contest, the Company has selected 8 excellent individuals who can in the future represent the Company to conduct presentations for investors, partners, customers, and employees.

PLAN

TO REALIZE TARGETS FOR 2023

According to the direction of the Board of Directors, 2023 is the year of **transformation** for Coteccons. Specific targets include total revenue of VND 16,249 billion and profit after tax of VND 233 billion, up by 12% and 1,010% respectively compared to 2022.

Besides, to actually transform, the Company needs to achieve greater results in terms of upgrading management and operation capacity.

To accomplish the above-mentioned tasks, the Board of Directors has identified the main groups of requirements for an effective implementation plan.



REQUIREMENTS ON BUSINESS DEVELOPMENT

The current 17,000-billion-VND backlog is a favorable starting point for the strong growth plan of 2023 despite market situation that is forecast to be extremely challenging. With this advantage at hand, the Company needs to continue to promote development with the key projects including Mega Project, Repeat Sales and the infrastructure construction vertical.

MEGA PROJECT

Continue to search and approach key projects with broad influence, large scale, and high requirements in terms of aesthetics, design and engineering.

Upgrade technology, techniques and human resources to be ready to conquer opportunities.

Supplement resources to enter the segments in which the Government is putting more interest

INFRASTRUCTURE CONSTRUCTION

Leveraging Coteccons' resources and optimizing human resources to consolidate the important foundations in this vertical.

Cooperate with selected players in the industry who are compatible in terms of capabilities, values, and goals for more opportunities.

Focus on effective approaches on big-prospect projects in order to create breakthroughs.

REPEAT SALES

Focus on caring and maintaining trust with existing customers by optimally completing awarded projects in order to win the next ones.

Place customers at the center of the development process: When starting any project, it is necessary to take the time to listen to the investor's thoughts, expectations and understanding their terms. When implementing work, we must remain open and honestly discuss all issues. In particular, we are always committed to safety - quality - progress and do not compromise on these vital factors.

Strengthen comprehensive risk management at projects, ensure the ability to proactively control risk at the highest level to achieve optimal efficiency for all parties.

Besides repeat sales, approaching new customers, especially FDI ones, is also an important task. This is also an option to strengthen risk management when minimizing the concentration risk.



In addition, to promote the diversification strategy, Coteccons also continues to strengthen its activities in other verticals, typically the pre-cast segment. Coteccons' pre-cast task force has conducted multiple studies and surveys both domestically and in many foreign markets. The research, survey and preparation have been carefully carried out with a suitable roadmap so that as soon as the market is ready the Company will take specific steps.

PLAN

TO REALIZE TARGETS FOR 2023

FINANCIAL REQUIREMENTS

With a large number of projects being deployed simultaneously and operating at a high pace in 2023, the most important requirement for finance is to ensure the balance and stability of the cash flows, especially always ensure liquidity.

To meet this requirement, Coteccons identifies a number of specific tasks as follows:

- Improve the efficiency of cash flow management.
- Leverage funding from good sources and safely utilize financial leverage.
- Ramp up the collection of debts, closely monitor and regularly update to speed up the handling of bad debts that have remained outstanding from the previous periods.
- Implement a real-time system at all construction sites to record and update all progress, including payments from customers, cash flows, costs,

etc. and corresponding risk warnings. Based on this the teams responsible for management and administration will record and work out realistic solutions to minimize the chain risks associated with customer activities or capital misappropriation by customers.

- Tighten the financial risk management function by adding necessary additional steps to the process, especially before deciding to join a project, and thoroughly reviewing clients financial health before making any decisions to join them.
- Strengthen the role of PD in financial risk management. PD is must closely monitor and manage cash flow risks. Whenever there are signs of cash flow imbalance that is not covered by the contingency plan, there must be early solutions to discuss and resolve with the investor.

REQUIREMENTS ON UPGRADING THE MANAGEMENT - OPERATION SYSTEM

MINDSET AND OBJECTIVES FOR IMPROVEMENT OF THE ORGANIZATIONAL STRUCTURE AND MANAGEMENT SYSTEM

- Consistently aim to become a “great company” to constantly try harder and challenge the status quo. This means the constant need to proactively change and improve to respond to the new situation and prepare accordingly for future development requirements as planned.
- Equip each individual with the entrepreneurial spirit, especially among the management level, to have a mindset of embracing opportunities, mastering opportunities, mastering challenges, mastering risks and mastering victory.
- Build a transparent, happy and fair working environment (a great place to work) for all members.
- Improve productivity, optimize the back-office and site team structure, boldly eliminate unprofitable activities (smart working).

EMPOWERMENT POLICY AND “OWN IT” CULTURE TO TAKE ROOT DEEPER

From the success of the PD Empowerment program in 2022, Coteccons has more experience and stronger motivation to promote the EMPOWERMENT policy on a broader scale in 2023. The Company will adopt a stricter mechanism to promote, support and develop PDs and MDs, and also implement a reasonable control mechanism that helps to best manage risks and threats.

The OWN IT culture will also be spread sweepingly to all levels across the Company, especially among the management team. While their roles and responsibilities will be enhanced, each person will also be given more power. The purpose is to promote the spirit of ownership for any Coteccons member.

Coteccons people are free to confidently express their views, express themselves, propose solutions, proactively make decisions or ask for advice and support to solve problems. Every member has the right to take the initiative to create outstanding efficiency for his or her own work. Equal opportunities for professional development are also given to everyone.



OPTIMIZED HUMAN RESOURCES DEVELOPMENT PLAN

In addition to the readiness to meet the requirements of existing work, in 2023 Coteccons' human resources also need to be prepared to cater to the new verticals under the diversification strategy. Such verticals include, among other things, infrastructure construction and pre-cast. The ultimate goal is to enable the Company to be proactive in terms of human resources and, at the same time, allow the Company's staff to hone skills and experience in various fields and at multiple levels.

In parallel with solutions to foster and develop human resources from within, in order to acquire new resources, Coteccons also implements policies to attract talents from outside. In addition, the Company also continues to hold training and upskilling programs for the young generation through partnerships with relevant universities, colleges and training centers.

Coteccons also has a clear direction in upgrading CTA into a real academy which not only provides knowledge, skills and rich experience, but also provides standard vocational certificates for external students upon completion of the curricula here. With these certificates, graduates can confidently operate in the construction industry in any business.

With this orientation, CTA is not only a training center serving the internal needs of Coteccons but also contributes to the training of human resources for the construction industry and society as a whole in accordance with the sustainable development goals that Coteccons has committed to.

THE CENTRALIZED MODEL CONTINUES TO BE EXPANDED

In order to create consistency and optimize resources between the parent company and its member companies and affiliates, in 2023 Coteccons will continue to promote the centralized management model.

Accordingly, each supporting department/department will be considered a business partner of the Operations Division. The role of all parties will be maximized, the quality of human resources will also be improved, and operation will be more efficient.

MAXIMUM APPLICATION OF TECHNOLOGY FOR MANAGEMENT

Towards the completion of a system-based business model that does not depend on any individual, Coteccons requires the maximum application of technology to the management process in 2023. Accordingly, information and data will be updated on the system to facilitate analysis as a basis for management, reporting, and decision making.

The adoption of technology to the fullest is not only for sake of optimization for the financial function, but also for all other aspects such as human resource management, customer management, project management, and so on.



SUSTAINABILITY REPORT

COTECCONS - ANNUAL REPORT FY 2023

- 152 — Message on sustainable development
- 158 — Major activities on sustainable development
- 184 — References to GRI standards

STANDARDS AND SCOPE OF REPORT

Coteccons prepares the Sustainable Development Report based on the reference to the latest version of Global Report Initiative Standards (GRI) for businesses that is being applied in many countries, 17 Sustainable Development Goals of the United Nations, the Guidelines on Environmental and Social Information Disclosure by the State Securities Commission, Circular No. 155/2015/TT-BTC, IFC Performance Standards on Environmental and Social Sustainability, and best practices and trends towards Sustainable Development in Vietnam and internationally.

Coteccons refer to the above documents to self-assess the level of compliance and implementation of sustainable development goals, identify shortcomings for improvement, actively work towards higher standards of sustainable development in the future. They are also a reference source for the Company to make the preparation of the report effortless, standardized, transparent and efficient.

The report covers Coteccons' performance on key sustainable development domains. The identification of these significant areas is based on the assessment combining stakeholders' extent of concerns with their impacts on Coteccons, construction industry, and socio-economic environment.

This report was prepared in Ho Chi Minh City - Vietnam, detailing Coteccons' activities in the field of construction, including operations of the head office in Ho Chi Minh City, the branch in Binh Duong, the representative office in Hanoi, and subsidiaries.

The information in the report was updated for the fiscal year of 2022, starting from 1/1/2022 until the end of 12/31/2022. The financial figures in the report were referenced from the 2022 consolidated financial statements audited by Ernst & Young Vietnam Co., Ltd. The Report is publicized on our website www.coteccons.vn.

“Coteccons' Sustainable Development Report is prepared annually and published together with the Annual Report.”

CONTACT DETAILS

- In order to increase the information and reference value of the report, Coteccons looks forward to receiving comments or feedback on the mentioned issues. For any feedback, please send it to Coteccons Communication Department, Coteccons Construction Joint Stock Company.
- Address: Coteccons Building, No. 236/6 Dien Bien Phu Street, Ward 17, Binh Thanh District, HCMC
- Tel.: 84.28.3514 2255 - 84.28.3514 2266
- Fax: 84.28.3514 2277
- Email: bantruyenthong@coteccons.vn



MESSAGE ON SUSTAINABLE DEVELOPMENT

The world we live in is becoming more vulnerable than ever which calls for sustainable development initiatives: Post-pandemic recovery, extreme weather phenomena such as earthquakes, floods, trade conflicts and the Russia-Ukraine war, etc.

In the context, businesses are expected to take on responsibilities with broader scope than their scope. They are expected to actively develop initiatives to address social and environmental challenges and create the future we want.

In addition, national sustainable development strategies and international commitments as Vietnam signs free trade agreements have contributed to shaping the improvement of competitiveness and sustainable development of the Vietnamese business community. Especially after the United Nations Climate Change Conference 2021 (COP26), the Government of Vietnam has made strong commitments and developed specific strategies to adopt Environmental, Social and Governance (ESG) in Vietnamese enterprises.

