

No.: 1108/2025/CBTT-HHP

Re: Disclosure of Information

Haiphong, August 11th, 2025

DISCLOSURE OF INFORMATION

To:

- **Ho Chi Minh City Stock Exchange;**
- **The State Securities Commission of Vietnam.**

1. Name of the organization: HHP GLOBAL Joint Stock Company

- Ticker symbol: HHP
- Head office address: No. 194 Kieu Ha Street, Dong Hai Ward, Hai Phong City, Vietnam (Former Address: No. 194 Kieu Ha Street, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam).
- Telephone: (84-225) 324 6789
- Email: info@hhpglobaljsc.com

2. Disclosed information:

- HHP GLOBAL Joint Stock Company announces the release of its 2024 ESG Report (Environmental - Social - Governance) in both Vietnamese and English versions, demonstrating the Company's commitment to its sustainable development strategy and its goal of achieving Net Zero.

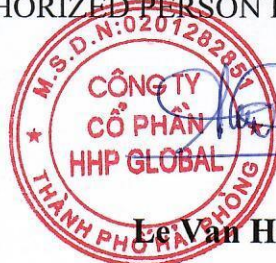
3. This information is simultaneously disclosed on the website of HHP GLOBAL Joint Stock Company on 11 August, 2025 at the following link:
<https://hhpglobaljsc.com/quan-he-co-dong/>.

We hereby certify that the information disclosed above is true and we take full legal responsibility for the contents of the disclosed information./.

AUTHORIZED PERSON FOR DISCLOSURE

Attachments:

- 2024 ESG Report.



Le Van Hoan

ESG REPORT 2024

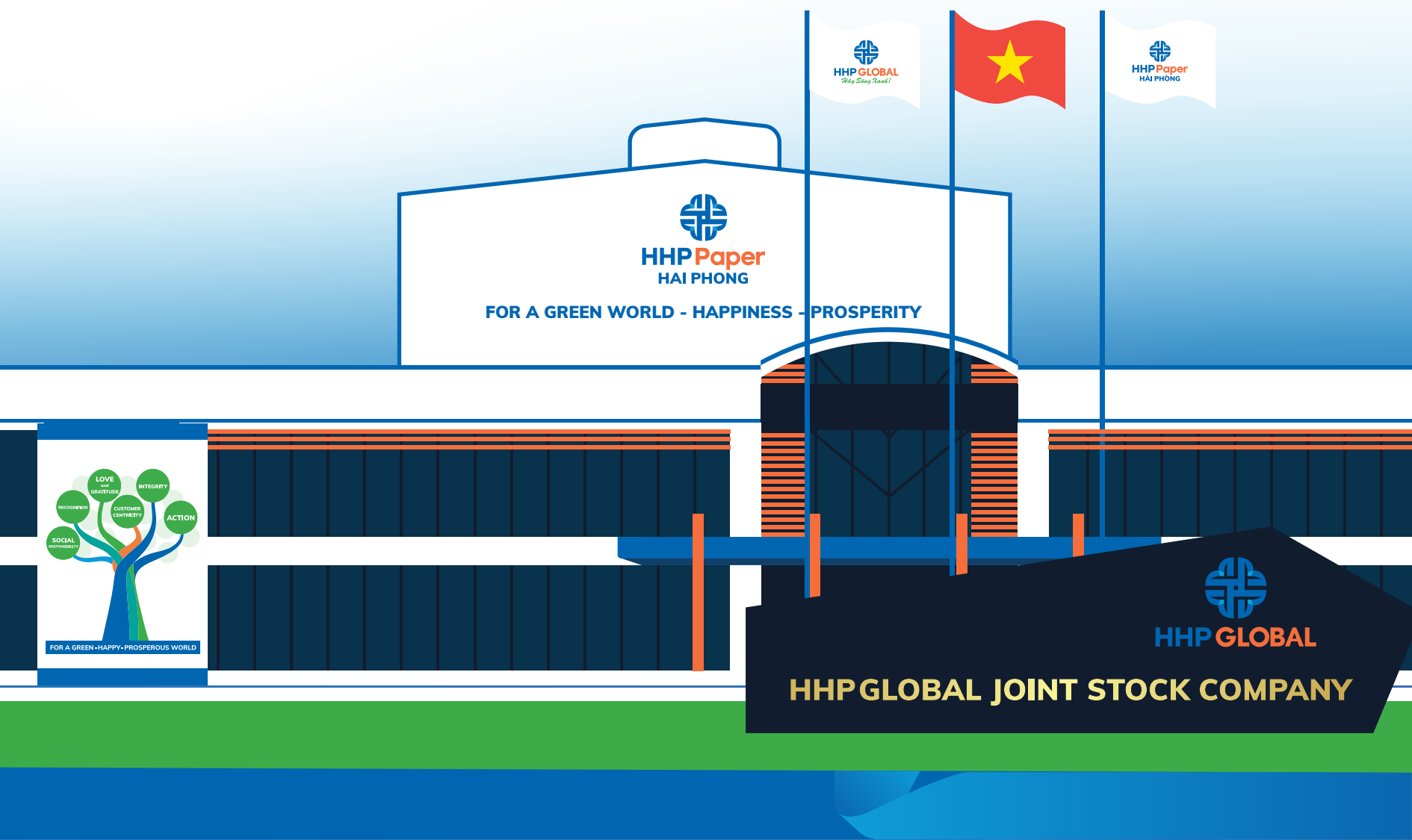


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HHP GLOBAL JOINT STOCK COMPANY

Business No.	0201282851 issued by Business Registration Office - Department of Planning and Investment of Hai Phong City on 05/11/2012
Stock Symbol	HHP
Head Office	No. 194 Kieu Ha Street, Dong Hai 2 Ward, Hai Phong City, Vietnam
Factory Location	Lot CN2, Tien Lang Town Industrial Park,, Tien Lang Ward, Hai Phong City
Website	www.hhpglobaljsc.com
Email	info@hhpglobaljsc.com
Hotline	(84-225) 324 6789

Report Information

HHP GLOBAL's ESG journey began in 2023, sparked by recommendation from our major shareholder - Wardhaven Capital. That same year, we marked our first milestone by earning recognition at the Vietnam ESG Initiative competition.

Our initial steps included:

- Establishing the Sustainable Development Subcommittee (ESG Subcommittee) under the Board of Directors
- Securing a Top 3 spot in the 2023 Vietnam ESG Initiative competition
- Being selected as 1 of 22 pioneering Vietnamese enterprises in the Improving Private Sector Competitiveness Program

Following up on the 2023 Strategic Statement on Sustainable Development and ESG Practices, through this 2024 ESG Report, HHP aims to inform stakeholders of the Company's strategic orientation and the outcomes of our sustainable development initiatives.

The reporting period spans from from January 1, 2024, to December 31, 2024, in line with the Company's financial reporting cycle. The disclosures apply only to the parent company, HHP GLOBAL, and do not include any subsidiaries or affiliated companies. The report was prepared with reference to the GRI Standards and the SASB Standards for the Pulp & Paper Products industry.

This is HHP's first ESG report. From 2024 onward, we will publish our ESG report annually to ensure transparency in our ESG practices and demonstrate our unwavering commitment to sustainable development. In the upcoming years, HHP will continue expanding the scope of data collection to gradually implement ESG reporting across the entire HHP GLOBAL ecosystem.

Contact person: Tran Thi Phuong - Assistant General Director, ESG Subcommittee Secretary

Email: maiphuong@hhpglobaljsc.com

Report publication date: 8th August 2025

Message from Chairwoman of the Board of Directors

“In a world facing dual environmental and economic challenges, HHP GLOBAL sees sustainable development not as a choice, but as a core strategy for long-term growth. We are committed to embedding ESG principles into every aspect of our business—from governance and production to generating positive social impact. With a goal of reaching Net Zero by 2035, HHP continues to invest in green technologies, improve energy efficiency, increase the use of recycled materials, and optimize our value chain.

In governance, we are steadfast in building a transparent, efficient system aligned with international standards. On the social front, we put people at the center—fostering a workplace that is safe, fulfilling, and resilient.

With a clear strategy, strong commitment, and the support of our shareholders, partners, and employees, I am confident that HHP GLOBAL will continue to grow sustainably and create long-term value for both the business and the wider community.”



Ms. Nguyen Thi Thu Thuy
Chairwoman of the Board of Directors

Message from General Director



Ms. Tran Thi Thu Phuong
Vice chairwoman of the Board of Directors, General Director and Head of the ESG Subcommittee

“2024 was a year of profound challenges for HHP GLOBAL, from commissioning our new factory to enduring major losses from Typhoon Yagi and navigating global economic volatility. Yet, adversity only deepened our resolve to pursue the sustainable development strategy we have committed to: integrating ESG into our core business operations.

We are proud of the tangible progress made on our ESG journey, which is steadily laying the groundwork for HHP's long-term sustainability.

Our ESG efforts not only help us mitigate risks and optimize operations, but also strengthen our competitive edge, attract investment, and drive green growth. We believe sustainable development is not a trade-off, but a powerful driver of long-term success that creates shared value for the business, the community, and society as a whole.

To reach Net Zero before 2035, we've set clear targets: reduce CO₂ emissions by 30% by 2030, increase the share of locally sourced recovered paper to over 50%, and ensure 100% of our employees are trained in ESG principles and the culture of self-driven happiness.

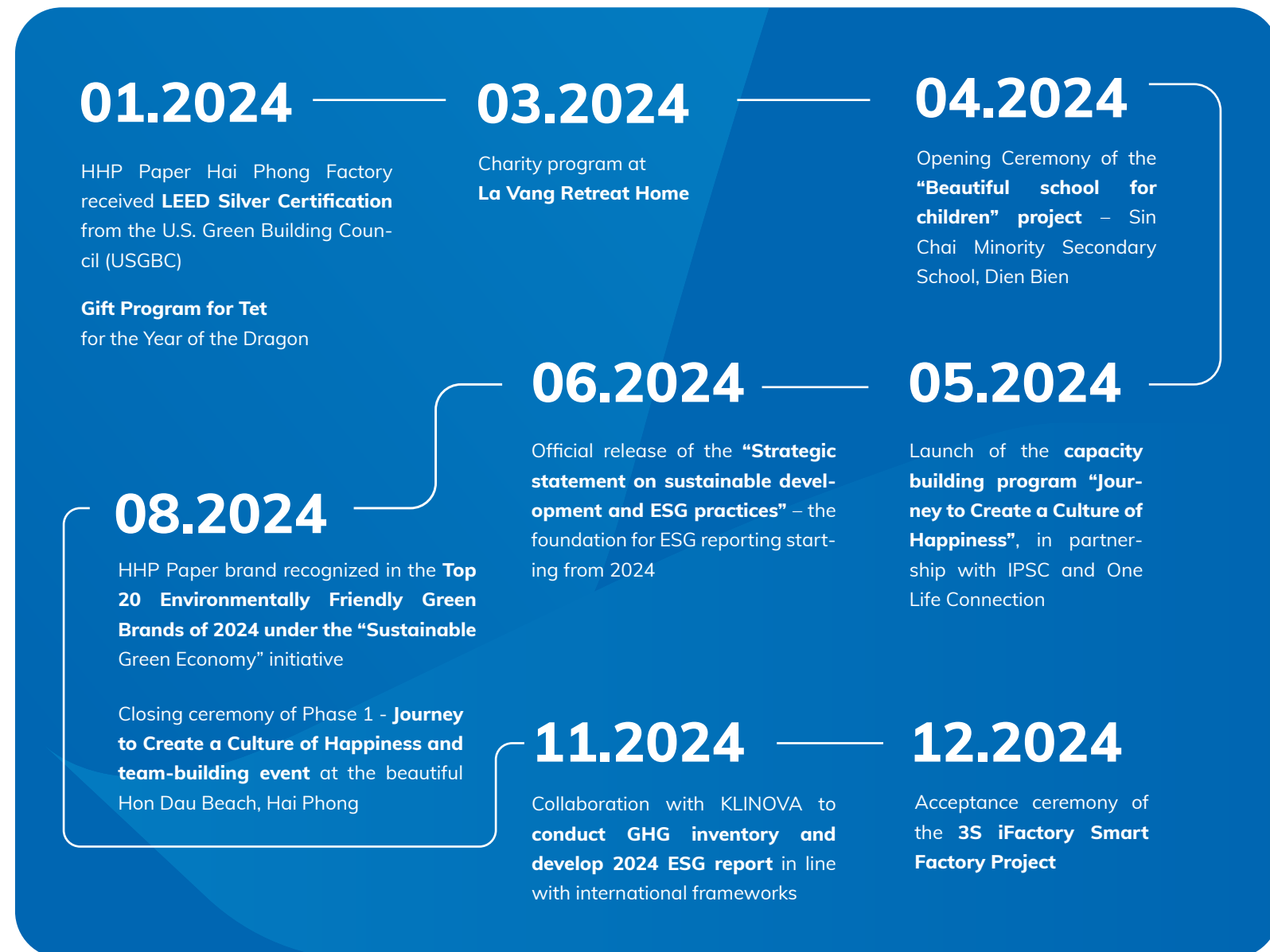
In the next five years, alongside scaling and optimizing operations at our HHP Paper Hai Phong and HHP Paper Phú Yên Factory, we will focus on market expansion, elevating our brand as a pioneer in green transition and ESG practices. We aim to enhance our supply chain, standardize processes, develop high-quality talent, and drive end-to-end digital transformation to improve transparency, governance, and stakeholder engagement. At the heart of this is a commitment to fostering a workplace culture rooted in happiness, innovation, human values, and sustainability.

All of these efforts are guided by one shared mission: For a **Green, Happy, and Prosperous World**, where every step HHP takes brings not only internal growth, but also contributes to building a more sustainable paper industry, a thriving community, and a livable planet for generations to come.”

Go Green!

2024 ESG Highlights

In 2024, despite facing significant challenges - including the trial operation of the new HHP Paper Hai Phong Factory and the severe impact of Typhoon Yagi - HHP remains steadfast in implementing concrete and practical actions, marking the beginning of a more action-oriented ESG phase, with several notable milestones achieved:



2025 and Beyond

Building on the commitments and milestones achieved in 2024, HHP GLOBAL will continue to translate our sustainability strategy into action through the following key priorities:



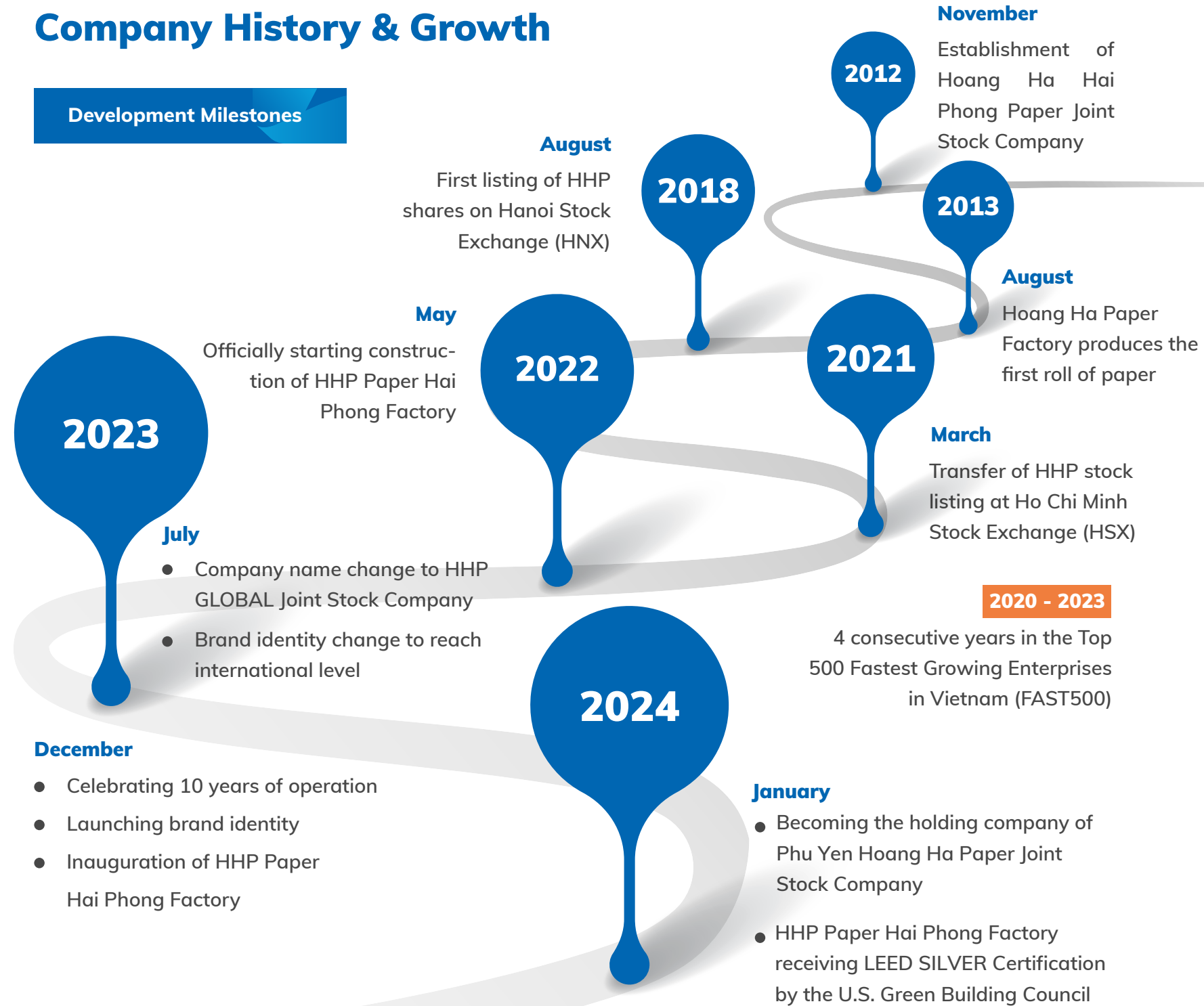
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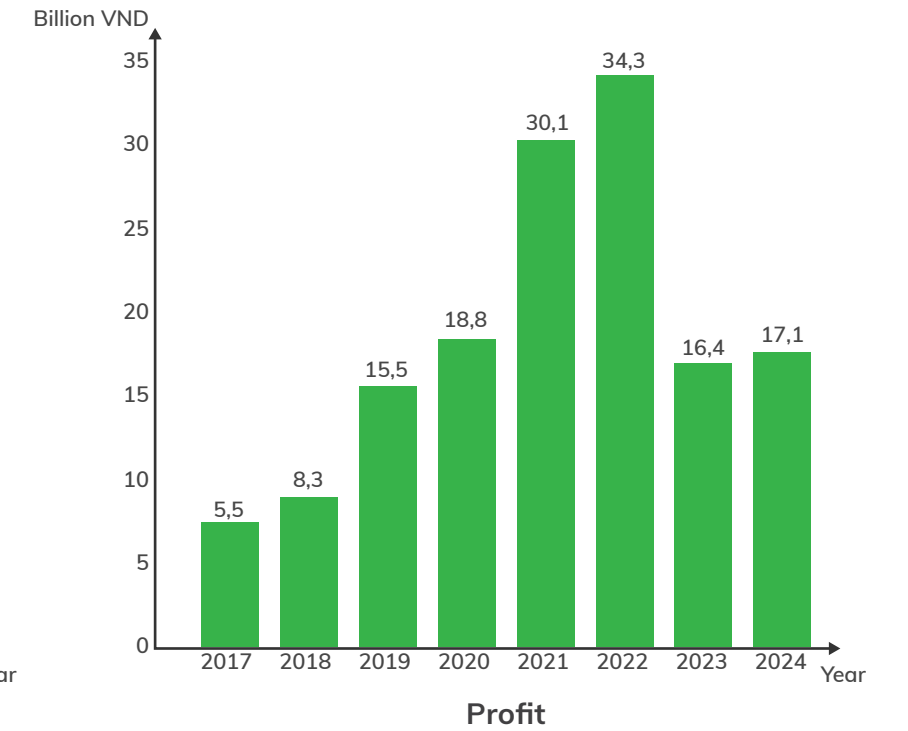
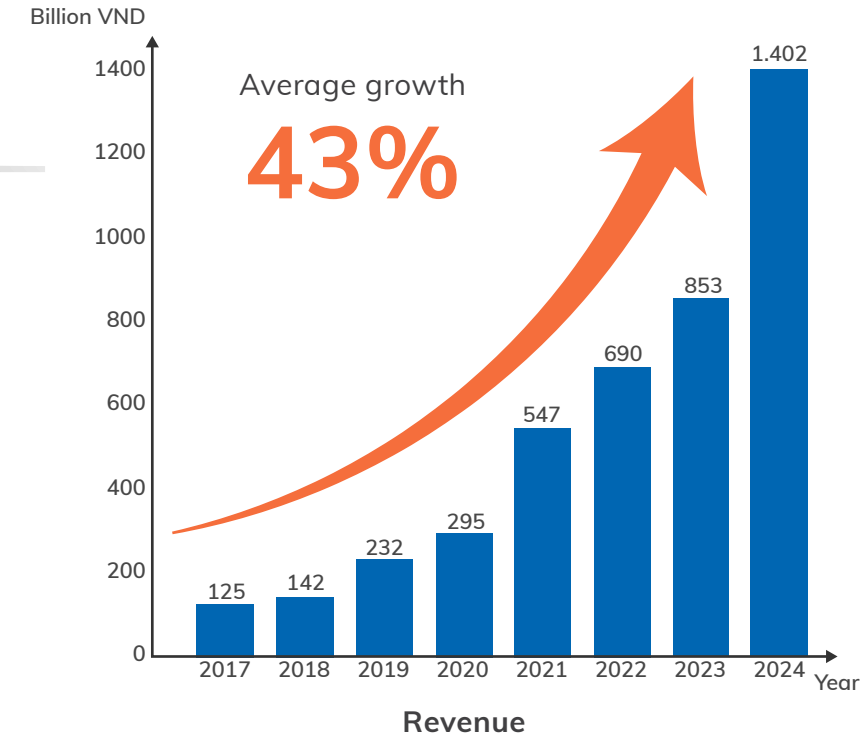


Company History & Growth

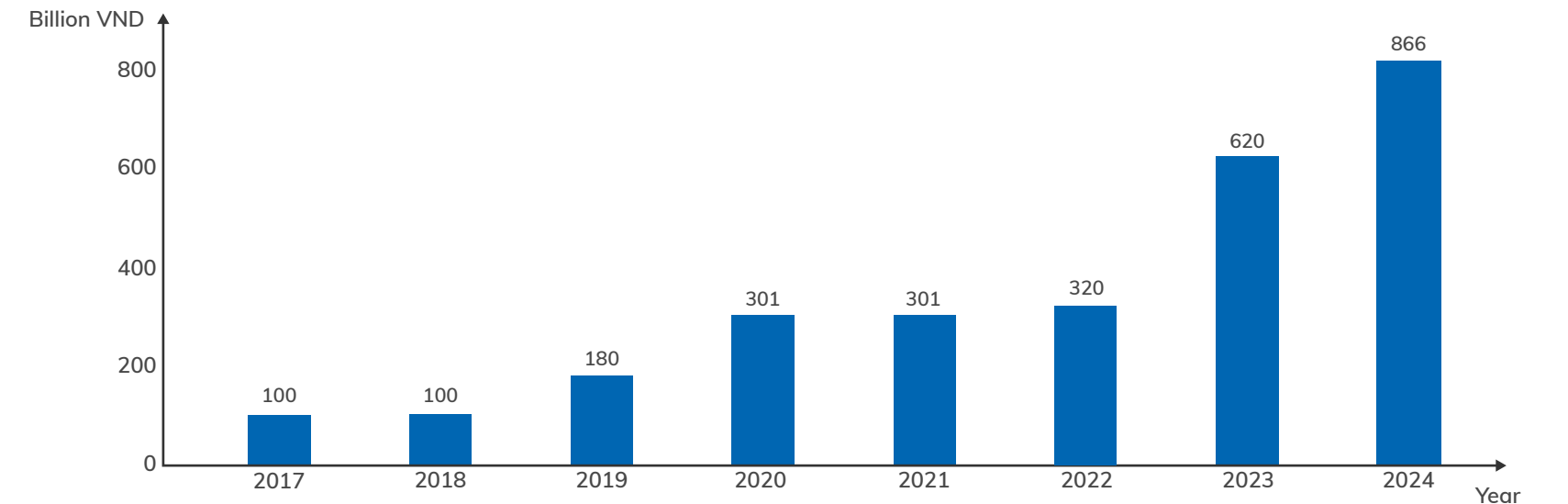
Development Milestones



Revenue and Net Profit



Charter Capital

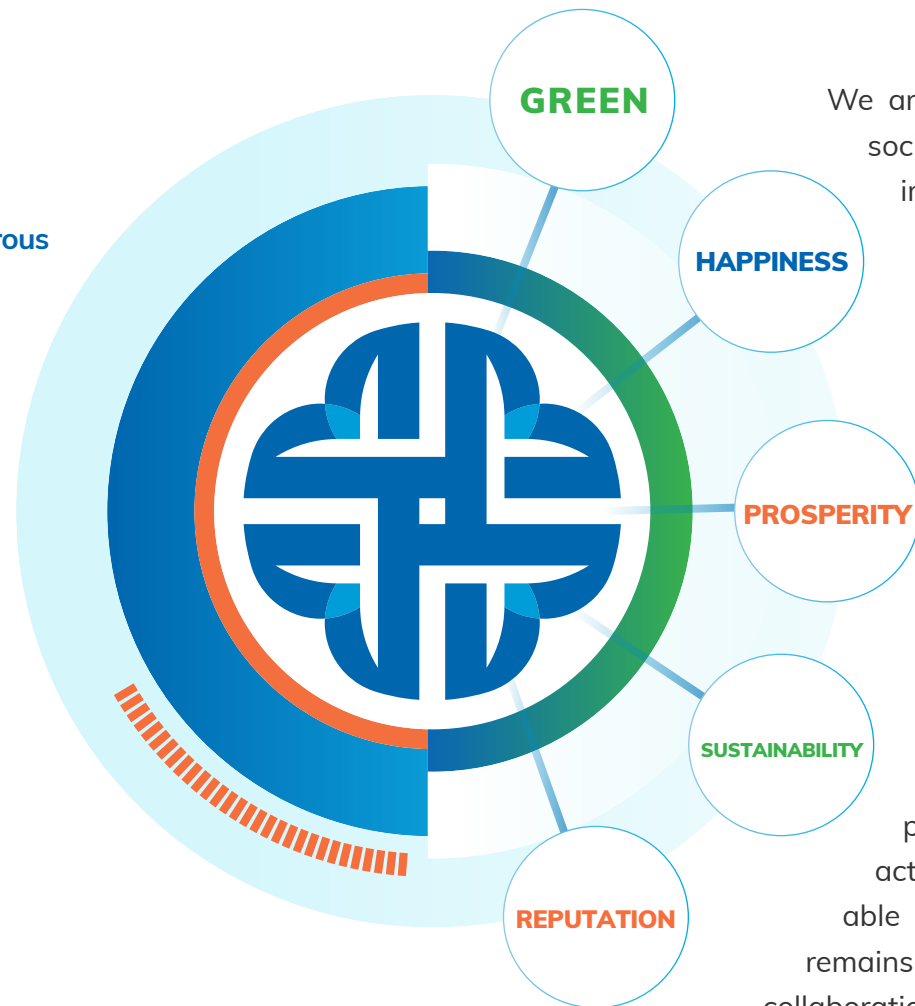


Vision, Mission & Core Values

OUR VISION

Green • Happy • Prosperous
• Sustainable • Trusted

HHP Global aspires to become a leading green and sustainable ecosystem in Vietnam, and a trusted partner in the global supply chain.



We are committed to advancing socio-economic development, improving quality of life, and championing environmental stewardship - all underpinned by a long-term vision of responsible growth. Driven by strong ESG principles, the HHP Global ecosystem spans multiple integrated businesses across the supply chain. We consistently deliver high-quality, eco-friendly products and services, and actively contribute to sustainable development. HHP Global remains deeply committed to collaboration, knowledge-sharing, and community engagement, with the goal of creating lasting value for all stakeholders.

OUR MISSION

FOR A GREEN WORLD - HAPPINESS - PROSPERITY

At HHP GLOBAL, our mission is to contribute meaningfully to the creation of a Green, Happy, and Prosperous world—not only for today's generation, but for those to come.

This commitment is deeply embedded in the culture of every HHP team member. Guided by a service-oriented mindset, we continuously strive for excellence, innovation, and growth—working in partnership with our stakeholders to promote sustainable living and shared success.



OUR CORE VALUES



Integrity

We uphold the highest standards of honesty, transparency, and fairness in all our business and personal conduct. We are committed to building trust through consistent, ethical actions, and we respect the interests of shareholders, partners, customers, and employees alike.

Customer Centricity

Our customers - both internal and external - are at the heart of everything we do. We listen actively, strive to exceed expectations, and continuously deliver exceptional value and experiences.

Action-Oriented

We believe that progress stems from decisive and continuous action. We prioritize execution, iteration, and momentum - acting with purpose toward clear goals, and always pushing forward to achieve and surpass them.

Gratitude & Unity

HHP GLOBAL is more than a company - it is a united, values-driven community. We foster an environment of respect, support, and pride. We are deeply grateful for our people, partners, and the opportunities that fuel our journey.

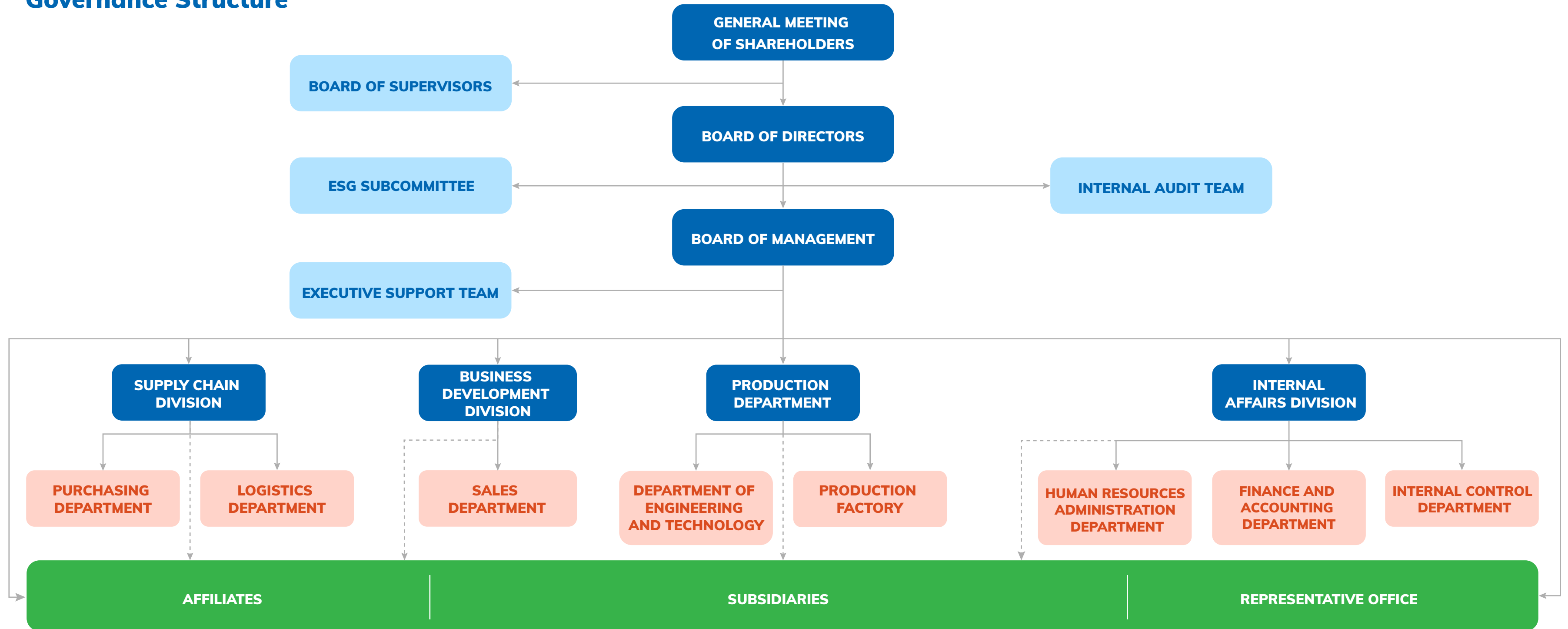
Recognition

We recognize and honor the contributions of every individual and organization that supports the growth and long-term value of the HHP GLOBAL brand. We celebrate dedication and passion aligned with our mission.