As a pillar industry in most countries, the construction industry is a great driving force for the country's economic development. The construction industry also affects the natural environment, socio-economic environment, and the community, i.e. a large consumer of raw materials (including energy) and a large CO2 emitter. Construction activities can cause many problems, such as disturbance of biodiversity, emission of greenhouse gases and CO2, generation of waste, and health and safety related issues.

Coteccons is a leading construction company in Vietnam which operates on a large scale and wide geographical coverage. To carry out the corporate mission and build lasting works, Coteccons is fully aware of the importance of sustainable development and determines that ESG adoption is an essential part of the Company's operations. Moreover, Coteccons is accountable for its activities with the focus on business ethics and respect of human rights; because we understand that ESG adoption is not only a process of



risk management but also a driving force of innovation and a new opportunity to create lasting values for ourselves and the society.

Since 2022, Coteccons has begun its strategic innovation period with the task of implementing sustainable development activities - which has been one of the priority business development tasks that were set out in 2021. Accordingly, sustainability standards and requirements are implemented throughout the value chain and aspects of the Company's operations.

Specifically, in terms of environment, the Company takes measures to reduce greenhouse gas emissions by using energy efficient materials, equipment and practices. There have been construction sites where Coteccons uses solar power, aggregate cement bricks, Acotec wall panels, and ALC; the Company's uniform is made from recycled and eco-friendly materials.

During the implementation of the tasks, Coteccons has developed Green Initiatives and environmentally friendly solutions with

3R principles: REDUCE - REUSE - RECYCLE to reduce garbage, waste and impacts on the environmental. A further effort includes Coteccons Green program: Search and develop green materials, green energy, and environmental regeneration activities

On the social aspect - an important aspect of sustainability in the construction industry, Coteccons is gradually improving its working environment, initiatives, policies and workers' welfare, etc. by developing metrics on labor rights, human rights, health and safety, community engagement, diversity, and inclusion. In particular, in the past year, we are proud of Coteccons' IMPACTD with a series of activities focusing on people and the community such as:

- **Coteccons Goodwill:** Support the community, help the disadvantaged, improve the quality of life of workers and people.
- **Coteccons Better Work:** Improve the working environment to bring stable income, improve skills, promote fair treatment, respect and human rights for construction workers.
- **Green Marathon Contest:** Build an active and healthy community and promote green lifestyle through running tournaments.
- **Coteccons Next-Gen:** Develop education and training future talents and generations.

Through the above activities, we want to emphasize that Coteccons has not missed out on the benefits that ESG brings. It is the formation of an important aspect of corporate culture that increasingly engages employees, attracts and retains talents, drives innovation, and certainly a positive influence on the Company's branding and reputation.

Coteccons would like to emphasize the Company's efforts in building and perfecting its ESG structure in the past year. Coteccons' Board of Directors (BOD) has established a Environmental, Social and Governance Subcommittee (ESG Subcommittee)

with an extended arm as the Sustainable Development Taskforce. Coteccons has a process in place to select, recruit and train its human resource to implement ESG strategy in each department and create positive influence on its partners and shareholders.

In addition, ESG initiatives and metrics are under development to be integrated in the Company's policy and operational goals, so that ESG is implemented with a sense of respect to shareholders' rights, and promotion of transparency and the Board of Management's accountability as part of internal control mechanism.

The long-term prioritized task remains to build a sustainability governance structure. Business operation during COVID-19 in the business community has shown that businesses that have sustainability governance models have proven to be more resilient than others.

To balance business achievements with positive social and environmental impacts, Coteccons is willing to adjust its core business goal (in which the establishment of CTD Future Impact, a member company, plays a strategic role to develop clean energy projects and design energy efficient solutions - is an example). This also requires extensive changes to the Company's production activities and value chains. As Coteccons has been and will live up to its role as a leader in the construction industry, changes are not only meant to adapt but also to set the trend and shape the future of the industry.

The sustainability inspiration and activities have created a successful 2022 for Coteccons. Along with a vibrant business landscape, sustainability activities have been promoted and generated remarkable results in many aspects. So far, it can be said that sustainable development activities at Coteccons have linked individual values with collective values, thereby fostering trust, responsibility, dedication, decisiveness and inspiration for everyone, from leadership to staff, which sets the stage for the needed innovations.

SUSTAINABLE DEVELOPMENT POLICY AND IMPLEMENTATION METHODS

DIFFERENT LEVELS OF PARTICIPATION

BOD - ESG SUBCOMMITTEE

- Identify key areas and issues of sustainable development for the Company.
- Develop strategies, methods and tools, issue policies and direct the implementation to turn sustainable development results into business impact.
- Approve goals and action plans to concretize the sustainable development strategy.
- Establishing a Sustainable Development Taskforce to support the BOM in implementation.

BOM - SUSTAINABLE DEVELOPMENT TASKFORCE

- Identify key areas and issues of sustainable development for the Company.
- Develop strategies, methods and tools, issue policies and direct the implementation to turn sustainable development results into business impact.
- Approve goals and action plans to concretize the sustainable development strategy.
- Establishing a Sustainable Development Taskforce to support the BOM in implementation.

BOM - SUSTAINABLE DEVELOPMENT TASKFORCE

- Develop action plans to implement sustainable development strategy and policy with specific objectives.
- Through internal and external interdisciplinary coordination, identify ESG risks and propose appropriate risk management measures.
- Develop ESG plans, budgets and activities based on an assessment of the potentials and resources in the Company's operations and supply chain.
- Promote sustainable development activities of member companies and stakeholders in

accordance with the Company's orientation and commitments to sustainable development.

- Make ESG tangible and meaningful to all employees and stakeholders. In which, each member is responsible for providing a metric to evaluate performance in their area annually and using it as inputs to set future goals.
- Communicate sustainable development results in a timely, professional and transparent manner, aligning the Company's ESG results with national/international standards and targets.

FUNCTIONAL DEPARTMENTS, DIVISIONS, AND SUBSIDIARIES

- Realize the sustainable development plan as directed by the Board of Directors with the highest implementation capability.
- Closely monitor, timely report, and actively make suggestions to enhance the effectiveness of sustainable development programs and activities.

EMPLOYEES

- Implement specific sustainable development activities according to the Company's plans and goals.
- Propose, initiate, respond to, or contribute with experience and practical references, enabling the Company make optimal choices or timely adjustments in building solutions for sustainable development.



A NUMBER OF TYPICAL IMPLEMENTATION METHODS



- Develop human resources with expertise and knowledge in sustainable development, especially sustainable development in the construction industry.
- Evaluate, survey and set standards for sustainable development in each operational aspect.
- Apply technology to raise sustainable development standards in other projects and activities.
- The Company has implemented a strategy of pursuing Greentech, focusing on technology applications and development to make environment-friendly products that are more suitable for future needs.
- Communicate, coordinate and support customers to access new perspectives and solutions to improve sustainable development performance in their projects and products.

SUSTAINABLE DEVELOPMENT POLICY AND IMPLEMENTATION METHODS

ESTABLISHMENT OF ESG SUBCOMMITTEE FROM FIRM COMMITMENT TO EFFICIENT IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT

To implement sustainable development consistently from strategy to implementation across the Company's value chain, on December 14, 2022, the BOD decided to establish an ESG subcommittee under the BOD in addition to specialized subcommittees such as Strategy, Audit and Risk, Compensation and Human Resources Subcommittees.

The establishment of the ESG subcommittee was approved in the Resolution 13B/2022/NQ-HDQT by 7/7 members of the BOD.

In mid-March 2023, the BOD has specified operational requirements for this Subcommittee by completing its personnel structure as specified in Decision No. 01/2023/QD-TB. Accordingly, the BOD selected 9 members to the Subcommittee, Mr. Herwig Guido H. Van Hove - a Board member - is appointed as the Head of Subcommittee.

Mr. Herwig Guido H. Van Hove is a Master of Business Administration and Master of Applied Economics with more than 31 years of experience working in many large organizations and enterprises across countries. He also accompanied Coteccons during its important transformation period. Since June 2020, he has been elected as a member of the BOD and continues to be trusted in this role for the term 2022 - 2027 - elected on April 25, 2022.

Given his expertise and experience in many business environments and his understanding of Coteccons, Mr. Herwig Guido H. Van Hove is expected to lead the Company in this regard with great vision and professionalism that meet international standards.

Together with the Head of Subcommittee Herwig Guido H. Van Hove, the ESG Subcommittee has 8 other members, including Mr. Vo Hoang Lam (CEO), Mr. Pham Quan Luc (Deputy CEO), Mr. Nguyen Ngoc Lan (Deputy CEO), Mr. Chris Senekki (Deputy CEO), Ms. Pham Thi Bich Ngoc (Deputy CEO), Mr. Tran Van Lam (CEO - Unicons, a member company), Ms. Nguyen Trinh Thuy Trang

(Director of Internal Affairs) and Ms. Dinh Thi Ngoc Bich (Consultant).

Ms. Dinh Thi Ngoc Bich is an ESG expert with over 25 years of experience working in both the private sector, government and international organizations. She holds a PhD from KU LEUVEN (Belgium) - where she was awarded the Van den Heuvel Prize for her outstanding thesis in Social Sciences, in recognition of her outstanding and innovative social contributions.

Ms. Dinh Thi Ngoc Bich's core expertise includes public-private partnerships, stakeholder engagement and corporate social responsibility, with a particular emphasis on related private sector activities related to climate change response, implementation of the Sustainable Development Goals (SDGs) and Environmental, Social and Governance (ESG) compliance in business.

Ms. Dinh Thi Ngoc Bich also has knowledge and experience in Global Sustainable Governance, including a deep understanding of the Transnational Management Network (TRN) and voluntary sustainability standards (VSS). She has contributed significantly to many development projects, specializing in areas such as social impact assessment, social issues management related to large projects, business and human rights, social aspects of resource extraction, rural development, resettlement, urbanization and livelihoods.

With the above human resources in place, Coteccons wants to ensure that the sustainable development strategy is implemented in the most effective way across all aspects that the Company covers, including the scope of its member companies.

On that basis, the ESG Subcommittee has established the Sustainable Development Taskforce with detailed plans, tasks, goals, etc.

Coteccons is one of the few Vietnamese enterprises with a dedicated team and a clear orientation on ESG so far.



Mr. Herwig Guido H. Van Hove



Mr. Vo Hoang Lam



Mr. Pham Quan Luc



Mr. Nguyen Ngoc Lan



Mr. Chris Senekki



Ms. Pham Thi Bich Ngoc



Mr. Tran Van Lam



Ms. Nguyen Trinh Thuy Trang



Ms. Dinh Thi Ngoc Bich

ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

THE SECOND CONSECUTIVE YEAR ELECTED IN VNSI-20

The year 2022 is the second consecutive year that Coteccons is ranked in the Top 20 listed companies with high sustainable development score (VNSI-20) by HoSE.

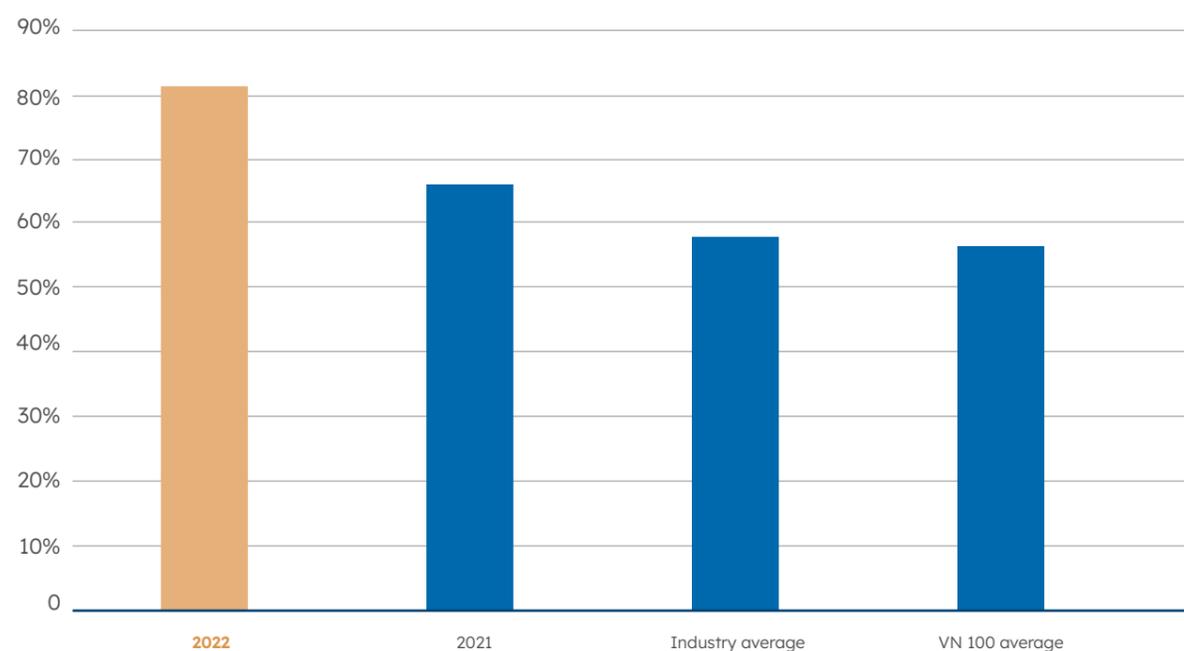
In the announcement of the VNSI-20 index package in July 2022, Coteccons' average ESG score was 84%, nearly 10% higher than in 2021. In the Social category, the Company's score reached 94%.

The Vietnam Sustainability Index (VNSI) is researched and deployed by HoSE in collaboration with the German International Cooperation Organization (GIZ) and the State Securities Commission to evaluate listed companies on their implementation performance of sustainable development strategy. Thereby, promoting responsible investment and business operations on the Vietnamese stock market.

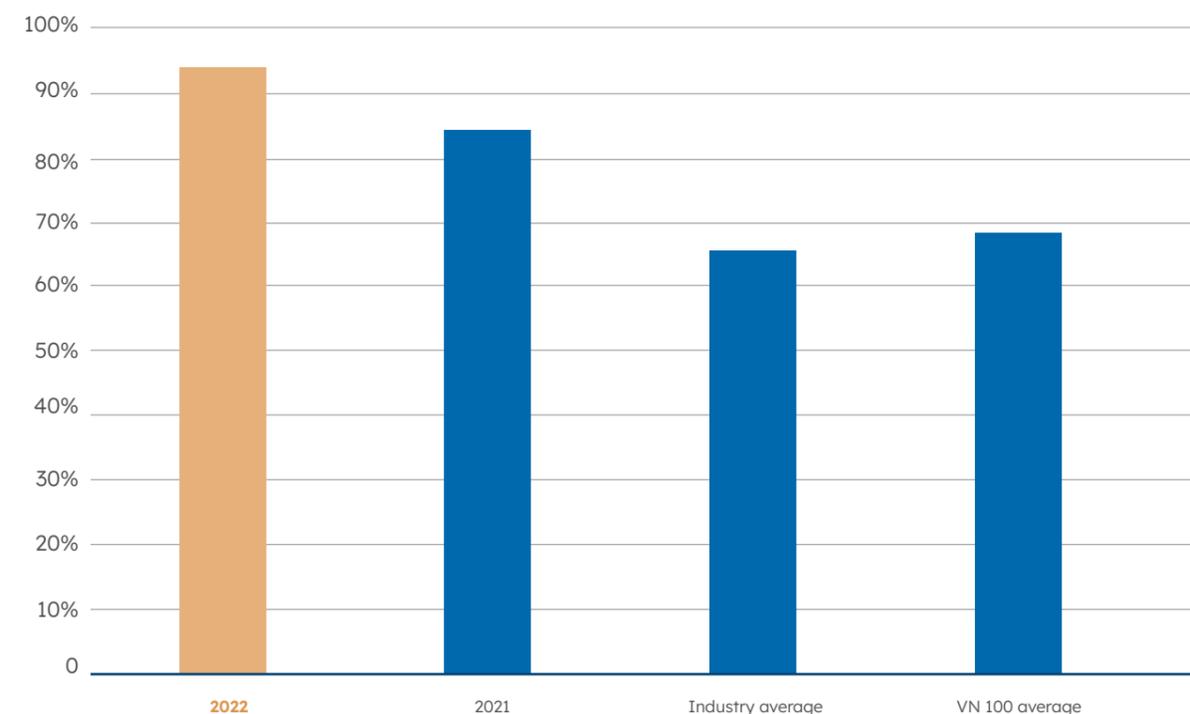
VNSI's set of evaluation criteria includes over 100 items covering 3 categories: environmental - social and corporate governance.

VNSI-20 is also a guide for institutional and individual investors to identify businesses with "green" characteristics when researching investment partners.

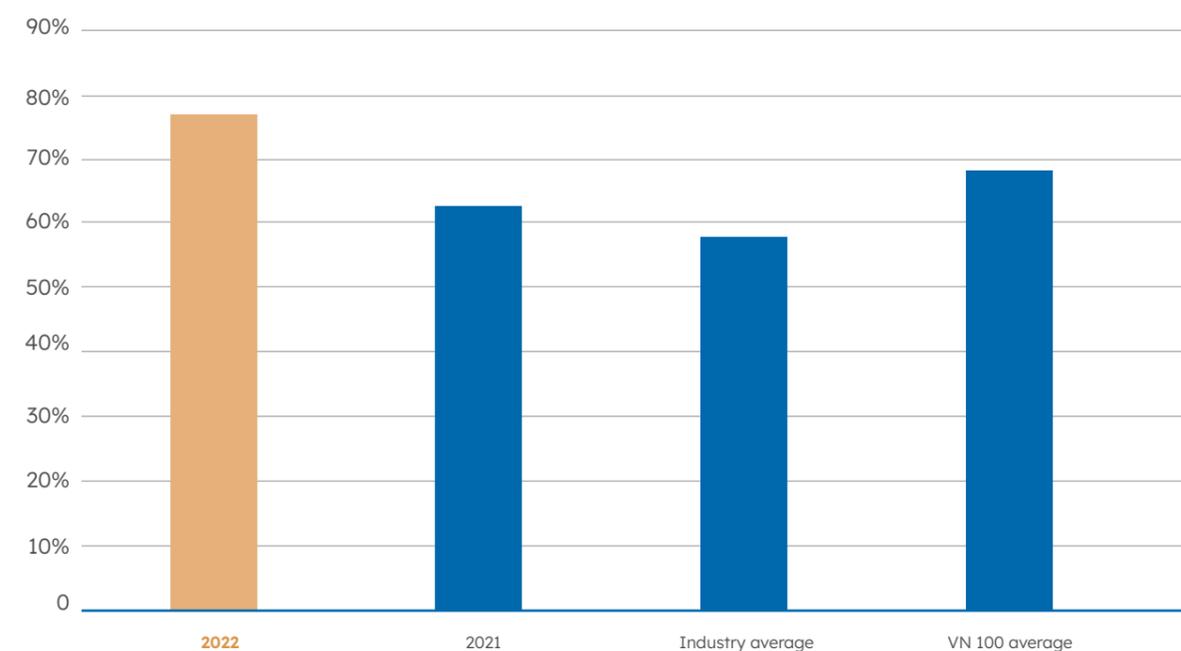
TOTAL ENVIRONMENTAL SCORE



TOTAL SOCIAL SCORE



TOTAL GOVERNANCE SCORE



ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

CTD Future Impact as one of its subsidiaries is also involved in the delivery of Tien Phong Solar Power Project.

INITIATING AND PIONEERING FOR THE DEVELOPMENT OF VIETNAM'S CONSTRUCTION INDUSTRY

During the recent dialogue programs, Mr. Bolat Duisenov - Chairman of the BOD, identified 4 criteria to build Coteccons into a great company. The first criterion is great performance. The second is useful contributions to the community and society (great value). The third is pioneering role in setting positive standards and trends for the industry (great influence). The fourth is good benefits for partners, customers, investors, laborers, and all of the Company's stakeholders (great partnership).

The above criteria are all adopted at Coteccons. In particular, regarding the third criterion, Coteccons hope to receive the coordination and companionship of other businesses, to work towards the positive development of the industry, better socio-economic development, and products of higher value for the market and customers.