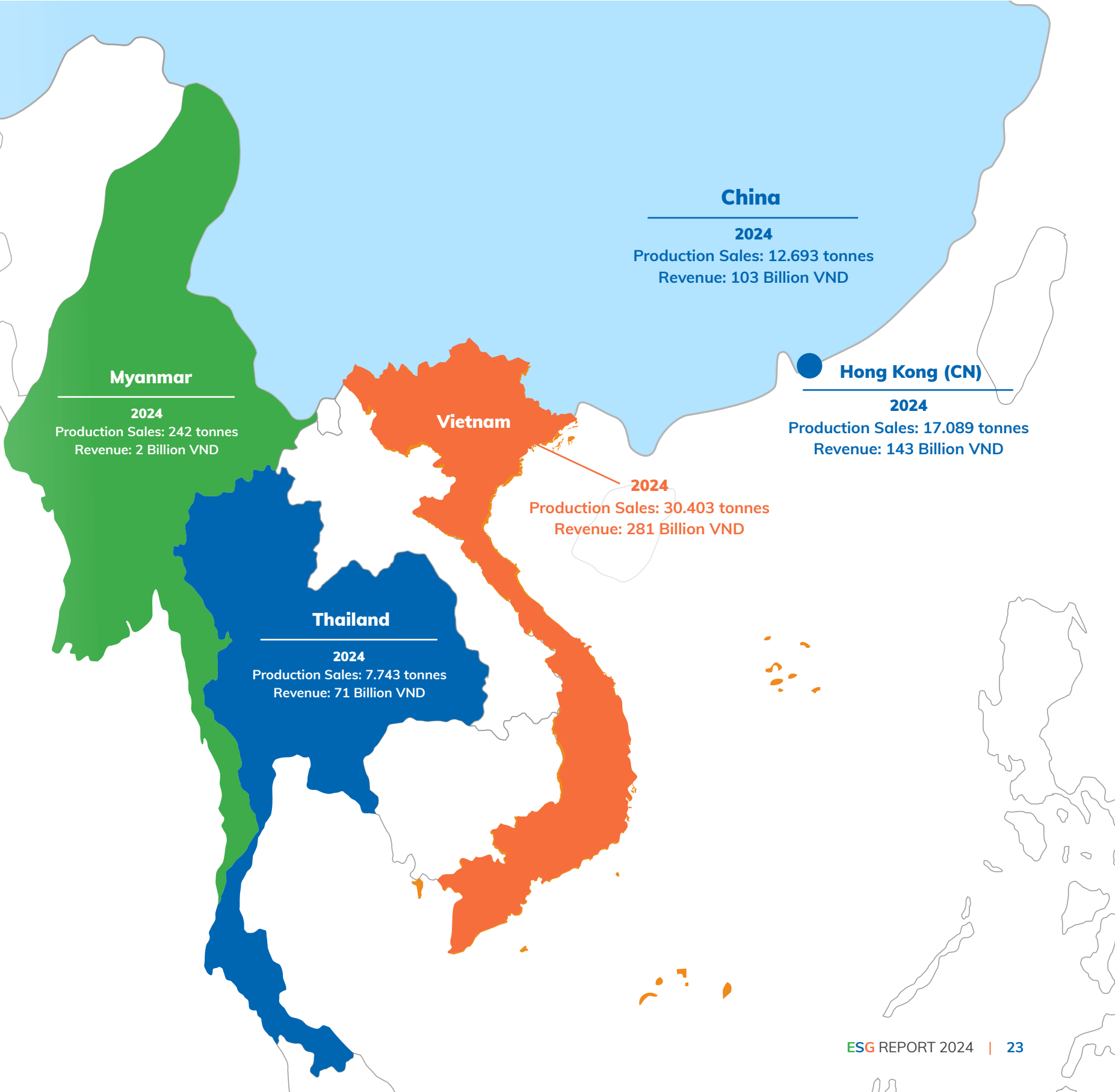
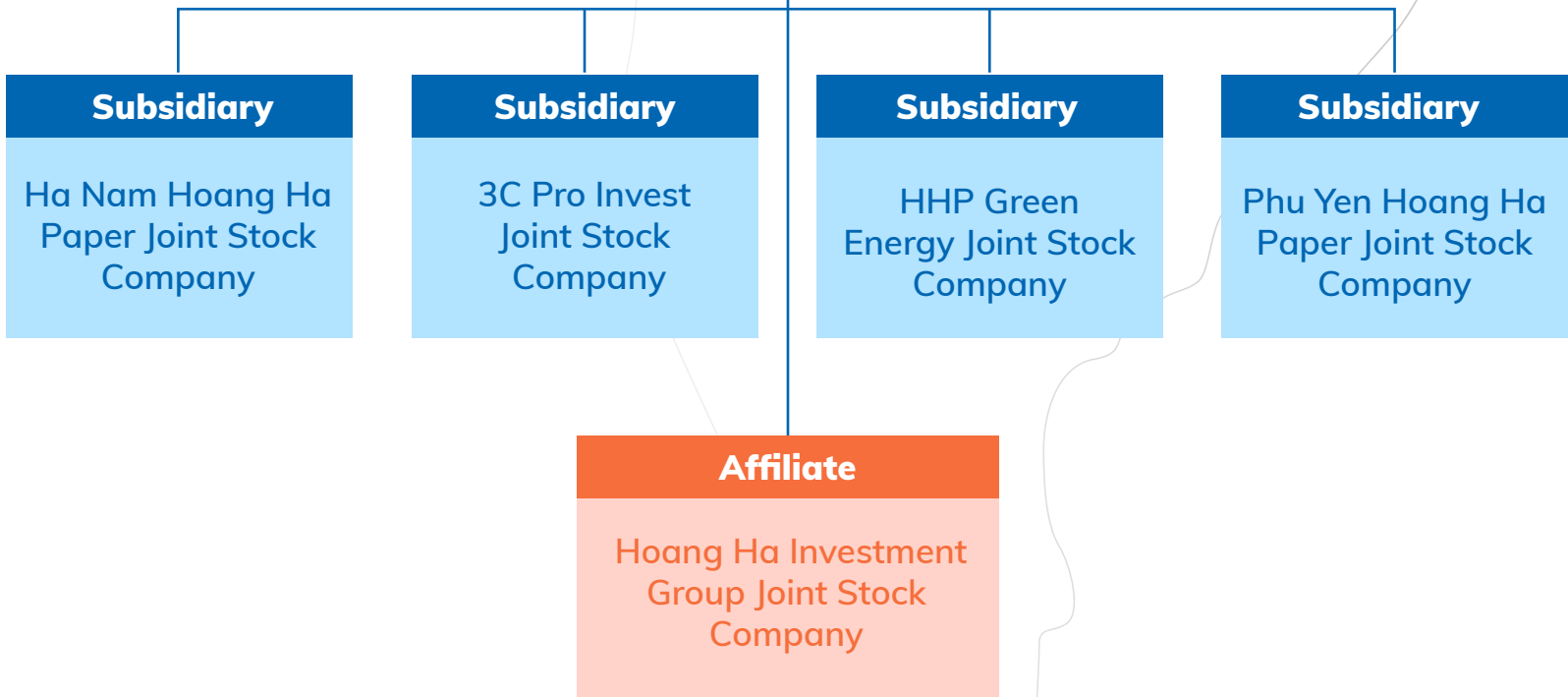
Social Responsibility

We are committed to environmental stewardship and community advancement. HHP GLOBAL actively contributes to the national economy, champions sustainable practices, and supports philanthropic initiatives to help build a better society.

Governance Structure



Scale & Operations
Our Presence



Business Model



Raw Material Procurement

- Sourcing recovered paper from both domestic and international markets
- Implementing strict quality control procedures to ensure input quality
- Ensuring full compliance with legal regulations on waste paper imports

Production

- Manufacturing containerboard using modern industrial production lines
- Applying rigorous quality control throughout the entire production process



Marketing & Sales

- Building a green corporate image centered on sustainable production
- Commitment to fulfilling our 3D1P brand promise to customers:
 - Right time
 - Right quantity
 - Right quality
 - Responsive
- Building competitive advantages through ESG commitment

Distribution

- Supplying containerboard to corrugated packaging converters
- Serving a wide range of industries, including food, pharmaceuticals, chemicals, and consumer goods
- Maintaining reliability and on-time delivery as a core commitment



After-Sales Service

- Providing technical support and packaging solutions consulting
- Maintaining long-term client relationships and offer prompt, dedicated support in addressing any quality-related issues

HHP GLOBAL's Sustainable Competitive Advantages

- Utilizing recovered paper to reduce natural resource exploitation and environmental emissions
- Stable production capacity, modern equipment, and strict quality management
- Agile response to fluctuations in raw material markets and regulatory changes

Our Product

HHP GLOBAL produces two main product lines: Medium and Testliner. These are industrial-grade packaging papers made entirely from 100% recovered paper, carefully selected to ensure good fiber quality. Both products are double-sized (surface treated) and meet or exceed published quality standards. Specifications such as water resistance, burst resistance, and ring compression can also be customized to meet specific client requirements.



Medium

Medium is used as a corrugated layer, middle layer or inner surface layer for carton boxes and other products such as corrugated board, industrial paper tubes, corner brackets, pallets...

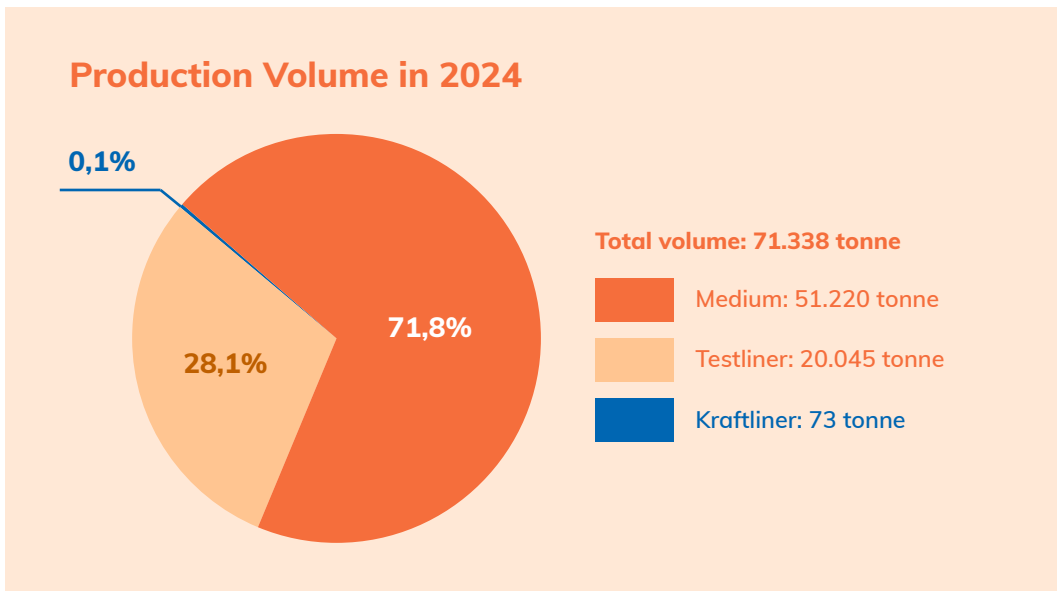


Testliner

Testliner is an industrial-grade paper specifically designed for use as the top and bottom layers for carton boxes.



Our product lines stand out for their environmental sustainability - competitive pricing - consistent quality.



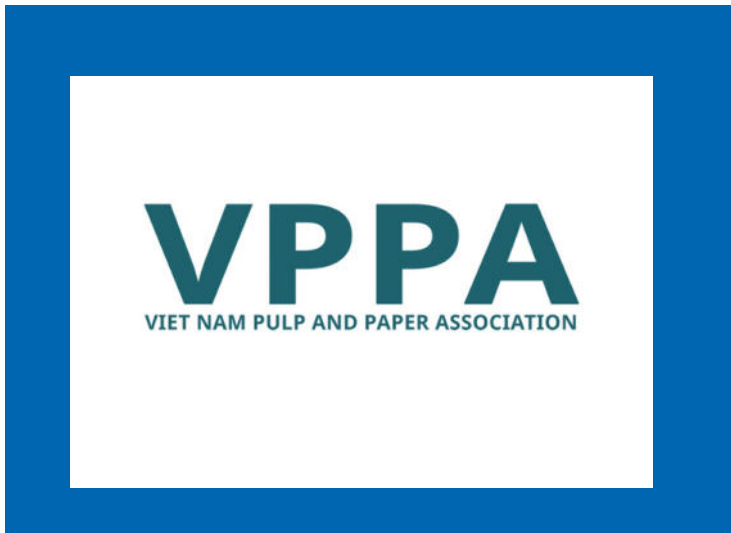
(*) **Kraftliner** is a high-quality industrial paper made from virgin pulp or a blend of virgin and recycled pulp. It is specifically used as the top and back liner in corrugated board structures. The surface is typically smooth, with excellent physical properties, including superior water resistance and burst resistance.

Association membership

Vietnam Pulp and Paper Association (VPPA)

The Vietnam Pulp and Paper Association (VPPA) is a professional organization that brings together businesses operating in the pulp, paper, and packaging industries. VPPA plays a key role in connecting its members, facilitating collaboration, and providing support in areas such as technical expertise, environmental practices, and market insights.

As a VPPA member, HHP actively shares our experience, stays updated on industry trends, and contributes our voice to advancing a greener, more circular paper industry in Vietnam.



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Sustainability Strategy

In 2024, HHP GLOBAL's journey in sustainable development is just beginning, and we recognize there is still much to learn, improve, and achieve. Nonetheless, we are determined to move forward with purpose and enthusiasm, setting clear goals from the outset to guide our efforts with focus and long-term commitment.

Our Board of Directors and Executive Leadership have outlined a shared vision for the Company's near future. This vision extends beyond simply becoming 'greener'; it sets a strategic direction for our operations and business growth, aiming to embed sustainability in every dimension of our development.



01

Focusing on stabilizing operations at the HHP Paper Hai Phong Factory and reaching its full production capacity of 100.000 tonnes per year by 2025, while also achieving full digital transformation by 2026.

03

Leveraging clean energy sources, minimizing the use of fossil fuels, and optimizing production processes to reduce greenhouse gas (GHG) emissions, HHP is firmly committed to achieving Net Zero emissions by 2035.

05

We are committed to improving the quality of life for our employees, targeting an average income five times higher than the regional minimum wage. This serves as a sustainable driver for both individual growth and the long-term success of the company.

HHP's Sustainability Vision

02

Beyond the scope of a single business, HHP aims to build an ecosystem of 20 sustainable enterprises within the HHP GLOBAL network by 2030. This will be a connected community of talent, bringing together collective intelligence and shared strength in pursuit of a common purpose: to create green, high-quality products that meet international environmental standards and to position HHP GLOBAL as a strong, trusted player in the global supply chain.

04

We are committed to achieving Net Zero by 2035 by transitioning to cleaner energy sources, significantly reducing fossil fuel consumption, and continuously optimizing our production processes to minimize GHG emissions.

To bring our strategic vision to life, HHP GLOBAL has built a set of goals centered around the three core pillars of ESG: Environment, Social, and Governance. These goals are shaped by the 12 key commitments outlined in our 2023 Sustainable Development Statement.

Environmental (E)

Focus area	Target	Progress in 2024
Greenhouse Gas Emissions	1 Reduce GHG emission intensity from 1,08 tCO ₂ eq/tonne of paper -> 0,30 tCO ₂ eq/tonne of paper	☐ Completed GHG inventory as a foundation for developing an emission reduction plan
	2 Achieve Net Zero by 2035	☐ Developed a strategy and roadmap to reach Net Zero by 2035
Energy	3 Increase the use of renewable and environmentally friendly energy sources, aiming to phase out fossil fuels: Increase Biomass use 28% -> 88% Decrease Coal use 61% -> 0% Decrease primary energy intensity: 13,44 GJ/tonnes -> 12,49 GJ/tonnes	☐ Biomass use reached 81% ☐ Coal use reduced to 19% ☐ Energy audit planned as a basis for developing a strategy to reduce energy intensity
	4 Reach 1.080 MWh of electricity from renewable sources	☐ Generated 607 MWh of renewable electricity (solar system partially damaged by Typhoon Yagi)
	5 Achieve 70% reuse of treated wastewater	☐ Wastewater reuse rate reached 61% maximum
Resources	6 Increase use of sustainably certified raw materials (ATFS, FSC, PEFC, SFI, etc.)	☐ Initiated supplier assessment plan for sustainability certifications of raw materials

Social (S)

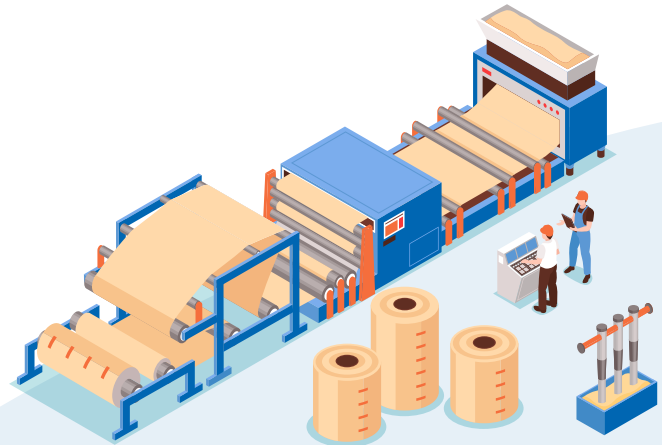
Focus area	Target	Progress in 2024
Education & Training	7 Achieve an average of 80 training hours per employee/ year 100% of employees participate in internal training to improve technical skills, understand core values, and develop emotional intelligence (EQ)	☐ Organized multiple training programs for staff, covering occupational safety, management competencies, leadership skills, and more ☐ In the process of building a data system to track training and development ☐ Completed Phase 1 of the “Journey to Create a Culture of Happiness” program
	8 Women in leadership roles ≥ 50% Female employees ≥ 30% of total workforce	☒ Women represented 50% among members of the Board of Directors ☐ Female employees accounted for 26% of the total workforce
Community Engagement	9 Actively participate in social initiatives, strengthen corporate social responsibility, and increase effectiveness in community contributions: Increase annual social contribution fund to grow by 10–20%	☒ Organized multiple charity and social welfare programs for the local community ☐ Began tracking community contribution data starting in 2024

Governance (G)

Focus area	Target	Progress in 2024
Technology Innovation	10 Complete the 3S iFactory smart factory project, leading digital transformation in the paper manufacturing sector	✔ Factory accepted and scheduled to complete trial operation phase by Q1/2025 ❑ Currently developing and standardizing internal processes and quality management systems in line with ISO 9001:2015 ❑ In the process of building and aligning the environmental management system with ISO 14001:2015
	11 Publish annual ESG reports starting from 2025	✔ Established a preliminary ESG data system ✔ Published the 2024 ESG Report
Disclosure & Transparency	12 Promote ESG awareness and practices among partner companies, supply chain stakeholders, and the broader HHP GLOBAL ecosystem	✔ Communicated the Sustainable Development Strategy Statement to stakeholders ✔ Conducted stakeholder surveys on ESG material topics ✔ Widely shared updates on sustainability practices via public and internal communication channels



*Each goal will be quantified and monitored through specific KPIs. In 2025, these indicators and targets will be reviewed and updated based on actual conditions and stakeholder feedback. At the same time, HHP is working to complete a centralized ESG data system to enable consistent tracking of KPI progress and performance comparison over the coming years.



Roadmap to Achieve Net Zero by 2035

HHP GLOBAL envisions becoming a pioneer in green transformation and sustainable development within Viet-nam's paper packaging industry, with a firm commitment to achieving Net Zero - zero net emissions, by 2035.

HHP's Net Zero strategy is focused on:

- Reducing GHG emissions across the entire value chain
- Strengthening emissions monitoring and ensuring greater data transparency
- Offsetting unavoidable emissions through verified carbon credit mechanisms

Phase 1 Foundation Stage (2025–2026)

- Conduct a comprehensive audit of resource efficiency and green-house gas (GHG) emissions.
- Establish a baseline emissions level and register emissions reduction commitments with the Science Based Targets initiative (SBTi).
- Deploy real-time resource monitoring systems (IoT-based) for energy, water, and waste.

Phase 1 Transition Stage (2027–2029)

- Achieve a Water Positive status through enhanced water reuse and rainwater harvesting.
- Reduce Scope 2 emissions by 90% by purchasing Green Power via Virtual Power Purchase Agreements (VPPAs).
- Optimize the existing 1,18 MW rooftop solar system and expand renewable energy capacity.

Phase 3 Leadership Stage (2030–2035)

- Reduce **Scope 1 emissions by 90%** through the use of biofuels, biogas, and electric vehicles.
- Cut **Scope 3 emissions by 90%** across the value chain; remaining emissions to be offset using high-quality, independently verified carbon credits.

01



02



03



Stakeholder Engagement Approach

At HHP GLOBAL, we understand that every business activity not only creates economic value but also leaves a lasting impact on the environment and the communities around us. Learning from past experiences, especially from our previous facility where concerns were raised by nearby residents, we made a conscious decision to move toward a more sustainable approach. The development of our new factory in an industrial zone, purposefully located away from residential areas and fully compliant with environmental regulations, reflects our strong commitment to responsible and sustainable growth.



At HHP GLOBAL, sustainable development goes beyond upgrading infrastructure or improving day-to-day operations. We believe that real sustainability comes from our ability to build and maintain transparent, trusted relationships with all stakeholders affected by our activities. Recognizing our role not only within the fiber-based packaging value chain but also in the broader socio-economic context, we view meaningful stakeholder engagement as a strategic cornerstone of long-term success. To ensure this engagement is both well-structured and responsive to each stakeholder group, we have adopted a two-step approach designed to support thoughtful and effective dialogue.

STEP 1: IDENTIFYING KEY STAKEHOLDERS

HHP conducted a thorough review of our entire business ecosystem to identify key stakeholder groups, including:

- Customers
- Suppliers
- Investors and shareholders
- Government regulators
- Local communities
- Employees
- Media partners and social organizations

The selection of key stakeholders was based on two main criteria:

- The level of mutual influence between HHP and the stakeholder;
- The frequency of interaction and degree of connection within the value chain.

Given limited resources, HHP prioritizes a focused engagement plan that concentrates on stakeholders with the greatest impact on the company's operations and long-term sustainability strategy.

STEP 2: TAILORING ENGAGEMENT AND COMMUNICATION

We adopt a flexible engagement strategy that is tailored to each stakeholder group, ensuring that the form, timing, and content of interaction are appropriate and meaningful. Our goals are to:

- Gather diverse and balanced feedback
- Understand stakeholder expectations more clearly
- Build a foundation for shared ownership in achieving ESG goals

The key engagement topics, methods of interaction, and update frequency were outlined in HHP's 2023 Strategic statement on sustainable development and ESG practices. In 2024, HHP has taken practical steps to strengthen stakeholder engagement and deepen connections across all levels.

Upgrading information systems for shareholders:

- Improve website interface for better accessibility and transparency
- Synchronize communication channels under the official company domain
- Strengthen the Investor Relations team to ensure faster and more professional responses

Creating space for internal dialogue:

- Organize regular sharing sessions for employees
- Encourage two-way communication on topics such as workplace environment, training, and corporate culture development through periodic anonymous surveys

Materiality Assessment

To better understand the positive and negative impacts of our operations across environmental, social, and governance (ESG) areas, HHP GLOBAL conducted a double materiality assessment in 2024. This marked an important step toward aligning our ESG priorities with the Company's long-term sustainability strategy. HHP's double materiality assessment follows a three-step process:

Step 1: ESG Practice Review

HHP conducted a comprehensive review of our business operations in relation to environmental, social, and governance (ESG) factors. This assessment was based on:

- International sustainability standards (GRI, SASB, SDGs);
- National laws and policies;
- Internal data collected throughout 2024.

Through this process, HHP identified 45 ESG topics directly relevant to the Company's operations

Step 2: Stakeholder Consultation

HHP conducted surveys with 115 individuals and organizations representing key stakeholder groups, including employees, customers, suppliers, investors and shareholders, affiliated companies, and the local community in Tien Lang Ward, where the HHP Paper Hai Phong Factory is located.

Each survey was tailored to its respective audience, focusing on the level of interest and concern stakeholders had regarding a range of ESG topics.

This helped narrow down the list of material issues. The surveys also included questions on service quality and collaboration, supporting our efforts to strengthen internal performance and deepen stakeholder engagement.

Step 3: Prioritizing Material Topics

After collecting and analyzing the data, HHP's Board of Directors, the Sustainable Development Strategy Subcommittee (ESG Subcommittee), and key company leaders, supported by a team of experts, identified the most material ESG topics based on two key criteria:

- Their significance to HHP (financial materiality)
- Their significance to stakeholders (impact materiality)

These prioritized topics now serve as the foundation for HHP's ESG action plans and guide the company's medium- and long-term strategic direction.

Commitment to Continuous Improvement

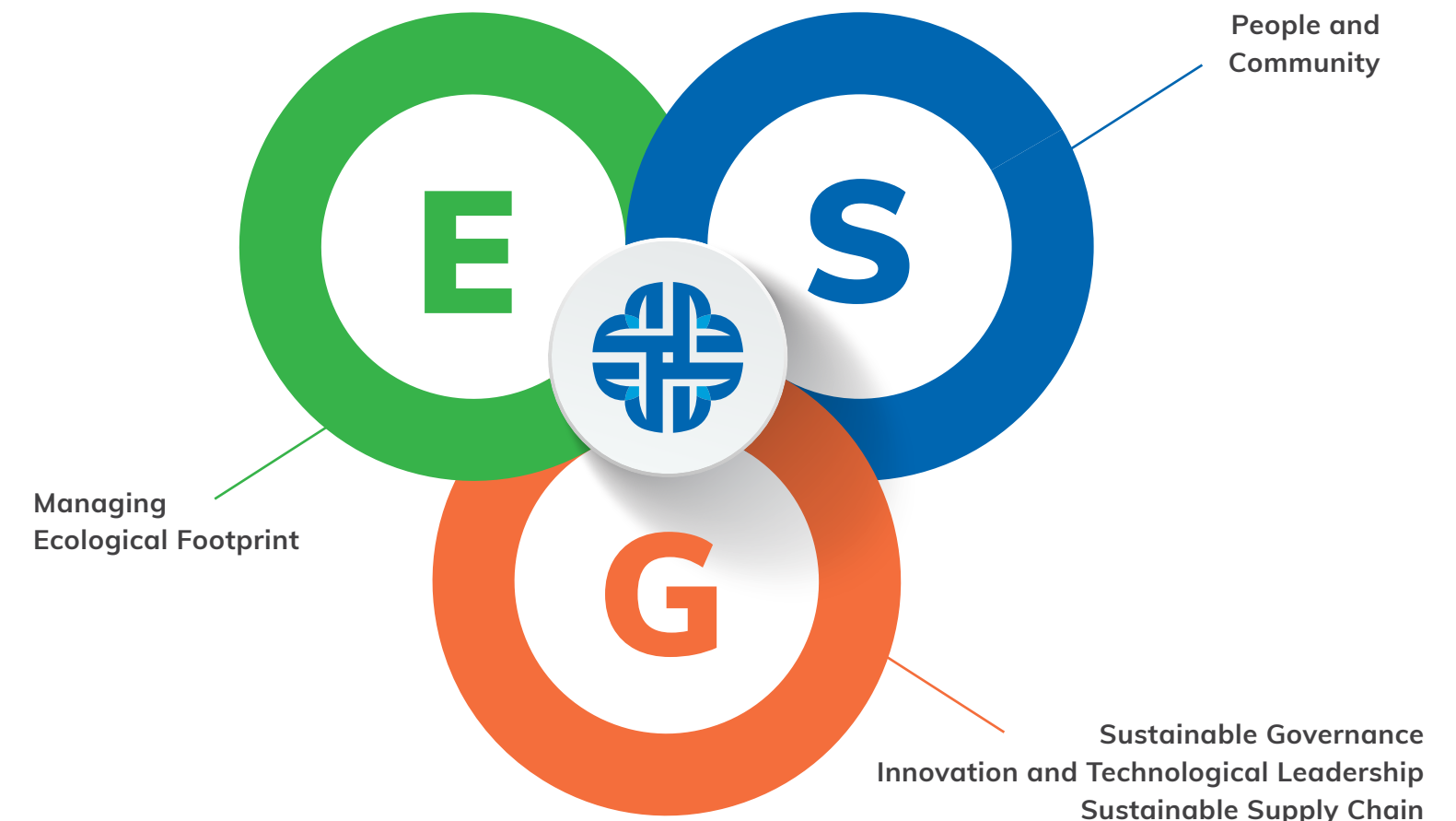
HHP openly acknowledges that our internal capacity for conducting double materiality assessments is still in the early stages, particularly in expanding stakeholder consultation and improving data collection. Nonetheless, we view this as an ongoing learning process and remain committed to the following actions:

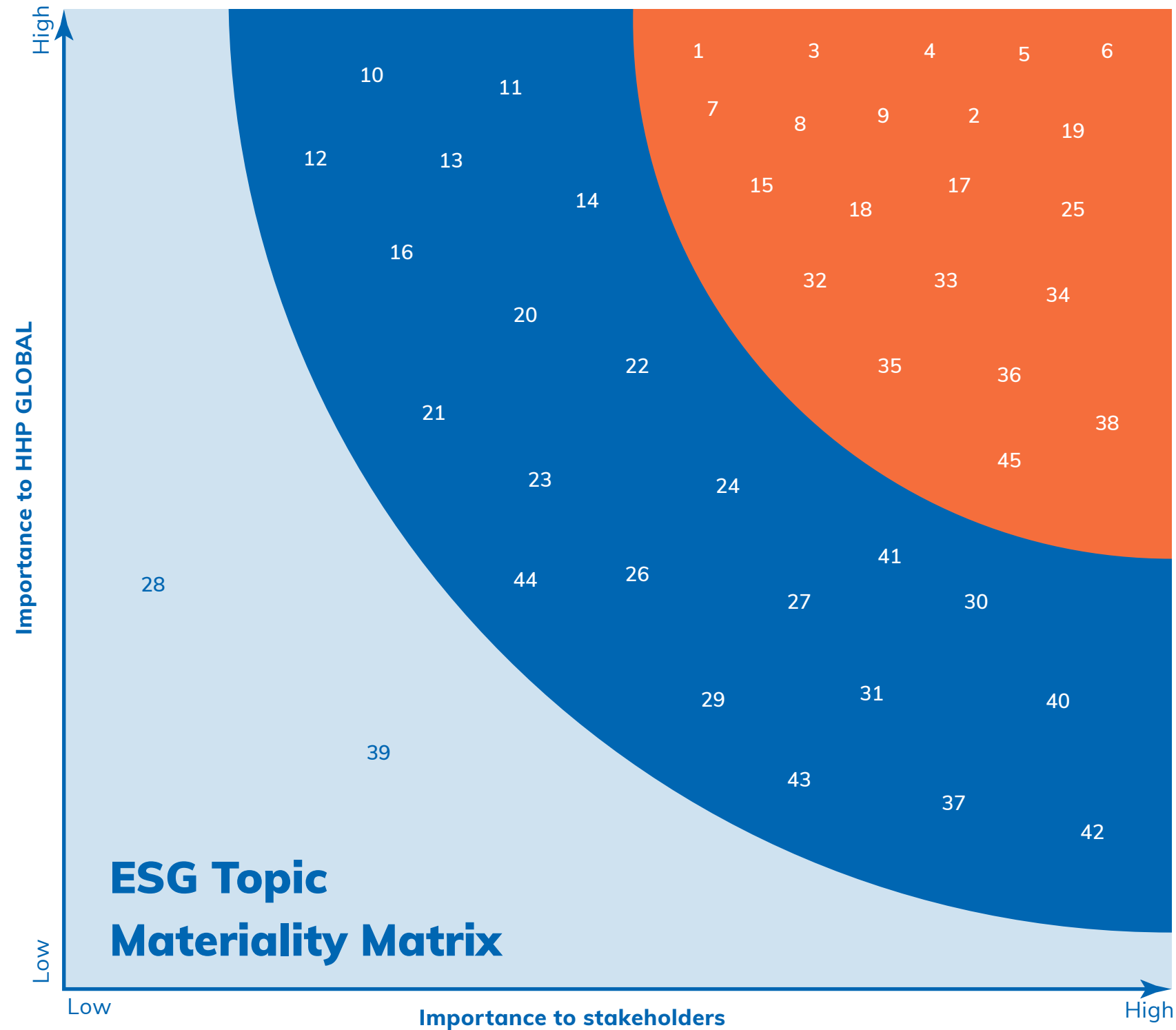
- Maintaining regular, annual stakeholder consultations
- Integrating ESG topics into customer, supplier, and employee surveys
- Organizing ESG awareness programs to foster shared understanding and engagement with stakeholders on our sustainability journey

Material Topics

Through the double materiality assessment process, HHP identified a set of key ESG topics for 2024. These are the issues that have the most significant impact on both the Company's operations and our stakeholders, shaping the direction of our current and future ESG strategies and actions.

From a total of 45 ESG-related topics across our value chain, 21 were identified as material. These are high-priority issues that require focused management. They have been organized into five core focus areas, which form the foundation of HHP's sustainability commitments.





ESG Topic Materiality

- 1 Greenhouse gas emissions
- 2 Water resources
- 3 Wastewater
- 4 Air emissions
- 5 Waste – Solid waste
- 6 Raw materials
- 7 Chemicals
- 8 Environmental management
- 9 Energy
- 15 Occupational health and safety
- 17 Education and training
- 18 Employee welfare
- 19 Human rights
- 25 Corporate culture and internal regulations
- 32 Corporate leadership
- 33 Data management
- 34 Risk management
- 35 Information transparency
- 36 Anti-corruption, anti-bribery, and integrity
- 38 Supply chain management
- 45 Technological innovation

- 10 Environmental impact assessment
- 11 Deforestation
- 12 Noise
- 13 Vibration
- 14 Temperature
- 16 Working hours
- 20 Compensation and wages
- 21 Freedom of association and collective
- 22 Child labor
- 23 Forced labor
- 24 Diversity, equity, and inclusion
- 26 Local community engagement
- 27 Product quality and safety
- 29 Disciplinary practices
- 30 Employment contracts
- 31 Data privacy and information security
- 37 Ethical governance
- 40 Tax
- 41 Fair competition
- 42 Incentive mechanisms
- 43 Governance structure
- 44 Marketing, communication, and labeling
- 28 Discrimination
- 39 Stakeholder relationship management

ENVIRONMENTAL STEWARDSHIP

MANAGING ECOLOGICAL FOOTPRINT

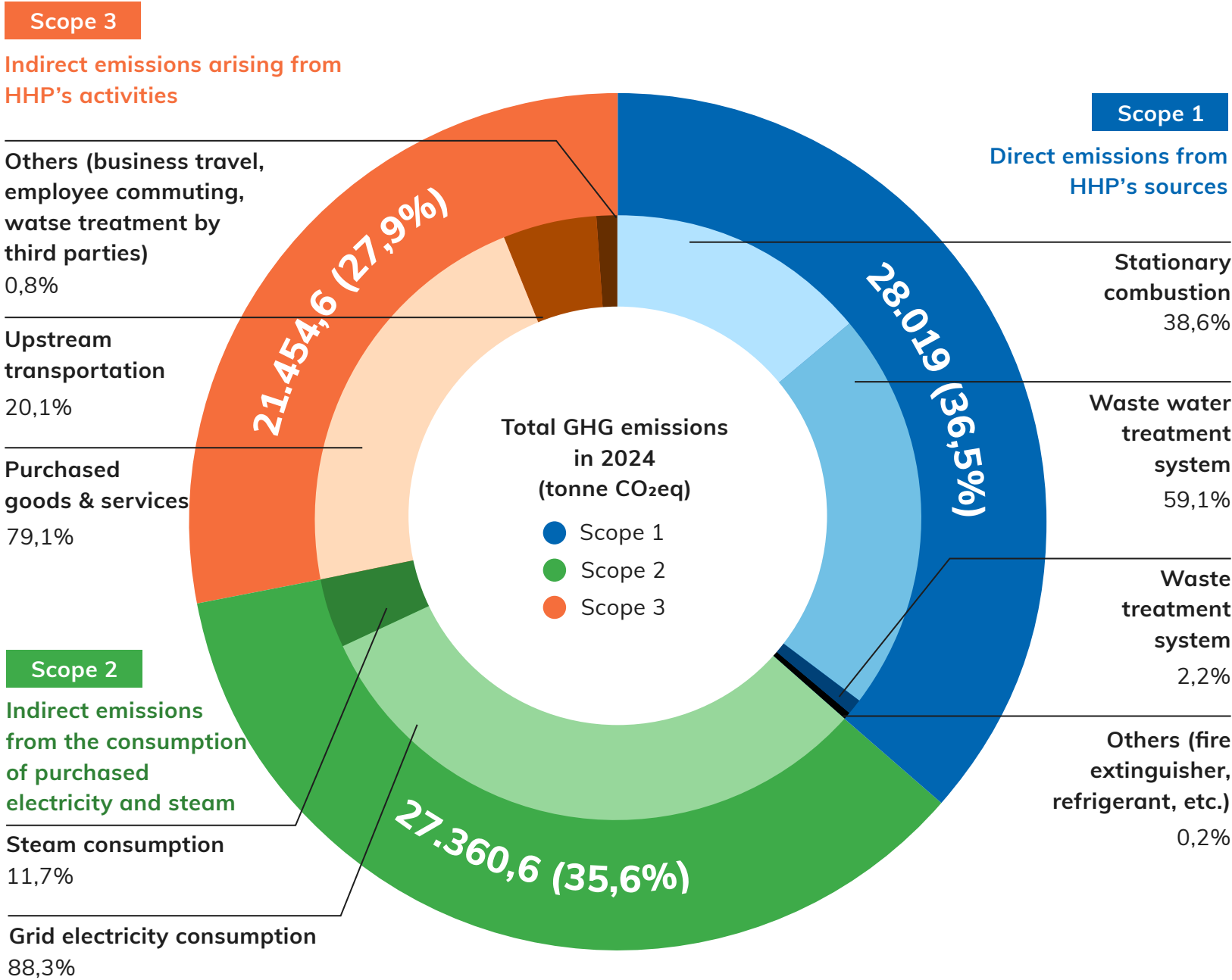
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As one of the largest paper manufacturers in Vietnam, we understand that sustainable growth must go hand in hand with environmental responsibility. Recognizing our role in supporting the country’s journey toward net-zero emissions by 2050, HHP has adopted a green development strategy as the guiding principle for all our operations. We actively integrate greenhouse gas reduction measures, efficient water resource management, and systematic waste handling into our production processes. This comprehensive approach not only enhances operational performance but also helps strengthen trust with regulators, investors, and communities, all of whom are placing increasing expectations on our environmental commitments.



MANAGING ECOLOGICAL FOOTPRINT

Greenhouse Gas Emissions



Being classified as a major emitter nationwide requires HHP to conduct regular greenhouse gas inventories. We see this not only as a compliance obligation but also as an opportunity to innovate, optimize our operations, and generate long-term value for the climate, our communities, and our investors. By actively reviewing our production processes, we have identified stages with high emission risks and prioritized the implementation of appropriate technological solutions.

One of the key solutions HHP has adopted is investing in a Circulating Fluidized Bed (CFB) boiler system. This advanced technology enables the efficient use of biomass and agricultural or forestry by-products as alternatives to coal, while also allowing for the safe treatment of common industrial waste. By doing so, it supports the company's broader goal of promoting resource circularity and reducing environmental impact.