CALLING FOR UNITY AND COOPERATION IN THE CONSTRUCTION INDUSTRY

"Vietnamese construction companies have the capacity to deliver great projects, like Long Thanh airport, on schedule," quoted Mr. Bolat Duisenov at a recent conference organized by the French Chamber of Commerce and Industry in Vietnam.

Construction capacity of Vietnamese company has been proven by many challenging projects. One of the difficulties that hurt construction businesses is price competition.

"Right now, there might be a war going on among businesses," said Bolat Duisenov. According to Coteccons' Chairman, many international investors are coming to Vietnam looking for projects, industrial parks, and enablers by the Government... Investment demand in Vietnam remains very high. Therefore, in the coming time, there will be many opportunities for construction companies. However, there is fierce competition among contractors that does not lead to better opportunities for the all.

"The main challenge I feel right now is the lack of trust in the construction industry, a lot of doubt and quite few interactions. Many competitive

decisions have been made regardless of decline values. Many companies are try to lower their prices to win bids, which affects their quality and safety and causes other unpredictable risks. This is a really serious issue that will only do harms to all," said Bolat Duisenov.

According to Mr. Bolat, if there is a consensus on the criteria of healthy competition and professional unity, Vietnamese construction companies will do more and further improve the industry standards.

In order for the construction industry in Vietnam to meet the higher sustainability requirements of investors and the Government, Mr. Bolat said that should be a choice rather than a pressure to comply with legal requirements. Responsible business awareness and practice - from applying innovative measures to reduce waste to supporting employees - need to be adopted throughout the value chain, aligning with global and national sustainable development goals. Overly focusing on price competition, it is difficult for construction industry to build this capacity.



ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

Hong Ngoc Hospital and Viettel headquarters are projects with high sustainability standards.

Coteccons has non-tolerance policy for unhealthy competition. In a recent letter to employees, Mr. Bolat Duisenov also encouraged employees not to attack their colleagues who are in having difficulties given general challenging market. Coteccons has also taken on additional works from another contractor who is having difficulty. Coteccons Chairman said that this is a supportive approach to protect the common interests of the construction industry.

DIGITALIZATION OF CONSTRUCTION INDUSTRY MANAGEMENT

Coteccons has collaborated with FPT IS to share experiences and resources to build a specialized construction management software solution. The solution not only serves as Coteccons' construction quality management tools, but also a stepping stone for application in the construction industry in general.

This software provides solutions to digitize and effectively manage specialized business activities such as revenue and cost management, project life cycle, project site services, updates on time schedule, volume, work quality, document management system, and reporting system, etc. This is the solution to a specific problem of the construction industry - the paper-based processes prevent business from optimizing costs, resources, and time, and meeting the need to continuously expand their operations with increasingly complex projects.

According to Mr. Nguyen Hoang Minh, CEO of FPT IS: "In addition to deploying the corporate governance system for Coteccons, the cooperation with Coteccons in this project also sets the stage for us to connect and build a unique digitalization platform for the construction industry, helping businesses improve efficiency and reduce undue costs arising due to the industry's complexity."



“Vietnamese construction companies have the capacity to deliver great projects, like Long Thanh airport, on schedule,” quoted Mr. Bolat Duisenov at a recent conference organized by the French Chamber of Commerce and Industry in Vietnam.

EXPERIENCE SHARING FOR A SUSTAINABLE CONSTRUCTION INDUSTRY

Attending the seminar themed "Net Zero 2050: Roadmap to decarbonization in buildings" recently organized by Schneider Electric, Coteccons representative, Mr. Chris Senekki - Deputy CEO - shared about the Company's solutions and actions in the effort to reduce carbon emissions in buildings, aligning with a green building philosophy.

Accordingly, Coteccons' experience in sustainable development, in particular the IMPACTD Sustainable Development Program, were a good case study for other businesses to learn from and adopt.



ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

PROJECTS ON AFFORESTATION AND ENVIRONMENTAL PROTECTION IN QUANG BINH

Coteccons has created a website which aims at contributing to neutralizing carbon emissions. The Company will plant trees to offset carbon emissions corresponding to the emissions measured from the site.

www.websitecarbon.com/website/coteccons-vn/

In April 2022, Coteccons launched the “Green Up” tree planting campaign under the forest conservation project at Phong Nha - Ke Bang botanical garden in response to the Prime Minister’s project to plant 1 billion trees by 2025. The campaign also aims to contribute to raising community awareness in forest development and environmental protection in Phong Nha - Ke Bang National Park area, a world natural heritage.

Accordingly, Coteccons collaborated with Quang Binh Provincial People’s Committee to plant 2,175 trees at Phong Nha - Ke Bang National Park. All selected trees are suitable for the typical ecosystem in Phong Nha - Ke Bang and are planted and cared for according to a standardized process with the aim of preserving native forest species.

At this event, Mr. Tran Thang - Chairman of Quang Binh Provincial People’s Committee - said: “We highly appreciate Coteccons’ contribution. In the proposal for the project of 1 billion trees by 2025, Quang Binh strives to plant more than 10 million trees. With practical and long-term contributions from businesses like Coteccons, the province will soon achieve the target, for a greener and sustainable Vietnam.”

Following the Green Up campaign, Coteccons will plant 8,000 special-use forest trees in the buffer zone to protect the white-necked langur population in Thach Hoa commune, Tuyen Hoa



In the past year, Coteccons has implemented 2 major programs on afforestation and environmental conservation with a total of 10,175 new trees planted in Quang Binh - a locality with many natural heritages that need to be protected.

district, and Quang Binh province with a total investment of 1 billion VND.

After the launching ceremony, 8,000 golden dipper trees and Indian Redwood trees are expected to be planted in a few months. Coteccons will monitor the growth and development of trees annually in December.

This is to fulfill the commitment to plant 10,000 trees after the Coteccons Quang Binh Marathon organized by Coteccons in early August 2022. Coteccons will plant 1 tree in Vietnam’s greening journey for every 5 km completed by athletes in the race, at the Prime Minister’s call.

Present at the project launching ceremony, Mr. Mai Xuan Hap - Deputy Director of Quang Binh Department of Agriculture and Rural Development, said: “In 2022, Quang Binh’s forest coverage will reach 67.8%. We greatly appreciate Coteccons for taking many initiatives and participating in many tree planting activities



KEY ACHIEVEMENTS AND ACTIVITIES ON ESG



OFFICIALLY ANNOUNCING ESG COMMITTEE'S NEW LOGO

The ESG committee officially announced its new logo. This is a transition from the familiar IMPACTD logo, marking a new step on the journey of implementing the ESG strategy at Coteccons with commitment, consistency and professionalism.

The new logo reflects the committee's strategic orientation when targeting three key areas of ESG: Environment, Society and Corporate Governance. Thereby, the committee will actively contribute to building sustainable businesses and creating good values for the community, society and people.



FROM DIVERSITY, EQUITY AND INCLUSION TO PIONEER TO ACHIEVE NET ZERO

One of the most outstanding recognitions recently granted to Coteccons is the “Best Companies for Diversity, Equity & Inclusion” (DEI) award at the TOP50 Sustainable Development Champions in Vietnam 2023.

This is to recognize Coteccons’s tireless efforts in executing sustainable development strategies and becoming the pioneer to establish ESG standards in the construction industry in Viet Nam. In particular, its key philosophy is demonstrated by people-centered development goals.

Accordingly, all of Coteccons’ choices aim to create a better living environment for people. Greenhouse gas reduction is one of the major goals.

Coteccons considers greenhouse gas reduction one of the five main goals in its ESG strategy and has created a roadmap to reduce carbon

footprint until 2030 through collaboration with leading consulting companies. It is its pioneer role on the Net Zero journey that have Coteccons selected by the LEGO Group as the prime contractor to build the first Net Zero factory in Vietnam on a billion-USD scale.

From experience building the Lego Factory, Coteccons can develop other Net Zero buildings in Vietnam, from construction to operation, using 100% solar energy and applying the most energy efficient solutions. The company also takes measures to reduce greenhouse gas emissions by deploying green materials, equipment and initiatives and applying 3R (reduce - reuse - recycle) environmentally friendly solutions to minimize waste, waste and environmental impacts.

Coteccons will actively pursue its journey towards Net Zero.

KEY ACHIEVEMENTS AND ACTIVITIES ON ESG

USE OF WATER PURIFIERS INSTEAD OF WATER HEATERS AND BOTTLED WATER



Water purifiers are now equipped in all pantries on all floors in the building.

Bring ESG standards to life, Coteccons' Security Department has stopped using water heater and bottled water in the office space of the Company. After that, the drinking water system for employees was replaced by water purifiers at source. This is a safe - quality - convenient - economical approach to protect the environment and health.

After stopping using the water heaters, the Security Department provided security guards with personal water bottles to contain water from the purifiers. These bottles are made from virgin plastic, which is safe for the environment and health, economical and helps reduce plastics waste from single use cups.



CTD Talk is one of the useful internal communications activities for Coteccons - Unicons employees. The latest CTD Talk revolves around the CTD Run 2025 running tournament.

Fun stories and running-related experiences about practicing and time management are shared enthusiastically. Many people's healthy hobbies, ways to enjoy family life and personal development positively inspire others.

CTD Talk and CTD RUN 2023 demonstrating that Coteccons is promoting a comprehensive and healthy corporate culture.

CTD TALK RUN YOUR OWN RACE AND A BEAUTIFUL LIFESTYLE FROM HOME TO WORK



KEY ACHIEVEMENTS AND ACTIVITIES ON ESG



INCORPORATING ESG INTO LIFE

In a recent CTD Talk, Coteccons employees had a conversation with Dr. Dinh Thi Ngoc Bich, a leading ESG expert and also an advisor and independent member of the company's ESG committee.

Title of the talk named "Spreading ESG", aiming to share information and knowledge to help raise awareness and capacity to apply ESG in work environment. At the same time, we also collectively evaluate the ESG implementation results. This program shows Coteccons' commitment and continuous and consistent implementation of sustainable development.



CONTINUING THE JOURNEY OF "OUR HOME" PROJECT SERIES AT CAT HAI ISLAND

Another highly appreciated ESG project of Coteccons is OUR HOME - a community activity to bring a new look to public buildings or houses of families in hardship. The project contributes to realizing Coteccons' commitment to creating a better future through small actions, starting from the simplest of buildings.