By switching to biomass, HHP has significantly reduced emissions of SO₂, NO_x, and CO₂ compared to traditional coal combustion. Biomass produces 60 to 90 percent less carbon emissions than coal, making it a critical contributor to the company's efforts to lower total greenhouse gas emissions. With output emissions meeting the national standard QCVN 30:2012/BTNMT, this technology marks a major step forward in HHP's strategy to cut emissions and advance a circular economy approach.

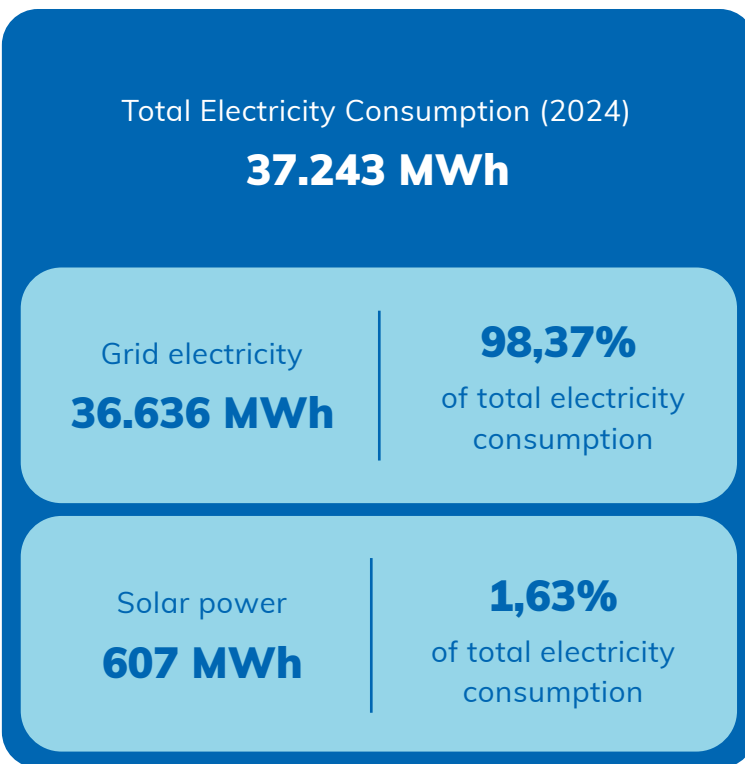


At the same time, HHP has installed a rooftop solar power system at the factory, which is expected to reduce electricity consumption from the national grid by approximately 3 percent. This contributes to lowering emissions associated with grid electricity. The solution not only provides a stable source of renewable energy but also plays a practical role in HHP's carbon reduction roadmap and efforts to adapt to climate change.

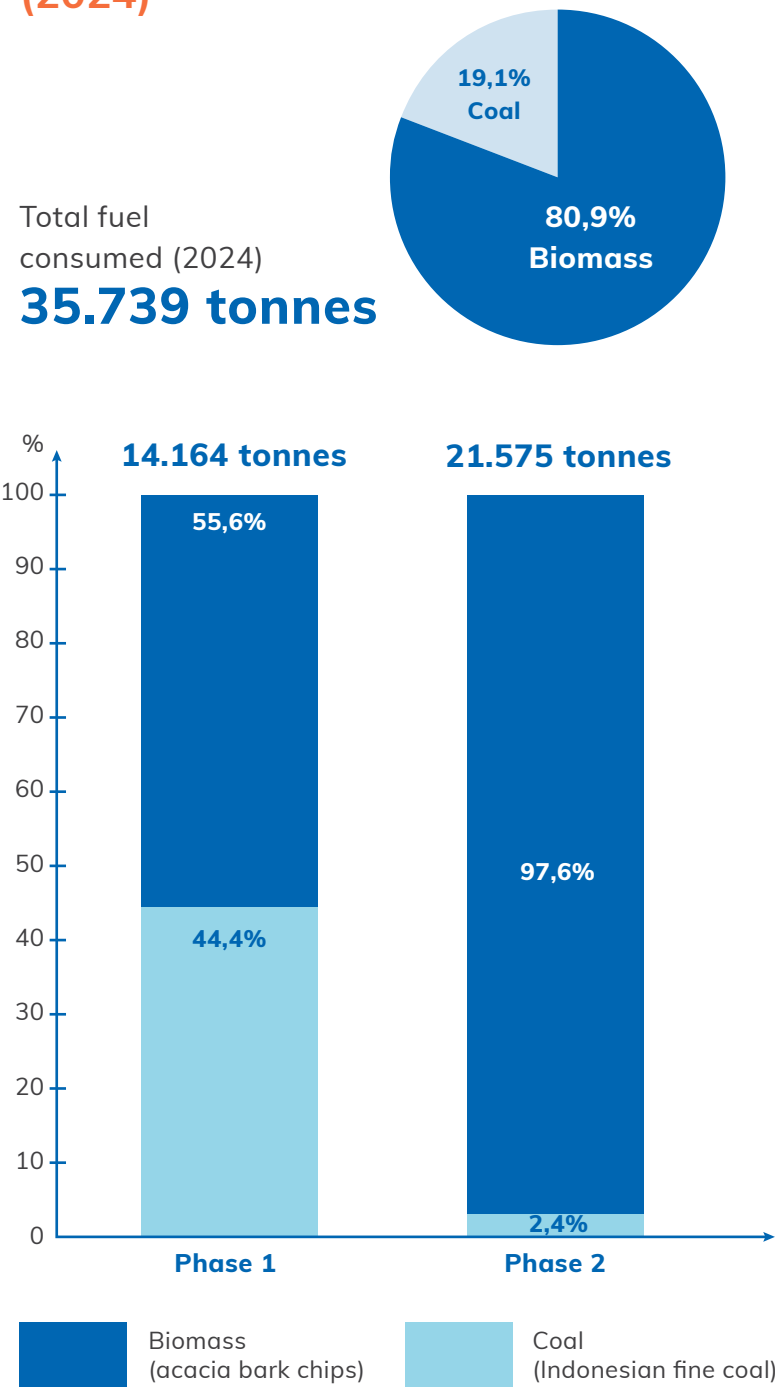


Energy

As one of the most energy-intensive industries in Vietnam, the paper manufacturing sector is facing increasing pressure to restructure its energy model toward greater efficiency, cleaner sources, and higher adaptability. Given the significant electricity and thermal energy required for processes such as pulping, pressing, and drying, energy is not merely a production cost. It has become a key indicator of competitiveness in the low-carbon economy.



Fuel Use for Steam Generation (2024)



In 2024, steam usage was divided into two phases: from January to May (Phase 1), HHP generated our own steam for production purposes; and from June to December (Phase 2), the Company sourced steam from an external supplier. With biomass accounting for approximately 81 percent of total fuel consumption, the Company has been actively reducing our reliance on high-emission fossil fuels such as coal and replacing them with renewable, environmentally friendly alternatives. Among these, chipped acacia bark has been selected as the primary biomass fuel due to its compatibility with the circulating fluidized bed boiler technology currently in use at the factory. This technology enables efficient combustion of fuels with high moisture content and larger particle sizes, helping to optimize energy conversion and achieve high thermal efficiency.



Circular Energy Solutions

Beyond switching fuels, HHP is actively promoting a circular energy model. The Company has piloted the use of internal plastic scrap as an alternative fuel and is studying the potential for recovering and reusing sludge from the wastewater treatment system. These initiatives not only help reduce operational and waste management costs but also create new value from resources that were previously considered surplus or waste.

Energy Management

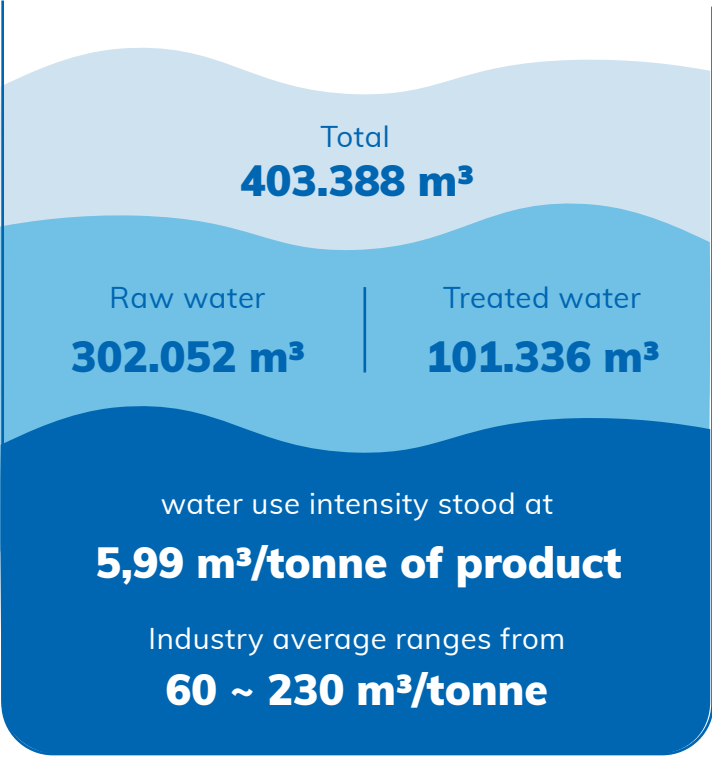
Understanding that technology is only part of the solution, HHP also places strong emphasis on people in our energy management strategy. A series of internal initiatives have been rolled out across the company:

- The implementation of system-wide regulations on efficient use of resources and energy;
- Regular internal communications through posters and messages to encourage energy-saving habits;
- The adjustments to work schedules to optimize the operation of high-energy-consuming equipment and reduce losses.

From how machines are operated to the daily habits of each employee, every small action at the factory contributes to building a more energy-efficient and sustainable production environment.

Water Resources

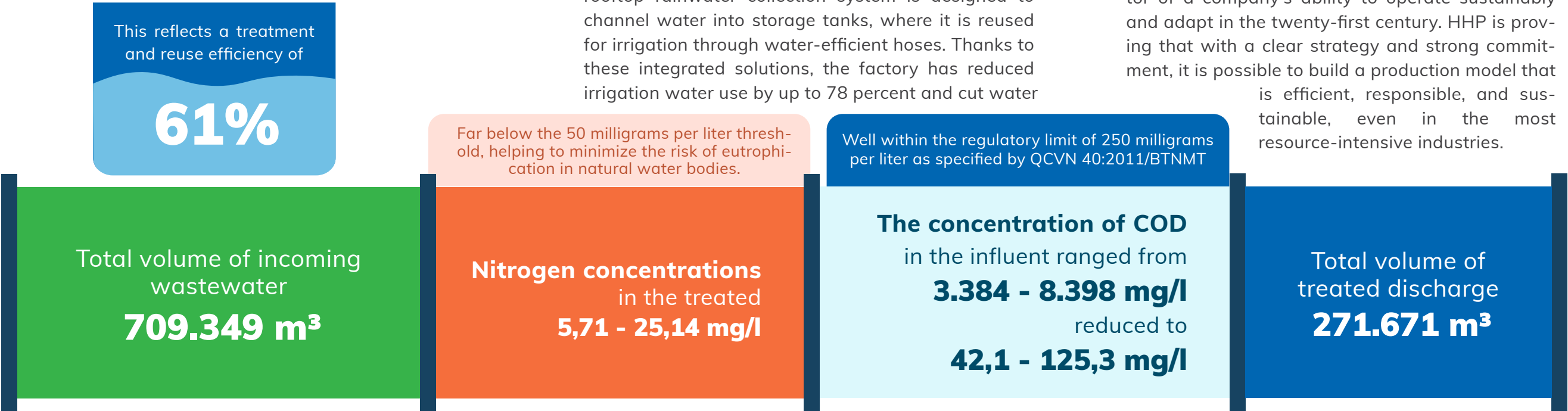
As one of the most water-intensive industries, paper manufacturing is under increasing pressure to optimize water resource management. Committed to strictly complying with regulations on water extraction and discharge, HHP has proactively developed a comprehensive strategy to use water more efficiently. This strategy focuses on three main pillars: reducing consumption, increasing reuse, and improving water efficiency per unit of product.



Advanced Wastewater Treatment

With a modern and high-standard treatment system, HHP is proactively managing our wastewater discharge to minimize negative impacts on the surrounding environment.

The Company operates a centralized wastewater treatment facility with a capacity of 3,500 cubic meters per day and night, which handles all production, domestic, and stormwater at the factory. The system is fully enclosed and designed with three levels of treatment: primary (sedimentation and oil separation), secondary (biological and chemical treatment), and advanced (MBR membrane filtration and UV disinfection). This process ensures that the treated effluent consistently meets and exceeds current environmental standards, including QCVN 40:2011/BTNMT for the paper and pulp industry and QCVN 35:2016/BTNMT for domestic wastewater, with a strong focus on key indicators such as BOD, COD, and TSS.



Smart Reuse

Beyond treatment, HHP actively promotes a multi-level water reuse model. From recovering clean water from pressure screens to reintegrate into the production process, using Superclear water for equipment cleaning, to reusing treated water in pulp beating and cooling systems, every opportunity to conserve water is put into practice. Notably, HHP prioritizes the use of recycled and rainwater for non-potable purposes such as landscape irrigation and factory cleaning. This approach helps reduce pressure on newly extracted water sources and reinforces our commitment to responsible water resource management.

Internal roads at the facility are paved with permeable bricks that allow rainwater to naturally seep into the ground. This helps replenish groundwater sources and reduces the risk of local flooding. At the same time, the rooftop rainwater collection system is designed to channel water into storage tanks, where it is reused for irrigation through water-efficient hoses. Thanks to these integrated solutions, the factory has reduced irrigation water use by up to 78 percent and cut water

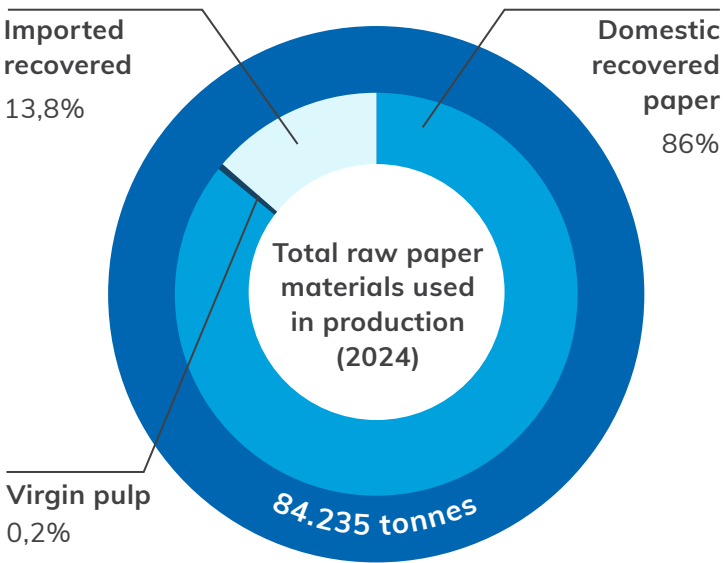
consumption for sanitation equipment by 47 percent compared to conventional levels. Looking ahead to 2025, HHP aims to increase our water reuse rate to at least 65% and reduce new water extraction by 5% compared to 2024.

The Company plans to invest in treatment technologies targeting halogenated organic compounds (AOX) and total dissolved solids (TDS), allowing for better control of potential impacts on water quality. Alongside these technical solutions, HHP is committed to enhancing transparency in environmental reporting by regularly disclosing key indicators such as BOD, COD, and TSS. The Company also aims to expand internal training programs on water conservation to engage all employees in responsible water management practices.

Water is not just a vital input but also a key indicator of a company’s ability to operate sustainably and adapt in the twenty-first century. HHP is proving that with a clear strategy and strong commitment, it is possible to build a production model that is efficient, responsible, and sustainable, even in the most resource-intensive industries.

Raw Materials

Faced with the dual pressures of supply chain challenges and the need to reduce environmental impact, we prioritize the use of recovered paper to lessen reliance on virgin resources, protect forests, and lower emissions.



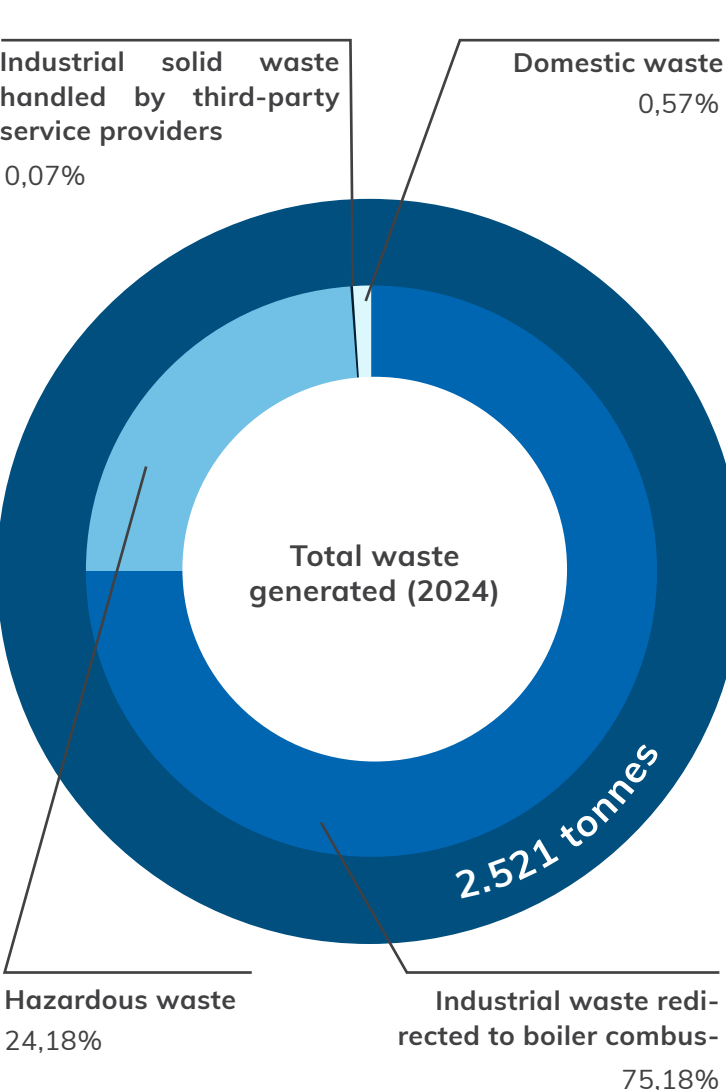
Domestically sourced recovered paper accounts for the majority of our input materials. This helps HHP reduce logistics costs, limit indirect emissions (Scope 3), and enhance production flexibility. At the same time, we continue to use virgin pulp in select product lines to ensure consistent quality for premium-grade offerings to meet stringent customer standards.