By utilizing existing paint sources that have expired or been used, "OUR HOME" not only beautifies the old buildings but is also an environmentally friendly solution, minimizing harm to the environment.

With OUR HOME, Coteccons aims at putting on new colors for buildings and paint the joyful colors of hope, with the belief that far or near, home is where there is love.

Continuing that good journey, OUR HOME has recently conducted a new project including 02 main items: renovation of the Martyrs' Cemetery in Nghia Lo commune and renovation of the health station in Nghia Lo commune, Cat Hai island district, Hai Phong. The total renovated area covers about 4000m2. The work conducted includes renovating and painting more than 2500m2 of walls, painting the steel fence, repairing the gate, and cleaning the entire area.

The project ran for 2 weeks with the participation of 15 workers who are locals, joined by Vinfast project executive members.



ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

in Quang Binh province, demonstrating their responsible role for the environment. Coteccons is again implementing a very meaningful project of afforestation at the Langur Sanctuary in Thach Hoa, Tuyen Hoa, which not only improves the landscape value and biodiversity but also increases the forest cover. They bring social, economic, and environmental benefits.”

The white-necked langur, scientifically known as *Trachypithecus hatinhensis*, belongs to the primate order, the IB group, and is extremely rare and endangered in the Red Book of Vietnam and the rest of the world. In Tuyen Hoa district, there are currently about 180 white-necked langurs. Quang Binh Province has been implementing many models of cooperation, management, and conservation to raise awareness of protection and conservation of the white-necked langur.

PARTNERSHIP FOR GREEN DEVELOPMENT

Customers that adopt sustainable standards and policies are also a good source of knowledge and experience for Coteccons to improve its adoption of new technologies and techniques. For customers who do not have much experience, Coteccons actively shares its experience to change their perception towards more sustainable development options through practical activities.

In 2022, one of the projects that Coteccons is most proud of is the LEGO factory. This is a Danish company’s largest investment project in Vietnam and is part of the LEGO Group’s strategy to expand its supply chain network. The factory construction was officially commenced at VSIP III Industrial Park, Binh Duong, in early November 2022.

In addition to its great scale and value, the project also offered Coteccons the opportunity to access cutting-edge technology and environmental standards. This is the first LEGO factory which is designed as a carbon-neutral facility. In addition to rooftop solar panels, the factory also has a solar farm developed close by, meeting the total annual increasing demand.

On the same day, Coteccons also completed the acceptance and monitoring of Green Up project Phase I - afforestation at Phong Nha - Ke Bang Botanical Garden. The 2,175 native forest trees planted during the period adapted to the land and developed well.

Green Up is an initiative under the IMPACTD - Coteccons’ sustainable development program with an effort to minimize - offset negative impacts on society and the environment. Coteccons will sustain the program in the long term, aiming to increase green coverage throughout the country in order to prevent natural disasters, protect the environment, respond to climate change, conserve biodiversity, and maintain natural ecosystems for future generations.



The factory also uses state-of-the-art energy-efficient production equipment and is built to the minimum level of LEED Gold - a globally recognized green building certification.

As the Prime Contractor, Coteccons undertakes all construction works, construction structure, electromechanical and finishing works for subdivision 1-5 with a construction floor area of up to 163,000m² (GFA). Built on an area of

44 hectares, the size of 62 football fields, LEGO factory is home to the most advanced technologies to mold, process and package LEGO products.

Previously, in an effort to spread the spirit of green development to its partners, Coteccons also carried out the action program “Light up your life” for a green, clean and beautiful environment in Novaworld Phan Thiet. In response to the GreenUp campaign, Coteccons and Novaland cleaned the beach in Tien Thanh commune, Phan Thiet with the participation of Phan Thiet city leaders and contractors.

Given substantial efforts by Coteccons team, the Company’s sustainable development activities have created an increasingly stronger influence, including partners - investors engagement.

ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT



SPREAD THE MESSAGE OF GREEN LIVING LIFESTYLE

COTECCONS QUANG BINH MARATHON - GREEN UP

This is considered Coteccons' most impressive activity in the past year as it has created a great impact in many aspects.

The Marathon organized by Coteccons with the Green Up theme aims at promoting a healthy lifestyle through building a FUN - HEALTHY - GREEN race. The event took place in early August 2022. This is not only a race to win, but it also contributes to spreading a green, sustainable - environmentally friendly lifestyle.

With the GREEN UP theme, Coteccons Quang Binh Marathon utilized recycled and environmentally friendly materials as much as possible. Especially, for every 5km completed by athletes, Coteccons will plant 1 tree in Vietnam's greening journey at the call of the Prime Minister.

Coteccons Quang Binh Marathon 2022 brought the breath of a green construction industry. The Marathon made use of 4,000 old scaffolds from construction sites to recycle, building gates, banners and stages. The idea emerges from the desire to organize a green running race, minimizing environmental pollution materials, and bringing a new experience to athletes.

The medals of the event also convey a green message as they were made from 400kg of recycled materials (straws, milk cartons, plastic cups/caps...), collected and manufactured by Coteccons and Plastic People adopting advanced technology. The medal sample was personally introduced to 2,000 athletes by Mr. Bolat Duisenov - Coteccons Chairman and emphasized that this was a hard-to-find item for a runner.

Faslink shirts also uses nano air weaving fabric made of recycled materials from plastic bottles, processed in factories that meet GRS global recycling standards, ensuring 100% environmental friendliness.

According to the organizers, prioritizing recycled materials and reusing old scaffolding is just one of many approaches for the Marathon to spread the message of green lifestyle. Coteccons Quang Binh Marathon also chose B&T Wind Farm cluster as the starting line. The track running through 60 turbines also inspires runners to sustainable clean energy.

These 60 turbines can supply power to meet about 60% of electricity demand in Quang Binh province and reduce about 581,000 tons of CO₂ per year. In addition, the race track sides at sunset are also lit up with nearly 100 solar lights from SolarBK.



For sustainable development to be practiced in a regular and quality manner, the most important part is to build awareness and turn it into a natural action of the community. Coteccons has devoted much effort to this goal on a large scale over the past year.

Each light can reduce CO₂ emissions equivalent to planting 4 additional trees.

After the finish line, the Marathon also offers the activity of "greening where you run" to encourage runners to continue running for the environment. For every 5km completed, Coteccons plants one more tree on behalf of the athletes. In total, 10,000 new trees were planted after the event.

"GREEN FRIDAY" WITH COTECCONS GROUP'S CONSTRUCTION SITES

Every Friday, workers at Le Meridien Resort & Spa construction site organize Green Day. The activity aims at encouraging workers to join hands to keep the construction site green and create a clean working environment even though everyone is busy after a hard working day.

From the Steering Committee to subcontractors, everyone works together on tasks such as cleaning, garbage collection, etc. Green Day activities help everyone partly relieve work pressure, create team environment and above all, cultivate a sense of environmental protection- for a "green, clean, beautiful and safe" construction site.

In response to "Green Friday", Ixora Ho Tram construction site maintains a regular cleaning routine from Thursday weekly, creating a clean and tidy working space for everyone.

Green Day has continued to strongly spread the message of "Green - Clean - Safe" - "Green Office" to other buildings as well as the office environment of Coteccons and its member companies.

"GREEN UNIFORM" COLLECTION MADE FROM

PLASTIC BOTTLES AND RECYCLED COFFEE GROUNDS

Fulfilling a commitment to practice sustainable development from the smallest actions, Coteccons introduces a collection of new uniforms using 100% recycled fabric made from coffee grounds and plastic bottles. This is one of the green initiatives under Coteccons' IMPACTD Sustainable Development Program to implement environmentally friendly solutions.

COTECCONS GREEN UNIFORM collection uses the branding color palette: Blue navy, blue teal and gray with designs that honor the youth, free spirit, creativity and "vibe" of people in construction field. The collection includes 4 designs: Suits, shirts, Polo shirts and protective clothes to suit different needs from the office to the sites.

The two materials used are Nano fabric (woven from 100% recycled plastic bottles) and coffee fabric (woven from recycled plastic bottles and coffee grounds). Regarding coffee fabric, every 3 cups of coffee and 5 recycled plastic bottles are sufficient to create a shirt. In particular, these fabrics can be recycled after a period of use and continue to be used for new designs, forming a closed loop and minimizing waste disposed into the environment.

These "green" fabrics are not only environmentally friendly, but also have a breathable surface, fast absorption, high mechanical stretch, bringing comfort to the wearer.

Wearing a green uniform is the pride of Coteccons people, especially in spreading a meaningful message on the journey to a more sustainable and better future.



In recent years, Coteccons has implemented many cooperation programs with universities to offer students opportunities to learn industry practices and knowledge. The activity contribute to the goal of developing quality human resources for the future of Vietnam's construction industry.



BUILDING FUTURE GENERATIONS

Last year, Coteccons had 4 scholarship programs and talkshows with the theme Nextgen Building Futures at Ho Chi Minh City University of Technology, the University of Danang, Ho Chi Minh City University of Architecture and Hanoi University of Civil Engineering.

The programs were attended by the schools' Board of Directors and leaders and a large number of students. In the talkshows, Coteccons representatives also share real-life stories about the industry, working environment, knowledge and skills needed at present and in the future as well as answering students' questions.

At the same time, through the series of programs, Coteccons has also awarded hundreds of scholarships (VND 5 million/person) to support the highly potential students financially and spiritually.

On another level, Coteccons organizes annual internships for students from Ho Chi Minh City University of Technology, Ho Chi Minh City University of Architecture, Hanoi University of Civil Engineering, etc. The activity aims to offer 3rd and 4th year students the opportunity to participate in projects, gain experience, learn, improve their soft skills and hands-on experience at construction sites.

After rounds of selection and interviews, the 12 best students were accepted for internship in 2022. The students were able to participate in projects in the South last June.

With the motto "Focus on human development - People are the most valuable asset" - People are the most valuable asset", these interns will be the successor generation, future high quality engineers who can join the Company immediately after graduation. They will be the young and well trained talents who are fully equipped with knowledge and skills to contribute to "creating the future" with Coteccons.

ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT

TOWARDS VULNERABLE COMMUNITIES

At the end of August, 2022, the Executive Committee of Coteccons & Unicons Trade Union participated in the Mid-Autumn Festival Program for disadvantaged children affected by the Covid-19 pandemic jointly organized by the Center for Social Work of Ho Chi Minh City Trade Union and Binh Thanh District Labor Confederation. Representatives of the Executive Committee of the Trade Union presented 11 scholarships from the DREAM UP fund contributed by the Coteccons - Unicons employees in the intra-company marathon named “Dream Up - Raise funds for children to stay in school: one step, one hope.”

DREAM UP is an activity on the sidelines of the Coteccons Quang Binh Marathon - Green Up, organized to build running habits for employees. In addition, the prize also aims to raise funds to help disadvantaged children in Binh Thanh district. Specifically, each kilometer completed by Coteccons members and recorded on the runner app will receive a matching amount to the DREAM UP charity fund for children. The fund will be presented to a number of orphans due to Covid-19 pandemic. The program officially took place from June 10, 2022 and the results kept being recorded through July 31, 2022.

In summary, the marathon Dream Up 2022 has officially recorded 20,000Km from more than 200 runners of Coteccons and Unicons. In particular, Mr. Tran Phan Nhan from Coteccons’ finance and accounting department contributed a record journey of up to 752 km.

Then, the Coteccons team carried out a Journey of Love - Pick the Moon to the Village, creating a memorable full moon festival for more than 450 children in Ham Can - a remote area of Binh Thuan province.

The program was participated by representatives of the Board of Directors and employees of Coteccons - Unicons, especially the Management



Volunteering activities towards those in need of support, such as children from disadvantaged backgrounds, is also a constant priority of Coteccons.

Team of Nova World Phan Thiet Construction Site. Local leaders, including the Secretary of the Party Committee of Ham Can Commune, the Youth Union of Binh Thuan Province Police Department and representatives of socio-political organizations, teachers, and more than 450 children from primary schools in the commune.

Ham Can is a commune of Ham Thuan Nam district with 90% of the population being Raclay indigenous people. The commune has 1,200 households, 4,200 people, 720 children of school age, 260 children from poor and near-poor households, 20 orphans and children with disabilities. Many local residents still live in extreme hardship, many children even do not know about the Mid-Autumn Festival and the lantern parade. With support of the Nova World Construction Site Management Team and local departments, Coteccons carried out the journey “Pick the moon to the village” to bring a meaningful Mid-Autumn Festival to the children.

At the program, Coteccons representatives also awarded 20 scholarships to students with outstanding academic performance, encouraging them to strive further to achieve their dreams.

COTTECCONS’ CONTRIBUTION OF TO THE JOURNEY

752Km



“OUR HOME” PROJECT - WORKS RENOVATION WITH USED/OLD PAINT

By utilizing existing paint sources that have expired or been used, “OUR HOME” not only beautifies the old buildings but is also an environmentally friendly solution, minimizing harm to the environment.

With OUR HOME, Coteccons brings goodwill and interest to put on new colors for buildings and paint the joyful colors of hope, with the belief that far or near, home is where there is love.

In September 2022, the project was started in Tien Giang province. With support of the APACHE Construction Site Management Team, OUR HOME program has brought a bright new look to 4 houses in the area.

Following Tien Giang, OUR HOME continues to be implemented at Lot D, Thanh Da Apartment, HCMC. More than 30 households have received paint and implemented renovation for their apartments. Especially in the public areas, the main stairway of the apartment block D, the bright new color is put on the old stone and brick walls, along with the words “OUR HOME”, bringing a vitality to life for the residential area.

In the near future, MY HOUSE will continue to be deployed on a large scale, especially in the North



Another highly appreciated project of Coteccons in the past year is OUR HOME - a community activity to bring a new look to public buildings or houses of families in hardship. The project contributes to realizing Coteccons’ commitment to creating a better future through small actions, starting from the simplest of buildings.

and Central regions. The program is expected to renew about 100 buildings, bringing brighter spaces to local people.

ACHIEVEMENTS AND ACTIVITIES IN THE YEAR ON SUSTAINABLE DEVELOPMENT



“BUILD TET” AND CARE FOR THE CONSTRUCTION TEAM

In early 2023, Coteccons cooperated with Dan Tri E-Newspaper, with the companion of the Ministry of Labor, Invalids and Social Affairs, to implement the project “Build Tet 2023” across 60 of Coteccons’ active construction sites nationwide. This project can be attributed to high consensus among over 2,000 engineers - employees and the support from 500 partners of the Company.

“Build Tet 2023” delivered 12,000 Tet gifts to workers at construction sites when Tet was around the corner. Besides, Coteccons also organizes many other activities such as organizing haircuts at the construction site for employees, taking Tet photos and giving free coach tickets back to their hometown, etc.

This practical and timely support, both materially and emotionally, shows Coteccons’ respect to those who are shaping our works.

In that spirit, Coteccons is committed to building a sustainable working environment for construction workers through the following tasks:



ENSURING SAFE WORKING ENVIRONMENT

Coteccons always puts safety as a prerequisite for construction sites. The company spends time, efforts and budget to ensure the safety of workers. In addition, the safety policies of Coteccons are also obligatory for employees to ensure their own safety during work under the close supervision of the safety supervisors.

Coteccons also conducts regular (weekly) safety training courses to update safety information by stage, by weather condition, by construction stage or some common errors, attracting attention and build responsiveness among workers in complying with safety regulations.

PROVIDE UPSKILL TRAINING

Periodic skill training courses not only help ensure the quality of Coteccons' projects but also improve construction workers' skills, thereby contributing to the improvement of construction quality in Vietnam in general as the workers work in the construction of other works.

SUSTAINABLE INCOME AND LIVELIHOODS SECURITY

Coteccons gives top priority in allocating financial resources and developing payment policies related to the construction workers. The Company is well aware that to construction workers, their livelihood and their families depend entirely on the project as well as the contractor's payment policy.

“

With 65 projects implemented during the year, Coteccons' construction sites have welcomed nearly 200,000 laborers. Construction workers often work in labor-intensive environments that require more care. Coteccons determines that improving the lives of this workforce is also an important task in sustainable development.

CREATING FAIR, PEOPLE-DRIVEN, AND CONSIDERATE WORKING ENVIRONMENT

Coteccons engineers work with the construction team based on the principle of fairness, respect and kindness as with all other partners. In addition to care and tribute activities, Coteccons also implements forms of communication to increase the efficient communication with construction supervisors and acknowledge the direct contribution of this workforce.

For example, at the LEGO factory site, workers can give feedback simply with a QR code posted across the construction site or call the hotline directly to connect to the safety supervisor.

Coteccons is a pioneer in creating two-way dialogue channels with the workers. In the near future, this activity will be implemented synchronously across all Coteccons projects.

ASSESSMENT OF MATERIAL ISSUES AGAINST GRI STANDARDS

Coteccons looks at our sustainability practices against the latest GRI standards to assess the existing performance and effectiveness.

Within our scope of operations, Coteccons identified 15 material issues covering economic, environmental and social aspects for assessment.

Based on Coteccons' performance in 2022, these 15 material issues were practiced satisfactorily and excellently by the Company, despite a challenging and volatile market. This placed the Company in the Top 20 Sustainable Enterprises (VNSI) by HoSE, the German Organization for International Cooperation (GIZ) and the State Securities Commission.

In the years to come, Coteccons will further work on these issues for greater contribution and impacts on our sustainable development as envisioned in our strategy.



ECONOMIC

- GRI 201**
Economic performance
- GRI 202**
Market presence
- GRI 203**
Indirect economic impacts
- GRI 204**
Procurement Practices
- GRI 205**
Anti-corruption



ENVIRONMENTAL

- GRI 301**
Materials
- GRI 302**
Energy
- GRI 303**
Water and Effluents
- GRI 305**
Emissions
- GRI 306**
Effluents and Waste



SOCIAL

- GRI 401**
Employment
- GRI 403**
Occupational Health and Safety
- GRI 404**
Training and education
- GRI 405**
Diversity and equal opportunity
- GRI 413**
Local community



To carry out the corporate mission and build lasting works, Coteccons is fully aware of the importance of sustainable development and determines that ESG adoption is an essential part of the Company's operations.



A collection of Coteccons' new uniforms using 100% recycled fabric made from coffee grounds and plastic bottles.

ECONOMIC

With positive business performance and strong impacts of different activities, Coteccons reestablished ourself as a leading construction company in Vietnam, as seen in the awards and recognitions presented in the previous parts of this annual report, especially in the awards - accolades won in 2022.

This has been the 18th year in our history when we positively contributed to sectoral, market and socio-economic development. Coteccons plays an important role with a large community of customers, partners, suppliers, subcontractors, shareholders, investors, employees and workers, both direct and indirect.

GRI 201 – ECONOMIC PERFORMANCE

In 2022, despite challenging market conditions, Coteccons' business results stayed positive. Our contribution to the national economic growth was also higher.

The total direct economic value created by the Company reached nearly VND 14,537 billion, mainly from sales and service provision. Out of this, the cost of goods sold and services provided was nearly VND 14,050 billion and overhead cost of nearly VND 735 billion. By the end of 2022, the Company's total assets reached VND 18,967 billion,

Tax payments by the Company were made in an accurate and timely manner in accordance with applicable regulations. Coteccons' tax payments in 2022 are as follows:

TAXES	Unit: VND
Corporate Income Tax	35,242,119,338
Value Added Tax	118,387,364,285
Personal Income Tax	62,700,929,711
Other taxes	66,822,213

COMPANY'S TOTAL ASSETS (VND BILLION)

18,967

GRI 202 – MARKET PRESENCE

Coteccons was ranked 34th in the Top 50 Best Enterprises in Vietnam by Vietnam Report and VietnamNet. Unicons, as one of our subsidiaries, was also listed and ranked 43th.

Coteccons also increased our public presence. In particular, the Company gained great trust among foreign clients - as evidenced by our winning bids offered by large and influential projects invested by FDI enterprises or with international investors.

Up to now, Coteccons has contributed to the implementation of nearly 500 projects across the country and has made our presence in Laos, Cambodia, and Myanmar. In 2022 alone, the Company carried out construction of 65 projects.

GRI 203 – INDIRECT ECONOMIC IMPACTS

In the process of doing and operating business, Coteccons is creating relatively wide-ranging indirect economic impacts from our business scale and positive influence.

Typically, through a network of subcontractors, Coteccons created working environments for 192,453 workers at 65 construction sites across the country last year.

In addition, the Company has a close relationship with a large network of suppliers, shareholders - investors, customers - developers. Buildings constructed by Coteccons also play an important role in contributing to creating an urban appearance, business activities and social life for another broad community.

GRI 204 – PROCUREMENT PRACTICES

Coteccons always builds relationships with suppliers according to the "strategic partnership" criterion to ensure stable supply, good product quality, and competitive pricing. With the supreme principle of legal compliance and mutual development, all procurement activities of the Company are carried out on four criteria: Transparency, balance of interests, companionship, centralized procurement and data systematization.

In order to avoid monopoly and the promote healthy competition, the Company also proactively diversifies suppliers and has a backup plan on supply, ensuring supplies are fully provided for all projects to meet their schedules.

On the other hand, the Company always focuses on maximizing the proportion of goods of domestic origin, thus contributing to promoting domestic production and business. Therefore, the vast majority of suppliers the Company is working with are local ones.

The Company's commitments to suppliers:

- Fair treatment, cooperation on the basis of mutual benefits, avoiding actual or potential conflicts of interest.
- Comply with regulations on bidding, negotiation and contract signing.
- No benefits, commissions are accepted from suppliers.
- Non-disclosure of confidential supplier information to their competitors.

In the past year, high prices of materials due to the pandemic together with supply chain disruptions also required the Company to review and strengthen procurement activities to make them more efficient.

GRI 205 – ANTI-CORRUPTION

Issued together with the Business Code of Conduct, the Anti-corruption Rules are also upheld by Coteccons for sake of consistency with transparency.

Accordingly, the Company has clarified the definition offering and taking bribes; Evidence of legal regulations on anti-corruption in Vietnam; and especially highlight the application of the Foreign Corrupt Practices Act (FCPA) to business conduct.

Similar to the Business Code of Conduct, the Anti-corruption Rules also apply to all members of Coteccons.

At the same time, in order to promptly recognize as well as encourage and facilitating relevant parties' access to clarify questions or report violations or suspected violations related to the above-mentioned policies, the Company publicizes the email address of the Human Resources Department: hrdept@coteccons.vn and ensures confidentiality for those who provide information.

GRI 205-2 Communication and training about anti-corruption policies and procedures

The training program on Anti-corruption Regulations is a mandatory program of the Company and is also a mandatory requirement in the bidding documents with some foreign partners, helping employees understand Coteccons' responsibilities, coordination process, behaviors, values, and standards when working with third parties.

The program is implemented by the Training Center for 100% of the Company's employees (require a signed commitment after completion). The program is implemented twice a year (the first time is when employees enter the Company and another is implemented later) to ensure that all employees understand the program as well as commit to comply.

ENVIRONMENTAL

Combating pollution and contribute to the restoration and improvement of the environment is priorities in Coteccons' sustainable development strategy. The Company always strives to update and improve environmental standards according to international and Vietnamese trends. Currently, Coteccons is applying the ISO 14001:2015 Standard to comprehensively identify and manage environmental issues. Proactive control is put in place to ensure compliance with legal requirements as well as prevent risks and losses from environmental incidents.

Last June, the Company was re-certified to 3 ISO standards: ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018.

The company also executes projects that meet US Green standards (LEED), which help to save energy, use water efficiently, reduce CO₂ emissions, and improve environmental quality both outside and inside the apartment.

GRI - MATERIALS

All materials used for Coteccons' projects are subject to control by the Engineering Division and the Site Management Committee from the supplier selection step to ensure all appropriate environmental conditions are met.

The Company also builds a list of criteria for rating and evaluating suppliers, subcontractors and define quality standards to be able to select suppliers that ensure quality and environmental standards for products.

For the purpose of environmental protection, the Company has promoted the application of unburnt materials to replace baked clay bricks such as assembled Acotec wall panels, aggregate cement bricks, AAC bricks... in order to minimize impacts on the environment.

In addition, the Company also cooperates with concrete suppliers to increase the use of fly ash (recycled materials). We have also applied concrete and large concrete block construction methodology for most of our projects. The Company always use recycled materials if possible.

GRI 302 - ENERGY

Due to specific features of the construction industry, Coteccons' use of energy mainly comes from the operation of construction equipment, transportation and system operation.

At construction sites

Coteccons made detailed plans, coordinated smoothly and controlled the operation time of heavy machinery and equipment such as tower cranes, hoists, etc. to ensure the most rational use of energy.

In addition, the Company also imports modern equipment from Europe and advanced countries in the region. We apply new technologies in the construction and operation of projects to limit material loss and save energy.

Warehousing system

The Company has 03 warehouses with a total area of 41,600m² located in 03 regions of Vietnam to optimize logistics activities, save transportation time and reduce energy consumption (gasoline, oil).

Office

In the two offices in Ho Chi Minh City and Hanoi, the Company uses all LED lights instead of fluorescent lights. We also use inverter air conditioners, make use of sunlight and optimize the use of these facilities to save electricity. The Company also encourages employees to turn off electrical devices when they are not in use.

Implemented projects

The Company cooperates with developers to build energy-saving works that meet LEED Gold standards. Such projects include: Diamond Lotus, Friendship, and Nam Hoi An Resort. LEED is a green building assessment and certification system developed by the American Green Building Council.

This is a pioneering international standard in the construction of energy-saving works and protection of the human living environment. Currently, Vietnam has only about 165 buildings that meet the Green building standards.

GRI 303 - WATER

Coteccons focuses on saving domestic water and controlling water supply, making use of natural water sources such as rainwater. We pay attention to water consumption in all projects for which the Company is responsible and designs water-saving solutions for LEED Gold standard projects. Especially in Ho Chi Minh City and Hanoi, the Company encourages employees to save water in both home and office.

GRI 306, GRI 305 - EMISSIONS, EFFLUENTS AND WASTE

At Coteccons, wastewater and waste from construction activities is always closely monitored with the following requirements: Domestic waste water from construction of concrete pile foundations and equipment maintenance is treated up to environmental standards before being discharged into the urban drainage system.

At the same time, construction waste and hazardous waste is collected, sorted and treated by competent units to meet environmental standards and minimize environmental impacts.



SOCIAL

The policies of protecting and taking care of employees, supporting and accompanying the community with large scale and efficient projects in the past year clearly reflect the Company's commitment to contributing to positive social development.

Moreover, the Company is consistent with long-term programs in supporting and fostering the young generation to prepare human resources for the future society, maintaining the salary and welfare of employees, organizing Leadership Gathering seminars periodically to deploy the Company's strategic orientation and vision for mid-level personnel and above.

GRI 401 - EMPLOYMENT

In addition to creating great opportunities for indirect jobs, the number of direct employees at Coteccons at the end of last year was 2,262 labors, which is 28% (498 labors) higher than the previous year. The turnover rate at our Company is very low due to the stable working environment and good recruitment process.

The average salary, bonus and welfare policies for Coteccons employees are higher than the average level of the labor market. Last year, Coteccons was ranked at the top of the Best Working Environment in the Construction Industry.

GRI 403 - OCCUPATIONAL HEALTH AND SAFETY

At Coteccons, occupational health and safety are the basic requirements when conducting construction. Coteccons' health and safety management system is developed and implemented according to the latest international standards.

Employees at Coteccons are guaranteed a safe working environment, including regular safety training courses through the E-learning system, appropriate working schedules, regular site disinfection and compliance with state regulations on disease prevention. As a result, Coteccons achieved more than 29 million safe hours in 2022.

Coteccons also offers comprehensive health insurance for all employees and provides financial support for them to buy health insurance for their families.

In particular, Coteccons has a Safety Committee to specialize this field. In 2022, the Safety Committee carried out the following main tasks:

- Continue to actively come up with effective solutions for safety control at the Company's projects.
- Coordinate with departments, divisions and construction sites in the control of safety for traditional civil and industrial projects.
- Involve deeply in project organization from the start to ensure standardization and reduce waste due to unnecessary spending or errors.
- Consult experienced experts in the new construction field, establish a safety control protocol before starting work at sites.

GRI 404 - TRAINING AND EDUCATION

In 2022, the Training Center has implemented a total of 96 training programs with 166 topics. Including the topics for Unicons, the total number of training topics is 278.

More than 1,700 employees participated in training courses. Total training hours is 32,850 hours (up 29% compared to 2021). The average hours of training per employee is 19 hours/employee/year (up 18%)



out of the total 8,403 training sessions of both Coteccons and Unicons (up 15% compared to 2021).

In 2022, the Training Center mostly use internal trainers for training courses to save costs. Accordingly, the total training cost of both Coteccons and Unicons in the year was nearly 607,000,000 VND.

In addition, Coteccons also maintained regular cooperation programs with universities such as the University of Science and Technology, University of Construction, Ho Chi Minh City University of Architecture, Danang University, Hanoi University of Construction, etc., to implement scholarship, and internships as well as train young generation of human resources.

GRI 405 - DIVERSITY AND EQUAL OPPORTUNITY

Coteccons has a diverse team whose members come from all parts of the country. This diversity allows Coteccons to easily understand the local culture and supports the implementation of projects throughout the country.

Appointments and promotions are based entirely on performance and ability, not on gender, geographical background or another other discriminatory factors. Specific though the construction industry is, women managers can still be seen in back-office and site support departments.

The diversity of seniority in the personnel structure helps employees to support each other at work, thereby increasing creativity and diversity of ideas.

In particular, last year, the Company implemented a policy of broad empowerment. We adjusted the capacity assessment system to advance to a new level of transparency and equality.

GRI 413 - LOCAL COMMUNITY

During the year, the Company implemented many programs for community development, focused on children and workers. My house, Picking the moon for you, Dream Up, Build Tet ... mentioned in detail above are some typical illustrations.