We continuously improve our technology to enhance material efficiency. Investments in sand settling channels and fiber recovery equipment have helped minimize production losses while making better use of internal waste streams, such as those from secondary pressure screens. These recovered materials are repurposed as valuable inputs for other product lines, including Medium and Kraftliner, turning waste into input materials.



Waste

The year 2024 marked a strategic turning point in HHP's waste management approach. The company shifted from conventional collection and treatment methods to a model centered on reduction, reuse, and recycling, guided by circular economy principles.



For industrial waste, including slag and bottom ash with hazardous components, fly ash containing dioxins/furans, sludge from the wastewater treatment system, soft packaging, and filter materials contaminated with toxic substances with total volumes reaching hundreds of tonnes per month, HHP applies solidification/stabilization methods to immobilize hazardous substances during transportation and storage, minimizing the risk of environmental release. At the same time, part of the sludge is treated through incineration, effectively reducing waste volume and eliminating dangerous components.

For non-recyclable waste, especially hazardous waste, HHP ensures that all materials are transferred to treatment providers licensed by the Ministry of Agriculture and Environment. However, the company acknowledges existing gaps in monitoring treatment outcomes and tracking third-party transportation processes. Addressing these challenges is a priority, and HHP is committed to improving oversight in the future.

HHP has set a long-term goal to gradually increase the recycling rate while reducing waste generation at the source through technological improvements and greater internal awareness. In the coming period, the Company is committed to establishing a monitoring and measurement system, aiming to transparently disclose recycling indicators in future sustainability reports.

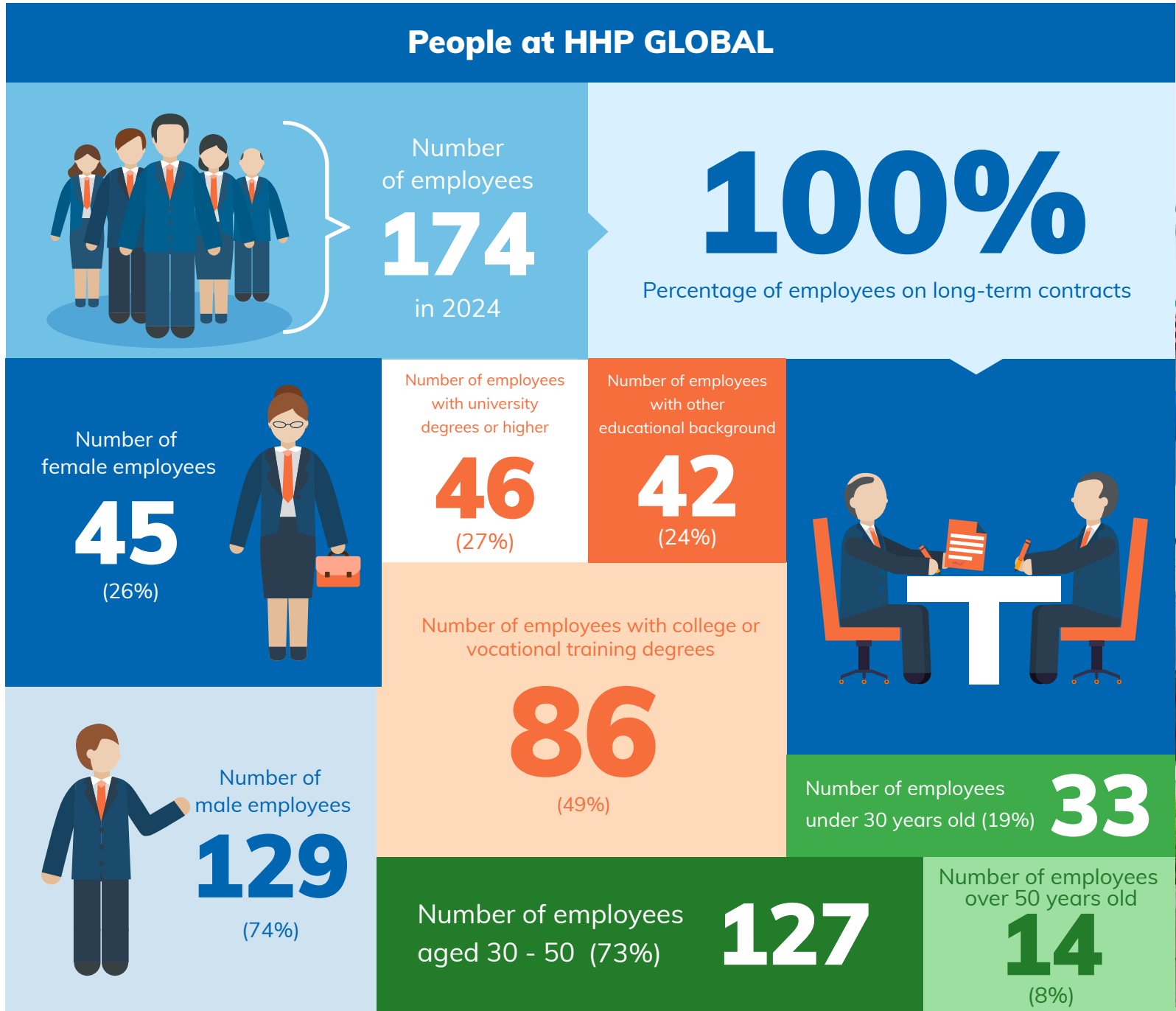
SOCIAL RESPONSIBILITY

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PEOPLE & COMMUNITY



Organization Culture

Journey to Create a Culture of Happiness

With the motto “Happy Employees, Happy Company,” HHP has set ourselves an ambitious and bold goal: 100% of our staff participating in emotional intelligence (Emotional Quotient - EQ) training and development. HHP aims to bring satisfaction and joy at work to at least 90% of our employees, building a “Happy Family” together and striving to become one of Vietnam’s leading Happy Enterprises by 2030.

To realize this vision, in May 2024, HHP partnered with One Life Connection (OLC) Consulting & Training Co., Ltd. to launch the program “Improving management capacity and Developing emotional intelligence” under the theme Journey to Create a Culture of Happiness. The program was supported by the Pioneer Enterprise Support component of the USAID-funded IPSC (Improving Private Sector Competitiveness) Project.

After three months of implementation, HHP members completed two 28-day EQ training cycles and took part in the Phase 1 wrap-up event - a team-building program titled Moving Forward Together - Breaking Through to Success - held at Hon Dau Beach, Hai Phong City. The experience helped foster a deeper sense of connection and a stronger awareness of the importance of happiness at work. Many employees have since begun cultivating positive habits, such as managing their emotions at work, embracing a learn-think-do mindset, slowing down, listening more attentively, and sharing more openly.



In addition to the Journey to Create a Culture of Happiness project, the Company also continues our weekly Monday vvSharing sessions, with the participation of the Company leadership and representatives from various departments. Each week, team members come together to discuss a topic related to personal development or one of the Company’s six core values.

We also organize various activities and contests to encourage all employees to learn about and live by these values - such as writing poems and essays themed around the Company’s core values, EQ training and practice sessions, and volunteer initiatives. Internal training sessions on specialized topics are also integrated into collective activities such as team-building events, anniversaries, and galas.

Company Regulations & Code of Conduct

Given the high work intensity and strict quality requirements, discipline is a top priority at HHP to ensure smooth and uninterrupted operations. Discipline not only helps employees fulfill their duties effectively but also contributes to building a friendly and healthy work environment.

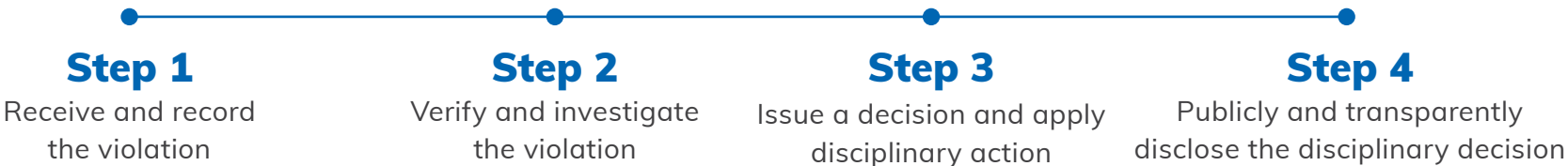
In the 2024 Internal Labour Regulations (ILR), the Company clearly outlines provisions related to general order; occupational safety and hygiene; protection of rights, assets, trade secrets, and proprietary technologies; business ethics; conflict of interest; and the prevention of workplace harassment.

Type of Violation	Number of Cases	Details	Corrective Actions
Violation of company regulations	4	- Causing damage to the Company’s rolling door and perimeter wall while driving during goods dispatch - Losing company-assigned equipment (2 mobile phones) - Smoking in non-designated areas	The direct management unit reported the incidents to the HR & Administration Department to issue official violation records. Employees were required to compensate for lost or damaged assets, and administrative penalties were applied according to the Company’s internal regulations.

Summary of violations of internal labour regulations

To support employees in adhering to company regulations, HHP displays the rules on notice boards at entrances to office and production areas, as well as having them printed in employee handbooks. In addition, the Company provides regular training, supervision, and reminders to ensure compliance.

When a violation is detected, the Company handles each case through the following four-step process:



Occupational Health & Safety

Due to the nature of the paper manufacturing industry in Vietnam and globally, workers are often required to perform physically demanding tasks in environments with high risk of accidents. As such, occupational health and safety (OHS) is a top priority at HHP, because it is directly tied to our company's most valuable asset: the people. Through workplace risk assessments, HHP has identified key hazards, including: accidents during machine operation and chemical handling, risks of fire and explosion, and the possibility of wastewater or chemical spills.

Number of workplace accidents, injuries, or occupational illnesses	0
Personnel responsible for health and occupational safety	22
OHS supervisors per shift	7

To mitigate these risks, HHP has issued internal regulations on security, safety, and occupational hygiene as part of our ILR, which has been officially approved by the Department of Labor, War Invalids and Social Affairs of Hai Phong City. These regulations are communicated and applied company-wide. The security, safety, and occupational hygiene regulations set out provisions aimed at creating and maintaining the highest level of safety for all employees, including, for example:

- Employees are not permitted to use equipment or tools outside of their assigned responsibilities, nor to allow others who are not trained in safety procedures to use their equipment.
- Employees with contagious or infectious diseases will be isolated as advised by medical professionals.
- Employees must strictly comply with fire prevention and safety regulations.
- The Company requires all employees to attend training sessions, follow OHS regulations, participate in first aid activities in the event of an accident, and promptly report any unsafe or unsanitary conditions at the workplace - while also taking appropriate measures to mitigate risks and their impacts.
- Employees have the right to refuse to work in areas with clear signs of occupational hazards until those risks are properly eliminated.
- Employees are provided with uniforms, clothing, and personal protective equipment (PPE), and are required to use them as specified by the Company when performing assigned tasks.
- Employees may only smoke in designated smoking areas



To ensure that all employees fully understand and comply with these regulations, regular occupational safety training is provided, categorized into the following groups:

- 1

Group 1: Managers responsible for OHS
- 2

Group 2: OHS officers
- 3

Group 3: Employees performing tasks with strict occupational safety and hygiene requirements
- 4

Group 4: Employees not included in Groups 1, 2, 3, or 5 under the six official safety training categories
- 6

Group 6: Workplace safety and hygiene representatives

From the Company's and management team's side, to ensure occupational health and safety, HHP consistently:

- Maintains and updates records on the distribution of personal protective equipment (PPE), issuing it as needed
- Monitors employees' compliance with PPE use and safety protocols
- Provides occupational safety training for employees
- Assesses, identifies, and addresses potential OHS risks

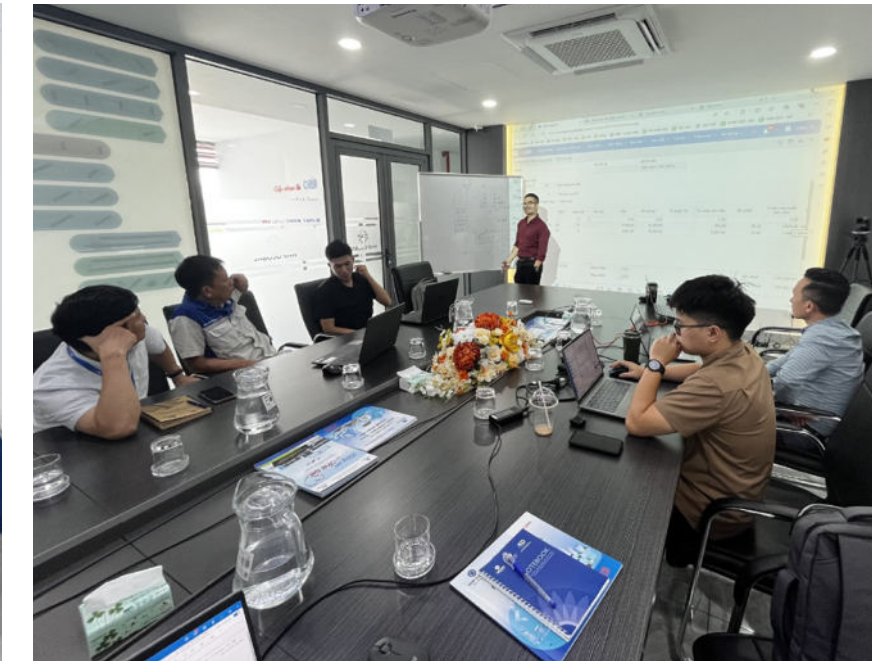
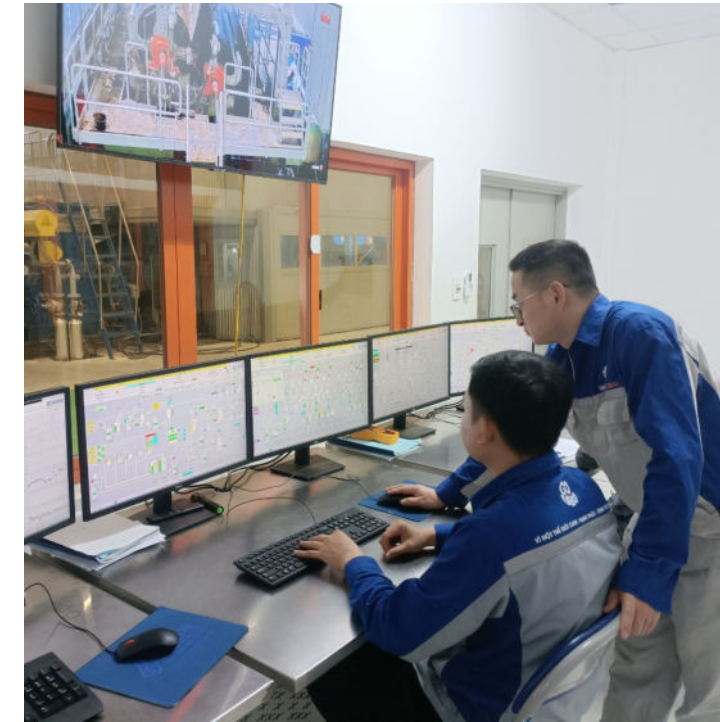
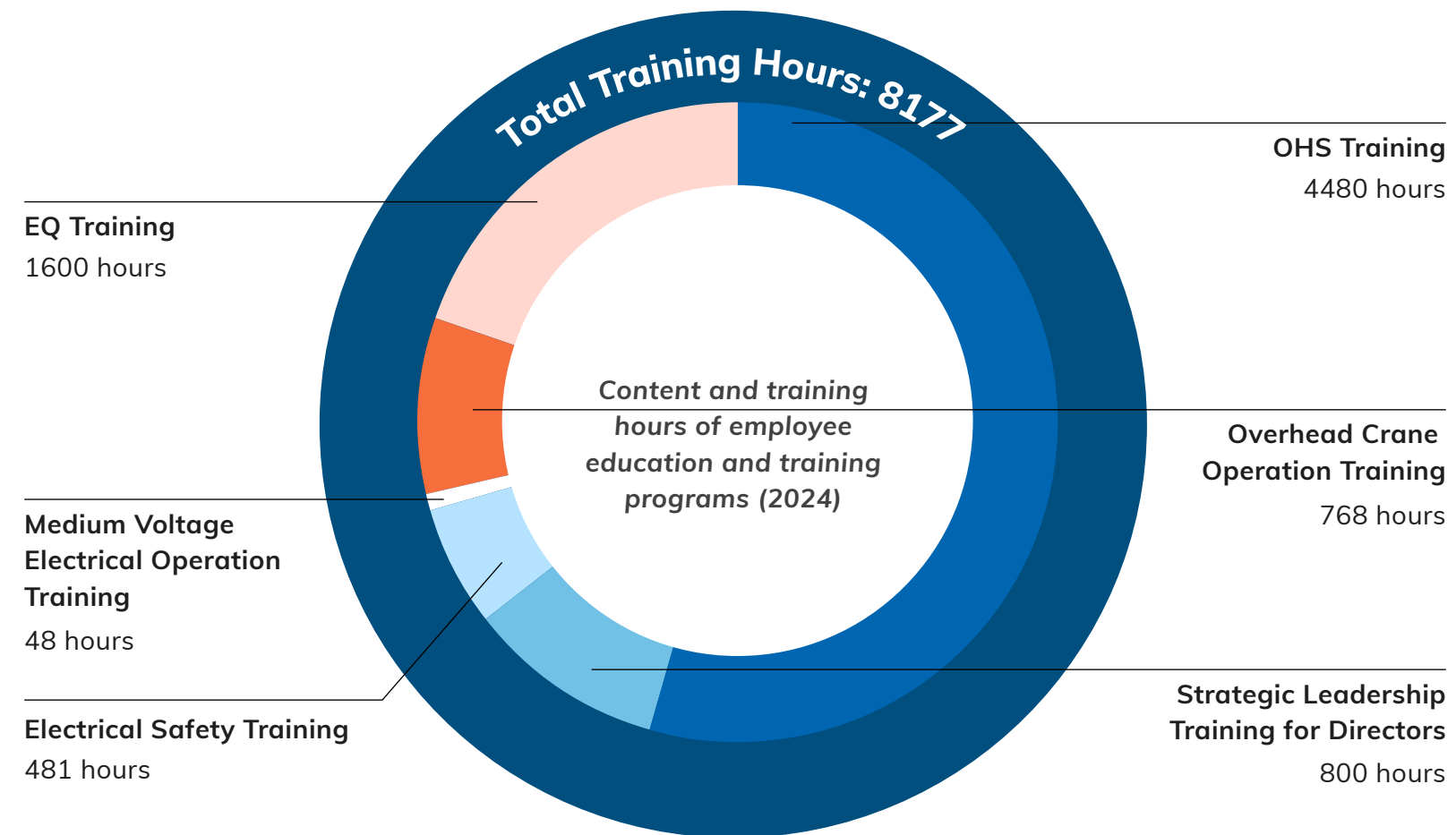


HHP uses and stores a large volume of chemicals each year, which poses high risks of fire, explosion, and chemical leaks. To manage these risks, HHP has issued a dedicated Chemical Safety Regulation, publicly displayed in high-risk areas such as production workshops and chemical storage facilities. This regulation clearly outlines: chemical signage, general requirements, emergency response procedures, first aid, waste handling, and emergency contact information. In addition, we have developed preventive measures and chemical incident response plans in accordance with current legal standards and regulations.

Our goal is to prevent any workplace accidents or chemical incidents, thereby ensuring a safe and clean working environment for everyone. In addition, we aim to improve employee health through sports activities such as organizing running and football tournaments. Regarding OHS, we actively welcome and incorporate feedback from all employees throughout the development, implementation, and evaluation of the OHS management system.

Training & Education

People are HHP’s most valuable asset. We are committed to investing in our team and ensuring the best possible conditions for our employees to grow and thrive. The Company regularly conducts performance evaluations for all staff, identifying strengths and areas for improvement to support professional development and enhance overall productivity. We also encourage and facilitate staff participation in training programs and specialized workshops designed with high practical relevance and tailored to individual roles and expertise.



We will continue to organize training programs to supplement and update professional knowledge for all employees, aiming to achieve an average of 80 training hours per person per year, as committed.

Employee Rights & Well-being

As most of our production workforce consists of unskilled and semi-skilled labor, the risk of low employee retention poses a challenge for HHP. Therefore, we are committed to providing comprehensive benefits and ensuring the most favorable conditions to encourage long-term engagement.

The Company's leadership has implemented a fair salary mechanism along with various policies to support employees' livelihoods, offering a professional working environment with steadily increasing income. All staff are entitled to benefits such as life insurance, health insurance, disability income protection, maternity leave, retirement funds, and employee stock ownership plans.

In collaboration with the Trade Union, the Company fully implements employee benefits including sick leave, maternity leave, bereavement support, and organizes regular outings and company retreats. Annual health checkups are also provided for all employees in accordance with regulations.

For employees facing difficult circumstances, the Company and Trade Union Executive Committee provide timely care and support. For example, at the end of 2024, during the "Spring of Connection – Giving Love" Year-End Celebration, HHP presented 18 gift packages to employees in need, uplifting their spirits for a joyful and peaceful new year.



HHP strongly upholds the value of gratitude and appreciation for the parents of our staff who have raised and nurtured the people contributing to HHP's growth. On the 4th day of Lunar New Year each year, the Company visits and offers New Year wishes and longevity gifts to the parents of employees who are aged 70, 75, 80, 85, 90, and beyond. This meaningful tradition is a cherished part of HHP's corporate culture that we proudly preserve and promote.

Beyond these ongoing benefits, HHP also holds quarterly and annual award ceremonies to recognize and reward outstanding individuals and teams for their contributions and initiatives that enhance work efficiency. Awards are based on achievements such as cost savings, technical improvements, process innovations, customer and market development, and exceptional performance—contributing to business efficiency and waste reduction.

We place strong emphasis on workforce development by promoting our Mission – Vision – Core Values and Corporate Culture, with the aim of making HHP a second home which is a shared home for all employees. It is a place where every individual is empowered to grow, contribute, be appreciated, and receive well-deserved recognition and care. As a result, the majority of our employees, especially key personnel who have shown a deep commitment to staying with the Company for the long term.

Community & Local Economy

Community Investment

Investment in infrastructure and supporting services plays a vital role in economic development, not only for businesses but also for local communities. Guided by this principle, HHP is committed to continuing our meaningful contributions to every locality where we operate.

In 2024, the commissioning of the HHP Paper Hai Phong Factory (with a capacity of 100,000 tonnes/year) effectively addressed environmental concerns while also generating new employment opportunities for workers in Tien Lang Ward, thereby contributing to livelihood stability and regional economic growth.

HHP is also actively conducting research, surveys, and outreach to identify culturally aligned, high-potential enterprises for future collaboration. Following this direction, the Company expanded our production capacity by investing in other paper manufacturing units, and officially became the parent company of Phu Yen Hoang Ha Phu Yen Paper Joint Stock Company in January 2024.

With its large scale and modern technology, the paper factory project located in the Bac Song Cau Industrial Park (Phu Yen), scheduled to begin operation by the end of 2025 with a capacity of 100,000 tonnes per year, is expected to become the largest paper mill in the Central region. The project aims to generate new employment opportunities, boost supporting industries, and create positive ripple effects for the local economy.

Community Engagement

HHP is also committed to contributing to social welfare efforts, with the desire to support local communities. In 2024, the Company allocated over VND 500 million to charitable activities. This was also the first year we conducted an impact assessment on local residents' livelihoods through our stakeholder consultation program. Through this process, the leadership team received and reviewed valuable feedback to inform appropriate improvement plans.



Giap Thinh Lunar New Year Gift - Giving Program - January 2024



Charity Program - La Vang Retreat Home - March 2024



Company leadership offered longevity gifts to the parents of employees who are aged 70, 75, 80, 85, ...



Made 250 million VND contribution to the “Beautiful school for children” project at Sin Chai Minority Secondary School, Dien Bien province



Awarded certificates of merit and presented gifts to outstanding individuals

GOVERNANCE

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Governance is an essential tool in transforming a company’s vision into concrete value. With this in mind, HHP has taken the initiative to establish and sustain an integrated ESG governance framework to manage risks and impacts effectively across our operations. This framework facilitates close coordination between the Board of Directors (BoD) and Executive Management, ensuring consistent oversight and guidance on ESG matters through clearly defined responsibilities from strategy to execution.



SUSTAINABILITY GOVERNANCE

Sustainable Leadership

The BoD plays a pivotal role in steering the Company’s sustainable development strategy. As the highest governing body, it monitors the progress of implementation and ensures that sustainability principles are firmly embedded in the Company’s long-term vision.



Nomination and Appointment Mechanism for Board Members

At HHP, the nomination and selection of members of the BoD and specialized committees are guided by the principles of transparency, democracy, and strict adherence to regulations. The Company actively encourages shareholder participation in nominating candidates who demonstrate competence, experience, and strong professional ethics, thereby contributing to the development of a capable and effective Board.



We place strong emphasis on diversity and independence within our BoD and Executive Team, as we believe this enhances multi-dimensional perspectives and critical thinking in strategic decision-making. Our independent board members often take on important roles in specialized sub-committees, helping to ensure objectivity and minimize potential conflicts of interest.

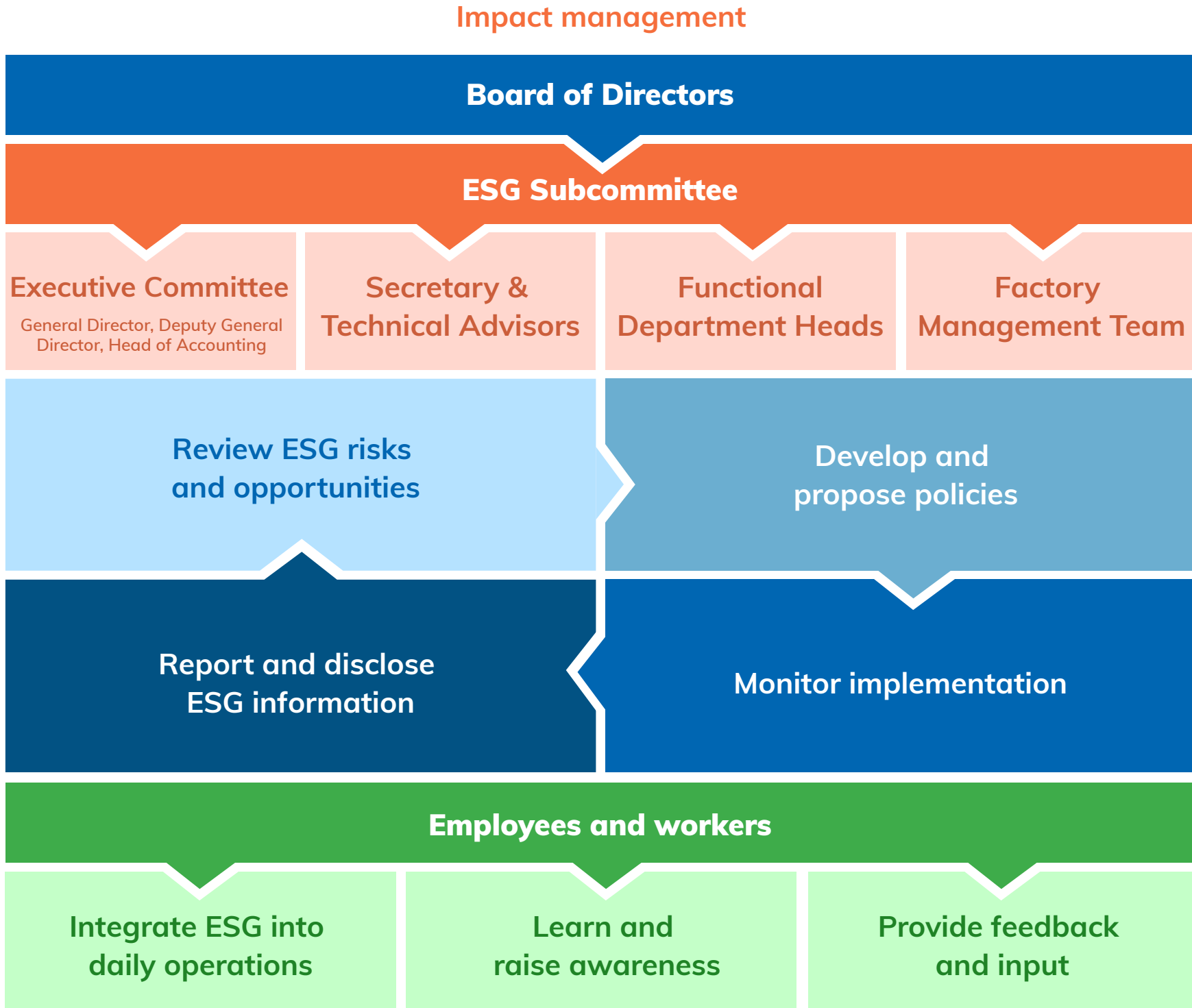
HHP takes particular pride in being a woman-led enterprise. Women consistently make up more than 50% of our leadership team - both at the board level and in executive management. This reflects our deep commitment to promoting gender equality and fully harnessing the leadership ability of women in business.



ESG Subcommittee

To support the BoD in overseeing and delivering on the Company's sustainable development goals, HHP has established a dedicated ESG Subcommittee under the Board. The Subcommittee is chaired by the General Director, who coordinates ESG initiatives, directs their integration into business plans and operations, and reports progress directly to the Board.

The Subcommittee includes members of the Executive Team and key department representatives such as the Head of Human Resources, the Chair of the Labor Union, and Plant Directors - individuals who bring valuable insights from on-the-ground practices and share a commitment to collaboratively addressing ESG challenges. Thanks to close coordination among functional teams, our ESG Subcommittee serves not only as a bridge between strategy and execution but also as a platform for sharing, feedback, and continuous improvement.



Capacity Building for the Leadership Team

To strengthen our leadership team's knowledge and skills in sustainability, we rolled out several programs and initiatives over the past year.

- **Training and Research:** Members of the BoD participated in in-depth training courses on ESG, risk management, and corporate social responsibility. Additionally, the Company provided relevant reading materials and encouraged Board members to review industry reports and best practice case studies.
- **Industry Engagement and Practical Learning:** Board members took part in various industry-focused conferences—not only to expand their professional network but also to exchange insights, share experiences, and engage in dialogue on key sectoral issues. Alongside this, we also organized field visits to advanced paper manufacturers, allowing our executive team to observe and gain practical perspectives from peers' practices.
- **Ongoing Advisory Support:** To support strategic decision-making, we brought in leading ESG and digital transformation experts for advice and hands-on coaching, helping strengthen our leadership team's practical and technical know-how.

Risk Management

The shift toward a smart factory model, alongside the enhancement of ESG practices, not only opens up opportunities for innovation but also presents significant challenges related to cost, operations, and risk management. To proactively respond and ensure an effective transition, HHP’s Internal Audit Committee has conducted a comprehensive review and classification of key risk categories.

Risk	Description	Impact
Risk during new factory implementation phase		
Project Management	- Lack of commitment from leadership - Unclear project scope and objectives - Unrealistic implementation plan	- Project delays and resource shortages - Cost overruns and schedule slippage - Production disruptions
System Integration	- Incompatibility with legacy systems - Lack of standardized processes across departments - IT infrastructure limitations	- Inconsistent data, making analysis challenging - Servers, networks, and software are insufficient for smooth operations
Staff Training	- Employees not ready to adopt new technologies	- Difficulty in using the system - Operational errors and data entry mistakes
Operational Risks		
Production interruptions	- Technical system failures (server, software, network, IoT, PLC, etc.) - Maintenance not performed as scheduled - Power outages, network failures	- Factory shutdowns - Unexpected machinery breakdowns impacting production - Disrupted connectivity with management systems
Cybersecurity and Data Protection	- Cyberattacks (e.g. ransomware, viruses) - Internal data breaches - Inadequate access control	- Loss of production data, operational disruption - Compromise of proprietary technology and production processes - Risk of unauthorized edits or deletion of critical data by staff.

Data Quality	- Incorrect data entry (e.g. technical specifications, material usage, production figures) - Data not updated in real time	- Leads to product defects and project delays - Hinders accurate and timely decision-making
System Scalability Risks	- The system cannot accommodate production expansion - Difficulties in integrating new technologies	- Causes data bottlenecks and reduced efficiency - Inability to upgrade or replace outdated equipment
Human and Organizational Risks		
Organizational Culture Shift	- Employees resist or struggle to adapt to new processes - Lack of coordination between departments	- Reduced implementation efficiency - Operational conflicts within the system
Shortage of Skilled Personnel	- Lack of IT staff with expertise in the 3S iFactory system - Ineffective technology transfer	- Delays in troubleshooting and issue resolution - Personnel unable to effectively operate and utilize the system
Financial and Cost Risks		
Cost Overruns During Implementation	- Cost escalations due to changes in requirements during implementation. - Errors in estimating maintenance and system upgrade costs.	- Expected benefits may not be realized due to suboptimal digital transformation processes. - Extended payback period.

To mitigate risks during the transition and operation of the smart factory model, HHP implements systematic risk management measures, including:

- **Clear implementation planning:** Clearly define scope, objectives, budget, and resource allocation.
 - **Comprehensive staff training:** Conduct hands-on training programs prior to official operations.
 - **Enhance system security:** Regularly update software and strictly control access rights.
- **Regular inspection and maintenance:** Schedule machinery maintenance and 24/7 monitoring systems.
 - **Performance evaluation and continuous improvement:** Track performance metrics and gather employee feedback for system optimization.

Information Transparency

At HHP, we view information transparency not merely as a compliance requirement, but as a strategic foundation for building credibility, strengthening trust, and enhancing long-term business performance. Our consistent commitment to proactively sharing timely and sufficient information with stakeholders aims to foster alignment, collaboration, and mutual growth.

To realize this commitment, HHP has implemented a multi-channel feedback system that promotes two-way communication and encourages greater stakeholder engagement:

Anonymous suggestion boxes: Placed in visible areas within offices and factories to ensure convenient and confidential feedback.

Internal Feedback Channels for Employees

Regular group meetings and thematic dialogues: Held quarterly and on special occasions to directly discuss ESG initiatives, challenges, and proposed solutions.

Online survey forms: Enable staff to express their opinions, concerns, and questions related to sustainability issues.



Internal forum: A platform for employees to share experiences, contribute ideas, and collectively promote a sustainability mindset across the Company.

External Feedback Channels for Stakeholders



Public ESG information on the Company website: HHP GLOBAL maintains a dedicated sustainability section on our official website, regularly updating ESG policies, action plans, and performance results to ensure easy access and transparency for stakeholders.

Periodic open letters to partners and investors: Provide disclosures on strategic directions, ESG progress, and invite collaboration and contributions from both domestic and international partners.



Starting in 2025, building on lessons learned from the initial ESG rollout and the development of the 2024 ESG Report, we have continued to align and enhance our ESG data infrastructure. These efforts aim to better track implementation progress, continuously improve data quality, and advance the visualization and standardization of our ESG reporting system in line with the highest international standards.

We believe these efforts not only enhance internal governance efficiency but also offer our shareholders, investors, and potential partners deeper insight into HHP's ESG direction—an ongoing journey we hope to pursue and collectively cultivate in support of long-term sustainable growth.

PIONEERING TECHNOLOGICAL INNOVATION

LEED-Certified Factory

With the carton paper industry still classified as “environmentally sensitive”, each new investment project often faces skepticism from local communities and authorities. Nevertheless, HHP GLOBAL is determined to take the lead in addressing these challenges through technological innovation, well-planned investment, and our steadfast commitment to green development.