ENGAGEMENT OF STAKEHOLDERS

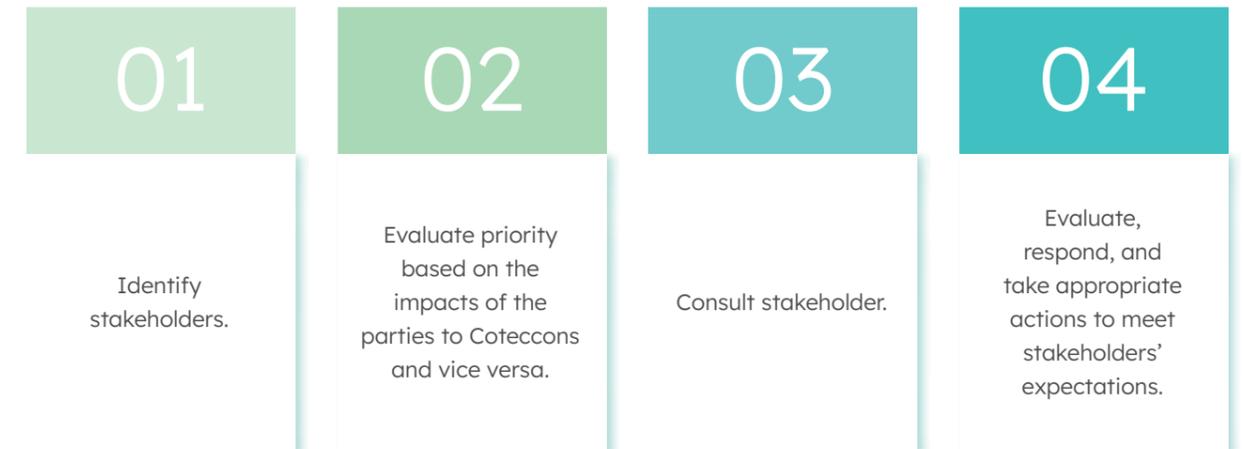
Coteccons always respects the legitimate interests of stakeholders according to the criteria of honesty, transparency and professionalism. This is specified in the Company's Business Code of Conduct, evidenced by contracts and cooperation, and specified in policies on customers, suppliers, subcontractors, environment, community, anti-corruption, creditor protection, welfares, labor safety, etc.

Legitimate interest is also the basis for the Company to design the corresponding organizational structure, operating procedures and corporate culture.

With various flexible approaches, the Board of Directors of the Company regularly contacts, discusses and receives feedback from stakeholders, thereby constantly improving the Company to meet the higher needs of the parties in terms of governance, social impact, and environment. Additionally, the Company actively discloses the key contacts so that stakeholders can promptly reach out for any work-related needs as well as any complaints.

HARMONIZE NEEDS AND INTERESTS WITH STAKEHOLDERS

STAKEHOLDER CONSULTATION PROCEDURE



Stakeholder identification	Communication/meeting channel	Dialogue frequency	Matters of concern	Coteccons' efforts to meet stakeholders' expectations
Employees	<ul style="list-style-type: none"> Survey employees on working environment, salary, bonus and welfare. Annual employee meeting. Periodic events of the Company. Training and coaching programs. Internal communication programs and publications. Mechanism for direct discussion, complaint settlement, two-way consultation. 	<ul style="list-style-type: none"> Annually Annually Annually/quarterly Continuously Monthly Continuously 	<ul style="list-style-type: none"> Ensure job security, professional, equal, and non-discriminated working environment. Offer attractive benefit, salary, bonus policies, fair working conditions. Secure occupational safety standards. Be recognized for achievements and contributions. Offer opportunities for career promotion and succession planning. Provide training and upskilling programs. 	<ul style="list-style-type: none"> Be recognized as the best place to work in Vietnam in the Construction industry for years. Organize rigorous recruitment to ensure transparency and fairness. Maintain the salary, bonus and welfare policies of employees. Build fair compensation policies and development roadmap. 8,403 training sessions, 32,850 hours of training (up 29% compared to 2021). Give special priority to occupational safety and health. Offer comprehensive health insurance for all employees and provide financial support for them to buy health insurance for their families. Organize sports events and physical fitness training movement among the whole Company. Develop and train successor team. Develop and promote "One Team" spirit for the whole Company.
Customers - Investors	<ul style="list-style-type: none"> Face-to-face meetings, and phone/email discussions with developers Customer survey questionnaires. Consulting workshops and conferences on construction engineering. Training sessions on occupational safety and health in construction, Websites, social media, forums, etc. Market research. 	<ul style="list-style-type: none"> Continuously Annually Continuously Continuously Continuously Continuously 	<ul style="list-style-type: none"> Quality Brand name and reputation Project progress. Occupational safety. Construction costs Construction engineering. Construction team. 	<ul style="list-style-type: none"> Achieve the Certificate of Construction Activity Capability. The management system is built and implemented according to the latest international standards such as ISO 9001:2015, ISO 14001:2015, ISO 45001:2018. Continuously update and perfect internal technical processes. Possess impressive construction technology and equipment capability. Import the machinery and equipment from Europe and developed countries in the region. Diversify products and services to serve customers' needs through R&D activities. Actively consult and seek solutions to support customers and developers in legal, technical detail, and financial issues. Fulfill commitments with customers on schedule with the best quality. Maintain regular interaction and acknowledgment of ideas through the following channels: Business Development Department, Warranty Department, survey emails, face-to-face meetings, etc.
Customers - End Users	<ul style="list-style-type: none"> Face-to-face meetings, discussions via phone, email with end users after handing over completed projects. Websites, social media, forums, etc. Market research. 	<ul style="list-style-type: none"> Continuously Continuously Continuously 	<ul style="list-style-type: none"> Projects' quality for users. Safety and efficiency in practical use. 	

ENGAGEMENT OF STAKEHOLDERS

Stakeholder identification	Communication/meeting channel	Dialogue frequency	Matters of concern	Coteccons' efforts to meet stakeholders' expectations
Partners (suppliers/subcontractors/construction teams)	<ul style="list-style-type: none"> Face-to-face meetings. Annual conferences and workshops for subcontractors, suppliers, and construction teams Outbound communication via website, email, phone, etc. 	<ul style="list-style-type: none"> Continuously Annual/quarterly Continuously 	<ul style="list-style-type: none"> Procedure of selecting and evaluating subcontractors, suppliers, construction teams. Policy to support and develop construction units to work together with Coteccons, especially during the Covid-19 pandemic. Payment process for subcontractors, suppliers, construction team. Create long-term collaborations with partners. Transparency and fairness. Cooperation for mutual benefits. 	<ul style="list-style-type: none"> Value of newly signed contract in 2022: over VND 25,000 billion Strive to accompany with more than 3,000 subcontractors, suppliers, and construction teams. Make payment for subcontractors, suppliers, and construction teams on time. Hold meeting with partners to research and brainstorm solutions to improve work quality. Regularly re-evaluate the partners' capacity in coordinating, providing products and services, etc., to meet the needs of the Company and customers. Implement the "Build Tet" program and activities to support LLTC.
Shareholders - Investors	<ul style="list-style-type: none"> Annual General Meeting. Extraordinary GMS, consultation from Shareholders. Face-to-face meetings and consultations Dialogue with Shareholders, Analyst Conferences IR channel: Email, phone, website, social media, forums, etc. 	<ul style="list-style-type: none"> Annually Occasionally Annually Quarterly Annually 	<ul style="list-style-type: none"> Corporate Governance issues. Management and executive capacity of the Board of Directors. Medium- and long-term development strategies. Stable business performance. Compliance and transparency in information disclosure. Protect shareholders' interests and fairness. Future development potential of the Company. The internal values of the Company, the market price of the shares. 	<ul style="list-style-type: none"> Comply with information disclosure regulations. Improve corporate governance performance by exercising the good international corporate governance code such as OECD, Asean Scorecard, IFC, Vietnam Corporate Governance Code of Best Practices for Public Companies in Vietnam. Ensure equality in all activities between domestic and foreign shareholders, individual and institutional shareholders. Actively seek cooperation opportunities with shareholders and strategic investors. Flexibly adjust business strategies to maximize profits and bring benefits to shareholders. Promote and diversify information channels, actively hold meeting with shareholders, investors, analysts.
State regulators	<ul style="list-style-type: none"> Update and apply new policies and regulations of the State. Cooperate with local authorities in fire prevention, environmental protection, construction safety. Participate in State-held conferences and workshops. Make proposals and comments on draft legal documents. Effectively interact with agencies and authorities. 	<ul style="list-style-type: none"> Continuously Continuously Occasionally Occasionally Continuously 	<ul style="list-style-type: none"> The rule of law. Responsible business. Contribute to the State budget. Support and respond to policies and calls of state agencies. Actively contribute to the development of the industry. 	<ul style="list-style-type: none"> Strictly comply with the laws, regulations and guidelines set forth by the regulators in all activities of the Company. Ensure occupational safety and health in the construction of all projects. Minimize impacts on the environment. Fulfill tax obligations with the State budget. Actively participate in and become a member of industry associations, contribute ideas to build markets for new products.
Community	<ul style="list-style-type: none"> Coordination with local authorities to implement community programs. Bilateral discussion through Volunteer programs in the local community. University affiliated programs. 	<ul style="list-style-type: none"> Occasionally Occasionally Occasionally Occasionally 	<ul style="list-style-type: none"> Responsible business, contribution to local economic development. Create job opportunity and improve local income. Create job for students and attract young talents. Develop local infrastructure Minimized construction impacts on the community. 	<ul style="list-style-type: none"> Implement more than 500 projects across Vietnam and countries in the region such as Laos, Cambodia, and Myanmar. Create jobs for nearly 2,300 employees and more than 30,000 indirect workers. Establish the One heart charity fund. Make great contributions to charity activities. Implement many far-reaching programs on afforestation, green lifestyle, home repair, and support for the needy, etc. Maintain relationship with reliable universities such as Ho Chi Minh City University of Technology, University of Architecture Ho Chi Minh City, University of Civil Engineering, etc. to train and supply the future workforce. Business development strategy associated with ESG factors.
Communication	<ul style="list-style-type: none"> Press releases. Websites, social networks. Press Conferences. Interviews. Conferences, seminars, forums on economy and construction. 	<ul style="list-style-type: none"> Continuously Continuously Occasionally Continuously Occasionally 	<ul style="list-style-type: none"> Truthful, transparent information that reflects the Company's activities and development strategies. 	<ul style="list-style-type: none"> Actively provide timely and transparent information to the market through press releases, conferences, etc. Timely respond to questions and inquiries of the press. Proactively handle information crises and correct false information about the Company in the market.



FINANCIAL STATEMENTS 2022 - 2023

COTECCONS - ANNUAL REPORT FY 2023

199 — Consolidated financial statements

255 — Separate financial statements