Drawing from our experience operating a former factory located in a residential area - where we faced repeated complaints about emissions, wastewater, and noise pollution - HHP learned a critical lesson: True sustainable growth requires transformation at the root. That experience became a strategic turning point, prompting us to reshape our operational model to become more environmentally and community friendly.

With a vision for sustainable development, backed by green transformation, HHP invested in the construction of the Lot CN2, Tien Lang Town Industrial Park,, Tien Lang Ward, Hai Phong City. The facility was built to international green building standards and officially began trial operations by the end of 2023.

In January 2024, the factory was awarded the LEED SILVER Certification (Leadership in Energy and Environmental Design) under LEED v4 for BD+C (Building Design and Construction) by the U.S. Green Building Council - one of the world's most prestigious green building rating systems.

LEED Scoreboard 56/110

Integrative Process	1/1
Location & Transportation	4/20
Sustainable Sites	4/10
Water Efficiency	7/11
Energy & Atmosphere	27/89
Materials & Resources	3/13
Indoor Environmental Quality	3/16
Innovation	5/6
Regional Priority	2/4



Key investment highlights:

- Smart lighting system with automatic sensors, enabling efficient energy savings.
- Advanced wastewater treatment system, allowing for up to 70% reuse of waste water.
- Comprehensive waste sorting, storage, and treatment system, covering both hazardous and recyclable waste.
- Ventilation system compliant with ASHRAE 62.1-2010, ensuring indoor air quality.
- Rooftop solar power system with a capacity of 1.181 kWp, helping reduce reliance on fossil fuels and increase the use of renewable energy.
- Multi-fuel fluidized bed boiler system, capable of treating industrial waste at source in compliance with national standards (QCVN etc.).



This technology is not the final destination for HHP, but rather the first milestone in a long-term journey toward clean technology, green manufacturing, and the integration of ESG principles into every stage of our development.

Organization & Operations

To ensure the effective, coordinated, and value-driven implementation and operation of the 3S iFactory system, the 3S iFactory Smart Factory Management Committee (3S Committee) was established. Its key objectives include:

- Operating the 3S iFactory in alignment with the planned schedule, scope, and goals.
- Optimizing production processes to enhance efficiency and minimize waste.
- Ensuring accuracy and consistency in data flow from production to other departments such as accounting, warehousing, and human resources.
- Supporting comprehensive digital transformation at the factory, laying a solid foundation for smart manufacturing.



Working alongside the 3S Committee, each department involved in the implementation process is assigned specific responsibilities aligned with its professional functions.

Department	Responsibilities
Executive Board	Develop the digital transformation strategy, Approve operational policies and deployment resources
3S Committee	Manage and supervise the implementation and operation of the 3S iFactory system.
IT Department	Provide technical support, maintain the system, and ensure data security.
Production Department	Use the system to monitor and optimize the production process. Plan Production and coordinate material flows
Warehouse & Materials Department	Manage warehouse receipts and dispatches, control inventory levels.
Accounting Department	Synchronize financial data, manage production costs.
Quality Department (QA/QC)	Monitor quality, inspect products through the system.
End Users (Workers, Operations Managers, Technicians, etc.)	Directly operate the system and input production data.

Responsible Data Practices

Given the rapid pace of digital transformation, particularly in automating the production chain and operating smart factories, HHP faces increasingly complex demands in data security management. For a manufacturing enterprise like HHP, even a single data breach could lead to serious consequences, including the loss of personal information, exposure of proprietary technologies, disruptions to the supply chain, financial losses, and erosion of trust from partners and the market.

Mindful of these risks, HHP is developing a robust data management system reinforced by integrated security policies. Regular monitoring and auditing mechanisms are also being implemented to actively manage risks, ensure transparency, and support strategic decision-making by the Executive Board and BoD.

To enhance proactive governance, HHP has been progressively establishing a comprehensive monitoring system covering finance, production, and sustainability indicators. Data is collected regularly, analyzed using state-of-the-art tools, and reported to the executive level. This enables leadership to stay aligned with operations and make timely strategic adjustments when needed.

Periodic financial & production reporting

- **Frequency:** Monthly, quarterly, and annually.
- **Content:** Includes revenue, expenses, profit, and cash flow; volume of paper produced and sold; machinery performance and material consumption.
- **Supporting Tools:** HERP software systems, Power BI, and AI-driven data analytics to deliver visualized insights, support forecasting, and evaluate operational efficiency.

KPI monitoring system for performance efficiency

Key performance indicators are designed to align with sustainable development goals:

- **Financial:** Revenue growth $\geq 15\%$ /year; gross profit margin $\geq 12\%$; stable and sustainable operating cash flow.
- **Production:** Machine utilization rate $\geq 90\%$; product defect rate $\leq 3\%$.
- **Sustainability:** Energy and water consumption reduced by 10%/year; 100% compliance with environmental standards.

Application of real-time monitoring technology

HHP invests in real-time monitoring systems and advanced analytics technologies to enhance operational accuracy and responsiveness:

- **IoT sensors:** Continuously track operational parameters across the production line.
- **AI & big data:** Analyze trends, forecast performance, and optimize operations.
- **AI cameras:** Strengthen occupational health and safety monitoring as well as product quality control.

Independent inspection & audit mechanism

To ensure objectivity and transparency, HHP is working toward establishing a multi-layered inspection framework:

- **Internal audit:** Conduct biannually to evaluate financial and production efficiency, identify deviations from the investment plan, and propose adjustments if needed.
- **Third-party audit:** Engage independent auditing agencies annually to assess the transparency of the financial system and ESG reporting.

Monitoring reports from the executive level

The project management team and functional departments submit periodic reports to the BoD. Quarterly strategic meetings provide opportunities to review implementation results, assess emerging risks, and make investment decisions aligned with the sustainability strategy.

Through a rigorous monitoring system that integrates advanced technology and independent audits, HHP not only strengthens our data management and operational capabilities but also builds a solid foundation to fulfill our sustainability commitments and foster greater trust from investors, partners, and the community.



SUSTAINABLE SUPPLY CHAIN

For the packaging paper manufacturing sector, reliance on essential inputs like imported wastepaper, auxiliary chemicals, and logistics makes the supply chain a vital yet risk-laden component of operations.

Supply Chain Challenges

-  Macroeconomic Volatility: Impacts from global inflation, exchange rate fluctuations, and rising transportation costs.
-  Legal and Environmental Pressure: Wastepaper is subject to strict environmental regulations, which increases compliance burdens and operational costs.
-  Supply Chain Disruption Risks: Dependence on imported materials, coupled with limited domestic supply, directly affects production costs, timelines, and profit margins.

HHP GLOBAL's Sustainable Supply Chain Strategy

Amid uncertainty and emerging opportunities, HHP GLOBAL recognizes that a sustainable supply chain is the foundation of long-term resilience and growth. As such, we have centered our efforts on the following strategic priorities:

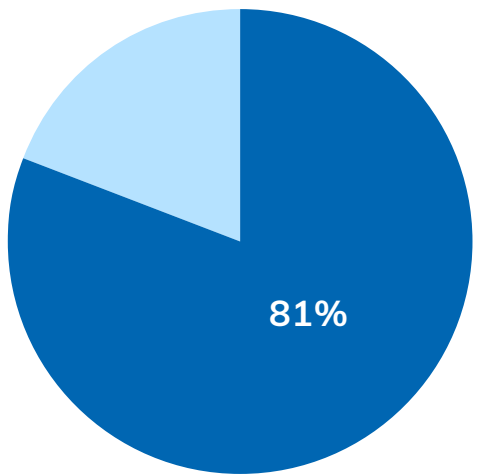
-  Diversifying supply sources: Expanding partnerships both domestically and internationally, with a preference for environmentally certified materials.
-  Improving procurement processes: Applying technology to monitor input material quality and digitizing bidding and order control procedures.
-  Prioritizing responsible suppliers: Screening and collaborating with suppliers that meet ESG standards, conducting supplier assessments.
-  Increasing reuse and local sourcing: Aiming to reduce import dependency and minimize the carbon footprint across the supply chain.
-  Optimizing logistics and promoting green shipment: Enhancing the use of fuel-efficient vehicles, optimizing delivery routes, and minimizing delivery risks.

Partnerships

HHP is flexibly sourcing waste paper from both imported and domestic channels, through measures such as:

- Establishing waste paper collection stations in key regions to proactively secure local supply.
- Maintaining long-term partnerships with reputable suppliers both domestically and internationally, thereby optimizing procurement costs and enhancing resilience to market fluctuations.

- Prioritizing direct contracts with domestic chemical manufacturers to ensure quality control and reduce intermediary costs.



Percentage of Payments to Domestic Suppliers (%)

In the coming period, HHP aims to expand and strengthen supply partnerships by:

- Expanding the network of collection stations in Hai Phong and neighboring provinces, thereby creating livelihoods for local workers.
- Promoting direct connections with factories in industrial zones and clusters to source materials directly and promote raw material localization.

High-quality Supply Sources

Since 2018, HHP has been one of the few paper manufacturers in Vietnam to receive the FSC certification issued by BUREAU VERITAS. This recognition affirms that our supply chain meet

sustainability criteria such as forest resource protection, respect for community rights, and transparency in production. To maintain FSC certification and further enhance supply chain quality, HHP plans to:

- Prioritize partnerships with suppliers certified by reputable organizations such as FSC, PEFC, SFI, and ATFS.
- Continue to tighten supplier due diligence processes, with a particular focus on ESG criteria.

ESG Engagement across Our Network

Beyond operations, HHP is actively working to embed and spread ESG values throughout our entire value chain via:

- Day-to-day business practices – we not only apply ESG principles internally but also actively share them with partners, ensuring that our unwavering commitment is evident through the way we collaborate, operate, and make decisions every day.
- Regular consultation processes – offering stakeholders opportunities to review our performance, share feedback, and contribute to the continuous improvement of our ESG practices.
- Establishing a transparent and sustainable partnership ecosystem – where all parties are engaged and grow together based on shared responsibilities.

Commitment to Ethics & Integrity

Fully aware of potential risks within supply chain operations, such as bribery, collusion, or fraud, HHP has established a comprehensive internal control system and ethical governance framework.

Common risks within the supply chain:

- Procurement and bidding: Collusion with suppliers, receiving kickbacks.
- Client-partner relations: Non-transparent expenses to secure contracts.
- Accounting and finance: Invoice falsification, unauthorized payments.



Anti-Corruption and Control Measures at HHP:



Policies & Code of ethics: Issued and disseminated throughout the entire organization.



Internal control system: Financial transactions are reviewed, and supplier selection processes are checked.



Whistleblower mechanism & Protection Anonymous reporting channels are in place with anti-retaliation safeguards.



Awareness training: Regular training sessions on business ethics and anti-corruption practices.



Cooperation with authorities: Full legal compliance and readiness to cooperate in investigations and audits.

Looking ahead, we are committed to further strengthening our ethics governance system through concrete steps such as:

- Finalizing policies on transparency and accountability, along with a robust system for whistleblowing, monitoring, and ethical risk assessment.
- Establishing a dedicated unit for anti-corruption and misconduct prevention, ensuring a transparent and fair business environment for all stakeholders.



Glossary & Abbreviations

ATFS	American Tree Farm System
BoD	Board of Directors
BOD	Biological Oxygen Demand
COD	Chemical Oxygen Demand
ESG	Environment, Social, Governance
FSC	Forest Stewardship Council
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
ILR	Internal Labour Regulations
OHS	Occupational Health and Safety
PEFC	Programme for the Endorsement of Forest Certification
SASB	Sustainability Accounting Standards Board
SFI	Sustainable Forestry Initiative
TSS	Total Suspended Solids
USAID	United States Agency for International Development

GRI Index

HHP GLOBAL reported with reference to the GRI Standards for the period from January 1 to December 31, 2024.

GRI DISCLOSURES		LOCATION
General Disclosure		
The organization and its reporting practices		
2-1	Organization details	p6
2-2	Entities included in the organization's sus- tainability reporting	p7
2-3	Reporting period, frequency and contact point	p7
2-4	Restatements of information	N.A.
2-5	External assurance	The ESG Report 2024 is not externally assured.
Activities and workers		
2-6	Activities, value chain and other business relationships	p22-27
2-7	Employees	p56-57
2-8	Workers who are not employees	Data not available for 2024.
Governance		
2-9	Governance structure and its composition	p20-21

2-10	Nomination and selection to the highest governance body	p70-71
2-11	Chair of the highest governance body	p8
2-12	Role of the highest governance body in over-seeing the management of impacts	p70
2-13	Delegation of responsibility for managing impacts	p72-73
2-14	Role of the highest governance body in sus-tainability reporting	p72-73
2-15	Conflicts of interest	p71
2-16	Communication of crucial concerns	p38-39, p76-77
2-17	Collective knowledge of the highest governance body	p73
2-18	Evaluation of the performance of the highest governance body	<u>Annual report 2024</u> , p84
2-19	Remuneration policies	<u>Annual report 2024</u> , p84-87
2-20	Process to determine remuneration	<u>Annual report 2024</u> , p84-87
Strategies, policies, and practices		
2-22	Statement on sustainable development strat-	p30-37
2-23	Policy commitments	p8-9
2-24	Embedding policy commitments	p49, p53, p58-66, p70-73, p76-77, p80-86
2-25	Processes to remediate negative impacts	p76-77, p86

2-26	Mechanisms for seeking advice and raising concerns	p76-77
2-27	Compliance with laws and regulations	p59-61, p86
2-28	Membership associations	p27
Stakeholder engagement		
2-29	Approach to stakeholder engagement	p38-40
Material topics		
3-1	Process to determine material topics	p40
3-2	List of Material Topics	p41-43
Topic Standards		
GRI 201: Economic Performance		
3-3	Management of material topics	p84-86
201-1	Direct economic value generated and distribut-ed	p15, p23, p64-67
201-3	Defined benefit plan obligations and other retirement plans	p64-65
GRI 204: Procurement Practices		
3-3	Management of material topics	p84-86

204-1	Proportion on spending with local suppliers	p85
GRI 205: Anti-corruption		
3-3	Management of material topics	p86
205-1	Operations assessed for risks related to corruption	p86
205-2	Communication and training about anti-corruption policies and procedures	p86
205-3	Confirmed incidents of corruption and actions taken	In 2024, no incidents of corruption were reported.
GRI 301: Materials		
3-3	Management of material topics	p52
301-1	Materials used by weight or volume	p52
301-2	Recycled input materials used	p52
GRI 302: Energy		
3-3	Management of material topics	p48-49
302-1	Energy consumption within the organization	p48-49
302-2	Energy consumption outside of the organization	p48-49
302-4	Reduction of energy consumption	p31-32, p49

GRI 303: Water and Effluents		
3-3	Management of material topics	p50-51
303-1	Interactions with water as a shared resource	p50-51
303-2	Management of water discharge-related impacts	p50
303-3	Water withdrawal	p50-51
303-4	Water discharge	p50-51
301-5	Water consumption	p50-51
GRI 305: Emissions		
3-3	Management of material topics	p46-47
305-1	Direct (Scope 1) GHG emissions	p46
305-2	Energy indirect (Scope 2) GHG emissions	p46
305-3	Other indirect (Scope 3) GHG emissions	p46
305-5	Reduction of GHG emissions	p46-47
GRI 306: Emissions 2016		
3-3	Management of material topics	p53
306-1	Waste generation and significant waste-related impacts	p53

306-2	Management of significant waste-related impacts	p53
306-3	Waste generated	p53
306-4	Waste diverted from disposal	p53
306-5	Waste directed to disposal	p53
GRI 308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	p84-85
308-2	Negative environmental impacts in the supply chain and actions taken	p84
GRI 401: Employment 2016		
3-3	Management of material topics	p64-65
401-2	Benefits offered to full-time employees that are not provided to temporary or part-time employees	p64-65
GRI 403: Occupational health and safety 2018		
3-3	Management of material topics	p59-61
403-1	Occupational health and safety management system	p59-61
403-2	Hazard identification, risk assessment and incident investigation	p59-61
403-3	Occupational health service	p59-61

403-4	Worker participation, consultation and communication on occupational health and safety	p59-63
403-5	Worker training on occupational health and safety	p61-63
403-6	Promotion of worker health	p58-64
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	p60-64
403-8	Workers covered by an occupational health and safety management system	p61-62
403-9	Work-related injuries	p60
403-10	Work-related ill health	p60
GRI 404: Training and Education 2016		
3-3	Management of material topics	p62-63
404-1	Average hours of training per year per employee	p62
404-2	Programs for upgrading employee skills and transition assistance programs	p58, p61-62
404-3	Percentage of employees receiving regular performance and career development reviews	p62

SASB Index

SASB Code	Metric	Location
Greenhouse Gas Emissions		
ထွက်ရှိမှု ချိတ်ဆက်မှု	၁။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ ထွက်ရှိသော ကာဗွန်ဒိုင်အောက်ไซด์ (CO2) ထွက်ရှိမှု	↓
ထွက်ရှိမှု ချိတ်ဆက်မှု	၂။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ ထွက်ရှိသော မီသိန်း (CH4) ထွက်ရှိမှု	↓
Energy Management		
ထွက်ရှိမှု ချိတ်ဆက်မှု	၃။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ စွန့်ထုတ်သော စွန့်ပစ်ပစ္စည်းများ	↓
Water Management		
ထွက်ရှိမှု ချိတ်ဆက်မှု	၄။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ စွန့်ထုတ်သော ရေပစ္စည်းများ	↓
ထွက်ရှိမှု ချိတ်ဆက်မှု	၅။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ စွန့်ထုတ်သော ရေပစ္စည်းများ	↓
Supply Chain Management		
ထွက်ရှိမှု ချိတ်ဆက်မှု	၆။ ကုမ္ပဏီ၏ လုပ်ငန်းဆောင်ရွက်မှုမှ စွန့်ထုတ်သော ရေပစ္စည်းများ	↓





HHP GLOBAL JOINT STOCK COMPANY

Head office: No. 194 Kieu Ha street, Dong Hai 2 ward, Hai An district, Hai Phong city, Vietnam

Factory: No CN2, Tien Lang Town Industrial Cluster, Tien Lang, Hai Phong city, Vietnam

Email: info@hhpglobaljsc.com | **Website:** www.hhpglobaljsc.com